

**RULE NO. 2**

**DESCRIPTION AND LIMITATIONS ON SERVICE**

**I. WATER**

**A. QUANTITIES:**

**1. General**

The District will supply water at Customer's service connection, dependably and safely in adequate quantities to meet the reasonable needs and requirements of Customer.

**2. Pressures**

In no event should flowing pressures at District's distribution main, under normal conditions, fall below 25 psi nor should the static pressure exceed 125 psi, except that during periods of hourly maximum demand, the flowing pressure at time of peak seasonal loads may be not less than 20 psi and during periods of hourly minimum demand the static pressure may not be more than 150 psi.

To maintain such pressures, the District supplies and maintains area-wide pressure reducing vaults and pump stations on its transmission mains at its own cost and expense. Individual pressure reducing valves are, in some cases, placed between the service connection and the improvement by the builder or occupant of the improvement on the premises to control water pressure within such improvement. Installation and maintenance of such individual pressure reducing valves are the responsibility of the customer and are not to be considered in any manner the responsibility of the District.

**3. Contract limitations and additional water requirements**

In 1994, the District entered into a new Wholesale Water Supply Contract with Sierra Pacific Power Company (Now Truckee Meadows Water Authority), which supplies treated water to the District. That contract, for the first time, imposed a limit on the amount of water the District would be supplied under the Contract. In order to calculate the amount of water the District and its customers, present and future, would need at full build out of the District, the District prepared a map of the District showing allocations of water usage to existing developed and undeveloped properties in the District. That map is attached to these Rules as Exhibit A. In the event any of the developed or undeveloped property is developed in the future in such a manner as to require more water to be supplied to that property than is indicated on the said map, the owner of the property will be required to purchase and dedicate the required additional acceptable water rights to the District before water service will be supplied by the District. Water Rights Policy is attached to these Rules as Exhibit B.

Allocations of water usage shown on the map described above are not transferable to other real property in the District except in the following limited circumstances: (1) where an Applicant owns two or more parcels of real property in the District and all such parcels are adjacent to each other (i.e., having common boundaries on at least one side per parcel), and; (2) where in the process of development of the said parcels, the Applicant is under utilizing the water usage allocated on the map to one or more of the said parcels, then the Applicant may apply to the District to modify the map to allow some or all of the water usage to be transferred from the underutilized parcel(s) to Applicant's adjacent parcel(s) where it is needed for the development. However, prior to the District allowing such transfer of water usage, the Applicant must first record a document with the Washoe County Recorder's office in a form acceptable to the District, which states (1) the amount of reduced or totally absent water usage that is thereafter available on the parcel(s) from which the water usage has been modified or deleted; and (2) that the parcel(s) from which the water usage have been taken cannot thereafter be developed until adequate water rights have been restored to the parcel(s).

In addition, for reasons unable to be foreseen at this time by the District, there may in the future come a time when, due to such water delivery limitations in such Contract, the District will not have sufficient water rights to serve even undeveloped properties that are being developed consistently with such map, i.e., the District might not have water rights left under the contract to serve the development of a home on a lot where the map showed that just a home would be developed on that lot. While the District believes that it has negotiated an adequate supply of water rights for full build out of the District as contemplated on the said map without additional water rights being supplied by property owners, all owners of undeveloped property within the District are put on notice by this Rule that at some point in the future, water rights may have to be dedicated to the District by property owners to develop any type of property within the District.

**B. QUALITY:**

Whenever furnished for human consumption or for domestic uses, the utility will provide water that meets the standards of the United States Public Health Service for potable water as determined by the Nevada State Health Department.

## II. SEWER

### A. IN GENERAL:

The District will transmit wastewater and effluent as allowed in these Rules and/or Regulations from Customer's service connection dependably and safely in such a manner as to meet the reasonable needs and requirements of Customer.

### B. CAPACITY LIMITATIONS:

The District has allocated a cumulative 250,000 gallons per day of sewer capacity for residential service to properties which have a density of more than 1/3 acre when such higher density is allowed pursuant to zoning applicable on June 30, 1979, for service to Guest Buildings, and Attached Accessory Dwellings, Detached Accessory Dwellings, Infirm Care Units, and for commercial service to properties not zoned for commercial uses on June 30, 1979. At such time as such allocation has been committed by way of issued Sewer Permits or "Will Serve" letters, future such service shall be provided only in the event the District is satisfied that it may be provided without threat to other limited remaining capacity allocated to full 1/3 acre residential development of the balance of the property within the District.

## III. WILL SERVE

"Will Serve" letters are issued to the applicant and are not transferable to another owner upon transfer of ownership of the property to which the "Will Serve" letter applies. "Will Serve" is issued for a period of one year. District requirements for installation of water and sewer facilities in new construction are subject to change. Due to this, and despite the District's approval of a parcel map, subdivision map, or construction plans for a particular project, there must be after such District's approval, and in the District's sole opinion, continuous substantial construction activity on the project during the year after such approval. If not, the District may require the owner of the property to comply with any changes in the District's requirements for installation of water and sewer facilities on the project. The District reserves the right to require new maps.

### A. REQUIREMENTS PRIOR TO WILL SERVE COMMITMENT

Prior to the District issuing the "Will Serve" the following steps must be completed:

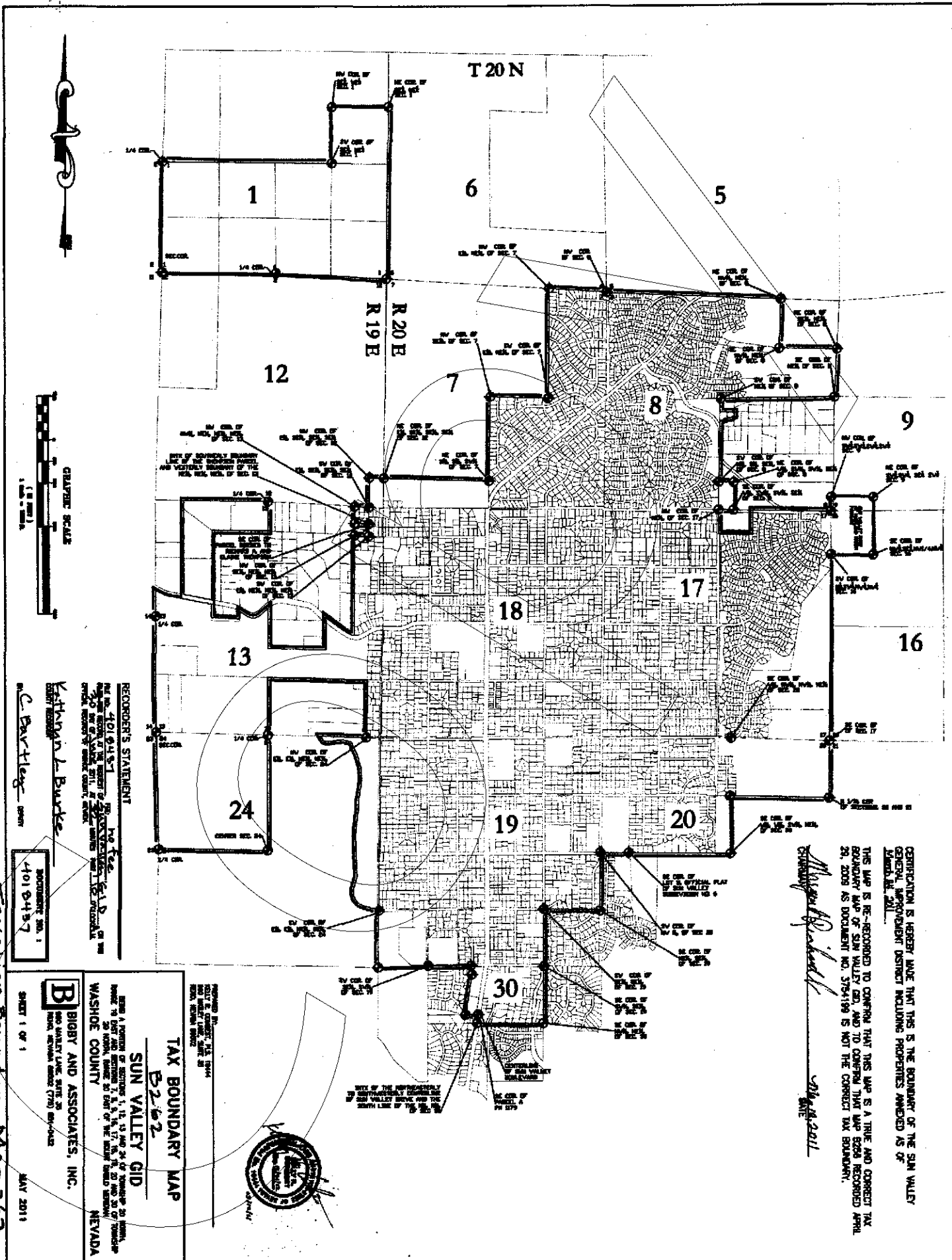
1. Development map must be reviewed and approved.
2. Water and sewer facilities fees must be paid in full.
3. Water rights (where applicable) per the District's Water Rights Contribution policy, must be donated to the District.

# DOC # 4018437

06/30/2011 10:32:55 AM  
Map ID B262  
Requested By  
SUN VALLEY GID  
Washoe County Recorder  
Lawrence R. Burtness - Recorder  
Fee: \$0.00 RPTT:  
Page 1 of 1



CUMULATIVE INDEXES  
SHOULD BE EXAMINED  
FOR ANY SUBSEQUENT  
CHANGES TO THIS MAP



RECORDER'S STATEMENT

4018437  
WASHOE COUNTY, NEVADA  
C. BARTLETT

CERTIFICATION IS HEREBY MADE THAT THIS IS THE BOUNDARY OF THE SUN VALLEY  
GENERAL IMPROVEMENT DISTRICT INCLUDING PROPERTIES AWARDED AS OF  
5/20/2011.  
THIS MAP IS RE-RECORDED TO CORRECT THAT THIS MAP IS A TRUE AND CORRECT TAX  
BOUNDARY MAP OF SUN VALLEY GID, AND TO CORRECT THAT MAP 5028 RECORDED APRIL  
29, 2008 AS DOCUMENT NO. 5764199 IS NOT THE CORRECT TAX BOUNDARY.  
*Lawrence R. Burtness*  
DATE: 5/24/2011

Taxation Boundaring Map 262

**BIGBY AND ASSOCIATES, INC.**  
1800 MARKET LANE, SUITE 20  
RENO, NEVADA 89502 (775) 850-4422

**SUN VALLEY GID**  
TAX BOUNDARY MAP  
B-2-62

SECTION 1 OF 1  
MAY 2011



CUMULATIVE INDEXES  
SHOULD BE EXAMINED  
FOR ANY SUBSEQUENT  
CHANGES TO THIS MAP

## Exhibit B

### SUN VALLEY GENERAL IMPROVEMENT DISTRICT POLICY RE: WATER RIGHTS CONTRIBUTION AND METER FUND CONTRIBUTION

A. General: Sun Valley General Improvement District (the District) requires any real property annexed to the District Boundary after 1990 to dedicate water rights sufficient for water service to that property to the District.

Water rights demands for water service to annexed real property shall be calculated in accordance with Nevada State Engineer requirements in effect at the time the water rights are dedicated to the District, subject to any legally allowed adjustments in such requirements and calculations by the District to properly serve the best interests of the owners of the annexed property, the District and the public it represents. All calculations of water demands shall be verified and approved by the District.

B. Demand Calculations: To allow property owners the ability to project water rights demands for future projects, the District sets forth here its estimations of water rights demands, on an acre feet/year basis. Demand shall mean the estimated annual quantity of water to be delivered to a property needing water service from the District.

1. Single family residential: Demand is based on the square footage of each residential lot and reference is made to the table attached for the demand for varying sized lots.

2. Mobile home parks, with separately metered irrigation: .25 acre feet per space

3. Apartments, duplexes, condominiums, townhouse and similar units (with separately metered irrigation and excluding utility rooms, laundry rooms and/or recreation uses): .14 acre feet per unit

4. Commercial or industrial services, and residential utility rooms, laundry rooms and/or recreation uses:

The District will use the best available data and estimating procedures, including consideration of data supplied by the property owner

## Exhibit B

5. Separately metered irrigation: 3.41 acre feet per acre, provided for drip systems the demand shall be as calculated by a qualified professional as verified by the District

The property owner shall submit to the District plans and specifications sufficient for the District to estimate water rights demands for the annexed property, including but not limited to:

Subdivision plats or parcel maps with square footages of lots, including landscaping plans for common irrigation areas showing turf areas, with square footage, and drip areas, all with water use calculations, or

Site plans with the layout of a proposed project, including plumbing and mechanical plans and landscaping plans showing turf areas, with square footage, and drip areas, all with water use calculations, or

Any other information required by the District to reasonably estimate annual demand.

As needs and/or climatic conditions arise, drought factors may be added to all the above demands. Other adjustments may be necessary to the demand calculations to account for water quantity and quality and in consideration of historic yield of water from such dedicated water rights.

A property owner may also be required by the District to pay for any additional District water facility upgrades or additions required to be made due to the annexation of the subject property.

C. Dedications: Mainstream Truckee River Water rights shall be dedicated in accordance with and in strict compliance with all applicable ordinances, rules, regulations, tariffs and agreements, including all rules, regulations and requirements imposed upon the District by others.

All water rights offered for dedication shall be accepted in writing by the District prior to the issuance of a Will Serve letter for the proposed project. The District shall not accept the dedication of any water rights until a proper application to change the point of diversion, manner of use and place of use of the water rights offered for dedication, along with any necessary supporting Maps or Reports of Conveyance and Abstracts of Title, copies of permits and/or certificates issued by the State Engineer, etc, have been accepted for filing and the application has been published by the Nevada State Engineer. All costs associated with the filing and approval of the required change applications shall be borne by the property owner.

When water rights are provided for dedication, the property owner shall supply all

## **Exhibit B**

required information regarding those rights necessary for the State Engineer, including but not limited to all documents and maps evidencing the water rights.

The property owner is required to pay any other fees and/or charges to the District related to the dedication of these water rights. These fees will include fees to research and verify title of water rights proposed to be dedicated.

### **D. Project Cancellation, Expiration or Termination and Adjustments**

The District's Will Serve letter is automatically revoked and shall be null and void without further notice from the District on the date; Applicant provides written notice to the District that Applicant's project is canceled, Applicant's project expired or is terminated by the applicable governing body.

In the District's sole discretion, the District may hold or bank Dedicated Water Resources in connection with the revoked Will Serve letter for the use by the Applicant, or applicant's designated successor or assign, for a new Will Serve letter for (renewal of project, revised project, or for said property/parcel) another project(s).

This Policy is subject to all other provisions of the District Rules and Regulations.

**RULE 2 - WATER RIGHTS  
RESIDENTIAL WATER DEMANDS**

<b>Lot Square Footage</b>	<b>Lot Acres</b>	<b>Demand Acre Feet</b>	<b>Total AF Reqd</b>	<b>Lot Square Footage</b>	<b>Lot Acres</b>	<b>Demand Acre Feet</b>	<b>Total AF Reqd</b>
1350	0.03	0.12	0.13				
1500	0.03	0.13	0.14	12000	0.28	0.52	0.58
1750	0.04	0.15	0.17	12500	0.29	0.53	0.59
2000	0.05	0.16	0.18	13000	0.30	0.53	0.59
2250	0.05	0.18	0.20	13500	0.31	0.54	0.60
2500	0.06	0.20	0.22	14000	0.32	0.55	0.61
2750	0.06	0.21	0.23	14500	0.33	0.56	0.62
3000	0.07	0.23	0.26	15000	0.34	0.57	0.63
3250	0.07	0.24	0.27	15500	0.36	0.57	0.63
3500	0.08	0.25	0.28	16000	0.37	0.58	0.64
3750	0.09	0.27	0.30	17000	0.39	0.59	0.65
4000	0.09	0.28	0.31	18000	0.41	0.60	0.67
4250	0.10	0.29	0.32	19000	0.44	0.61	0.68
4500	0.10	0.30	0.33	20000	0.46	0.63	0.70
4750	0.11	0.31	0.34	21000	0.48	0.63	0.70
5000	0.11	0.32	0.36	22000	0.51	0.64	0.71
5250	0.12	0.33	0.37	23000	0.53	0.65	0.72
5500	0.13	0.34	0.38	24000	0.55	0.66	0.73
5750	0.13	0.35	0.39	25000	0.57	0.67	0.74
6000	0.14	0.36	0.40	26000	0.60	0.67	0.74
6250	0.14	0.37	0.41	27000	0.62	0.68	0.75
6500	0.15	0.38	0.42	28000	0.64	0.69	0.77
6750	0.15	0.39	0.43	29000	0.67	0.69	0.77
7000	0.16	0.40	0.44	30000	0.69	0.70	0.78
7250	0.17	0.40	0.44	31000	0.71	0.70	0.78
7500	0.17	0.41	0.46	32000	0.72	0.71	0.79
7750	0.18	0.42	0.47	33000	0.76	0.71	0.79
8000	0.18	0.43	0.48	34000	0.78	0.72	0.80
8250	0.19	0.43	0.48	35000	0.80	0.72	0.80
8500	0.20	0.44	0.49	36000	0.83	0.73	0.81
8750	0.20	0.45	0.50	37000	0.85	0.73	0.81
9000	0.21	0.45	0.50	38000	0.87	0.73	0.81
9250	0.21	0.46	0.51	39000	0.90	0.74	0.82
9500	0.22	0.46	0.51	40000	0.92	0.74	0.82
9750	0.22	0.47	0.52	41000	0.94	0.74	0.82
10000	0.23	0.48	0.53	42000	0.96	0.75	0.83
10500	0.24	0.49	0.54	43000	0.99	0.75	0.83
11000	0.25	0.50	0.56	44000	1.01	0.75	0.83
11500	0.26	0.51	0.57	65340	1.50	0.80	0.89