

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

INFORMATION PACKET FOR

NEW SUBDIVISION / COMMERCIAL DEVELOPMENT

- Map Review Application
- Description & Limitations on Service (water rights / boundaries)
- Annexation
- Water Service Rules, Fees, Charges & Rates
- Sewer Service Rules, Fees, Charges & Rates
- Main Extensions, Facility Additions & Hydrant Installations
- Water Connection

**SUN VALLEY GENERAL IMPROVEMENT DISTRICT
APPLICATION FOR SUBDIVISION/COMMERCIAL DEVELOPMENT PLAN
REVIEW
5000 SUN VALLEY BLVD
(775)673-2220 Fax (775)673-1835**

This form must be completed and signed before submitted plan will be reviewed. Property owner's (or legal representative) signature required on all documents.

OWNER/DEVELOPER

ENGINEERING FIRM

NAME _____

NAME _____

ADDRESS _____

CONTACT _____

CITY/STATE _____ ZIP _____ PHONE # _____

PHONE# _____ P.E.# _____

NAME OF SUBDIVISION/COMMERCIAL DEVELOPEMENT: _____

LOCATION OF SUBDIVISION/COMMERCIAL DEVELOPMENT: _____

_____ PARCEL # _____

1. Subdivision/Commercial Development Review Fee of \$500.00 must be paid in advance. This is the minimum fee, and all additional expenses incurred by the District in the review and construction process shall be billed to the property owner as incurred, and as outlined in the District's Tariff. Review fee is required for all new development and existing development such as remodeling and/or expansions.
2. Submit ONE set of tentative plans for review and reference for District Engineer Water and Sewer Capacity Study; deposit for study must be paid by developer prior to commencement of work.
3. Once study has been performed, developer to incorporate any findings into development plans. Submit TWO sets of plans in accordance with District Rule #9.
4. The District will make every effort to review the project as quickly as possible, however it may take up to 30 days. (This does not include any redline corrections, etc.). Unusual circumstances may require a longer review time.

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5. Actual water and sewer availability is dependent upon location of mainlines. The District shall exercise the right to determine "POINT OF SERVICE".
6. If necessary, the owner shall be responsible for extension of mainlines to accommodate the "POINT OF SERVICE".
7. All such projects must be approved by the Sun Valley General Improvement District Board of Trustees at their regular meeting.
8. Water Rights demands for water service 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. All calculations of water demands shall be verified and approved by the District. (See Rule #2 of the District's Rules and Regulations) Water Right Dedication and payment of District Sewer/Water Facilities fees must be performed prior to Water Project submittal to Washoe County Health Department.
9. Will-Serve letters will be issued and mailed to the Washoe County Health Department upon completion of approval of the plans, receipt of TMWA Wholesale Will Serve Letter (See Rule #2 of the District's Rules and Regulations) and payment of District General Sewer/Water Facilities fees.
10. General Sewer/Water Facilities fees must be paid prior to any construction and prior to the District signing the easement jurat.
11. A copy of Recorded Parcel Map must be submitted before any District permits are issued All permits must be filed with the District office prior to any construction related to the water and sewer services.
12. All construction shall be scheduled in consultation with the District and shall conform to the District and County design code standards and details.

I have read, understood and accepted the above conditions by evidence of my signature below.

OWNER SIGNATURE _____ DATE _____

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:

As of 1990 the District requires any real property within the District's Sphere of Influence, map attached as Exhibit A-1, to be annexed into the District current Service Boundary, map attached as Exhibit A-2. All annexed property will be responsible for dedication of water rights acceptable to the Truckee Meadows Water Authority (TMWA) for a Will-Serve Commitment, as defined

in TMWA's Rule 7. Water Rights demands for water service to annexed property shall be calculated in accordance with the

District's Water Rights Contribution Policy, policy attached as Exhibit B, requirements in effect at the time the Water Rights are dedicated in accordance with the District's Contract for Delivery of Water Agreement with TMWA.

New development of annexed property within the District's service area requiring the upgrading or extension of mainline water or sewer facilities will be subject to provisions set out in Rule No. 16 for New Development.

In 1994, the District entered into a new Wholesale Contract for Delivery of Water Agreement with Sierra Pacific Power Company, now TMWA, which supplies treated water to the District. That agreement, for the first time, imposed a limit on the amount of water the District would be supplied under the agreement. 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 Original 1990 District Service Boundary showing existing developed and undeveloped properties in the District, map attached as Exhibit A-3. In the event any of the developed or undeveloped property is developed in the future in such a manner requires 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.

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.

4. Dedication Requirements:

Acceptable water rights shall be dedicated to TMWA on behalf of the District in accordance with the Wholesale Contract for Delivery of Water Agreement 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 calculations of water demands shall be verified and approved by the District and must comply with TMWA's Rules.

Applicants for new and/or improved water services within the District Service Area are responsible for compliance with all TMWA Rules and Regulations, as may be amended from time to time, including dedication of additional water rights where required, and payment of TMWA's Water Resource Sustainability Fee. Such fee is subject to periodic change by TMWA and is reflected on the District's Utility Fee Schedule, referenced in Rule No. 23 as Exhibit A. Payment of this fee must be made to TMWA prior to the issuance of a TMWA Wholesale Will Serve Letter to the District.

The property owner is also required to pay any other additional TMWA fees and/or charges related to the dedication of these Water Rights. These fees will include, but not be limited to, recording fees, TMWA's fee for issuance of Wholesale Will Serve Letter and any fees to research and verify title of Water Rights proposed for dedication.

5. Project Cancellation:

Upon project cancellation, expiration or termination, the District's Will Serve Letter shall be 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, expired or is terminated by the developer or other applicable governing body. Failure to maintain compliance with District Rules and/or Regulations, after notice of same, shall also void the District's Will Serve Letter. The District will notify TMWA of such revocation.

In the District's sole discretion, the District may hold or bank Dedicated Water Resources in connection with the revoked Will Serve Letter.

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 2.1M gallons per day of sewer capacity pursuant to zoning applicable on June 28, 2004, for service to Residential Service, Guest Buildings, and Attached Accessory Dwellings, Detached Accessory Dwellings, Infirm Care Units, and for Commercial Service. 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 transferable to another owner upon transfer of ownership of the property to which the "Will Serve" letter applies. The District's "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

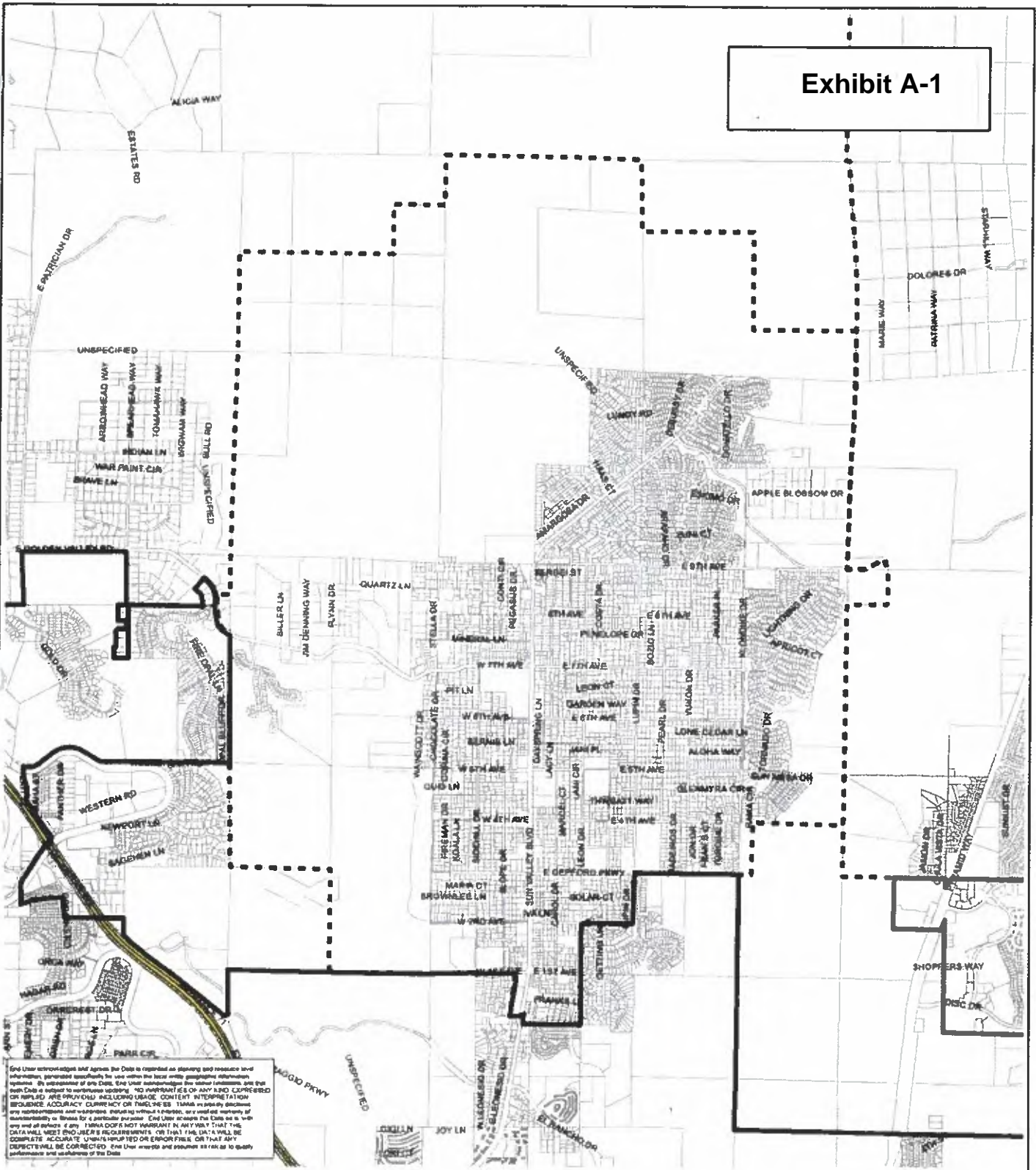
facilities on the project. The District reserves the right to require new maps.

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 dedicated towards the District Contract For Delivery of Water Agreement.

Exhibit A-1



End User acknowledges and agrees the Data is provided as planning and resource level information, provided specifically for use within the local water geographic information system. No warranty of any Data. End User understands the stated limitations and that such Data is subject to continuous updating. NO WARRANTIES OF ANY KIND, EXPRESSED OR IMPLIED, ARE PROVIDED INCLUDING USAGE, CONTENT, INFORMATION, FREQUENCY, ACCURACY, CURRENCY OR TIMELINESS. TMWA is hereby disclaiming any representations and warranties, making no warranty, or used as warranty of accuracy or fitness for a particular purpose. End User accepts the Data as is with any and all defects. TMWA DOES NOT WARRANT IN ANY MANNER THAT THIS DATA WILL MEET END USER'S REQUIREMENTS OR THAT THE DATA WILL BE COMPLETELY ACCURATE, UNINTERRUPTED OR ERROR-FREE, OR THAT ANY DEFECTS WILL BE CORRECTED. End User accepts and assumes all risk as to quality, performance and usefulness of the Data.

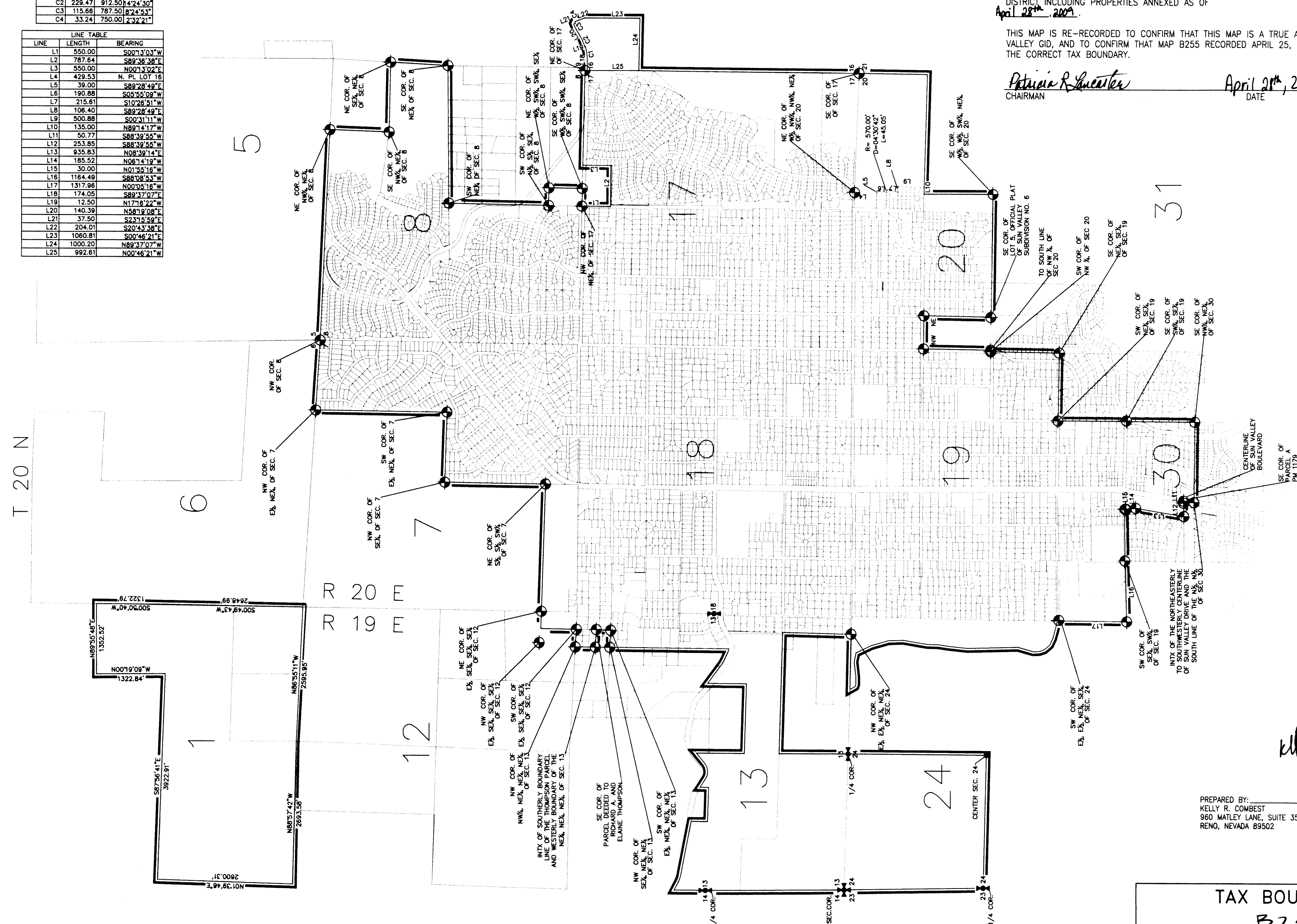
TRUCKEE MEADOWS WATER AUTHORITY REVISED SUN VALLEY GID WHOLESALE BOUNDARY

-  County Wholesale Areas
-  TMWA Retail Boundary



CURVE TABLE			
CURVE	LENGTH	RADIUS	DELTA
C1	285.02	925.00	17°39'15"
C2	229.47	912.50	4°24'30"
C3	115.66	787.50	8°24'53"
C4	33.24	750.00	2°32'21"

LINE TABLE		
LINE	LENGTH	BEARING
L1	550.00	S00°13'03"W
L2	787.64	S89°36'38"E
L3	550.00	N00°13'02"W
L4	429.53	N. PL. LOT 16
L5	39.00	S89°28'49"E
L6	190.88	S05°55'09"W
L7	215.61	S10°26'51"W
L8	106.40	S89°28'49"E
L9	500.88	S00°31'11"W
L10	135.00	N89°14'17"W
L11	50.77	S88°39'55"W
L12	253.85	S89°39'55"W
L13	935.83	N08°39'14"E
L14	185.52	N06°14'19"W
L15	30.00	N01°55'16"W
L16	1164.49	S88°08'53"W
L17	1317.86	N00°05'16"W
L18	174.05	S89°37'07"E
L19	12.50	N17°16'22"W
L20	140.39	N58°19'08"E
L21	37.50	S23°15'59"E
L22	204.01	S20°43'38"E
L23	1080.81	S00°46'21"E
L24	1000.20	N89°37'07"W
L25	992.61	N00°46'21"W



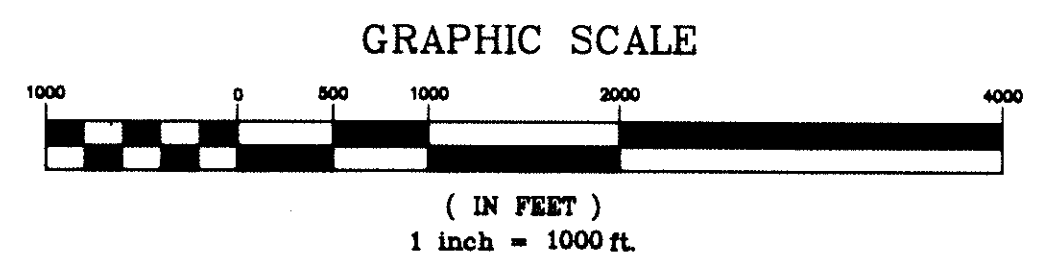
CERTIFICATION IS HEREBY MADE THAT THIS IS THE BOUNDARY OF THE SUN VALLEY GENERAL IMPROVEMENT DISTRICT INCLUDING PROPERTIES ANNEXED AS OF April 28th, 2009.

THIS MAP IS RE-RECORDED TO CONFIRM THAT THIS MAP IS A TRUE AND CORRECT TAX BOUNDARY MAP OF SUN VALLEY GID, AND TO CONFIRM THAT MAP B255 RECORDED APRIL 25, 2008 AS DOCUMENT NO. 3644035 IS NOT THE CORRECT TAX BOUNDARY.

Petricia R. Guenther April 28th, 2009
 CHAIRMAN DATE

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

3754199



RECORDER'S STATEMENT

FILE NO. 3754199 FEE: no fee

FILED FOR RECORD AT THE REQUEST OF Sun Valley GID ON THIS

29 DAY OF April, 2009, AT 12 MINUTES PAST 12 O'CLOCK P.M.

OFFICIAL RECORDS OF WASHOE COUNTY, NEVADA.

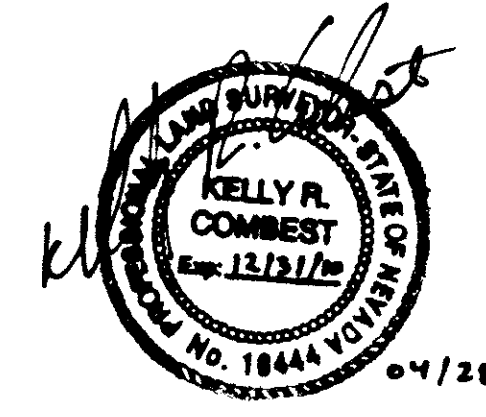
Kathryn L. Burke
 COUNTY RECORDER

By: C. Bartley DEPUTY

DOCUMENT NO. :
3754199

PREPARED BY:
 KELLY R. COMBEST
 960 MATLEY LANE, SUITE 35
 RENO, NEVADA 89502

PLS 16444



TAX BOUNDARY MAP
B256
SUN VALLEY GID

BEING A PORTION OF SECTIONS 1, 12, 13 AND 24 OF TOWNSHIP 20 NORTH, RANGE 19 EAST AND SECTIONS 7, 8, 16, 17, 18, 19, 20 AND 30 OF TOWNSHIP 20 NORTH, RANGE 20 EAST OF THE MOUNT DIABLO MERIDIAN

WASHOE COUNTY NEVADA

B BIGBY AND ASSOCIATES, INC.
 960 MATLEY LANE, SUITE 35
 RENO, NEVADA 89502 (775) 851-0432

SHEET 1 OF 1 APRIL 2009

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

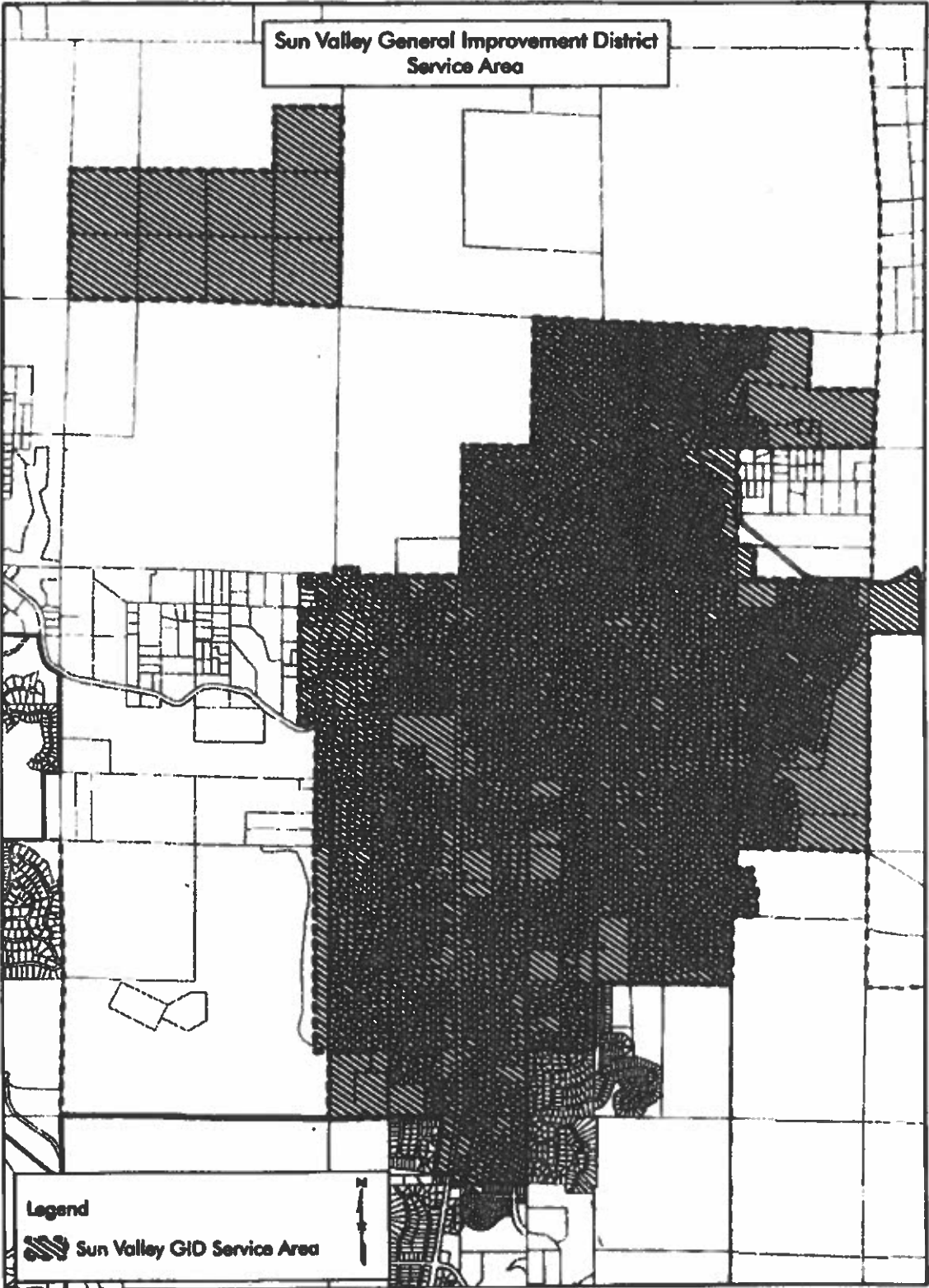


Exhibit B

SUN VALLEY GENERAL IMPROVEMENT DISTRICT WATER RIGHTS CONTRIBUTION POLICY

A. 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.

<u>Type of Unit</u>	<u>Demand (Acre-Feet Per Year)</u>
1. Single family residential: Demand is based on the square foot lot size with a minimum Demand of .11 acre-feet per lot; $1.1 + (15,000/\text{Lot Size})$ estimate demands reference is made on Exhibit C	1
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):	.11 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
5. Separately metered irrigation:	3.41 acre feet per acre, or, for drip systems, the demand as calculated by a qualified professional as verified by the District.

Exhibit B

The property owner shall submit to the District plans and specifications sufficient for the District to estimate Water Rights demands for 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.

This Water Rights Contribution policy is subject to all Rules, regulations and conditions of the Truckee Meadows Water Authority (TMWA), as such may be amended from time to time.

B. Water Rights Auditing:

After the installation of such Domestic/Irrigation Service, the District reserves the right to audit water consumption from time to time to determine the amount of acre feet actually used in Domestic/Irrigation Service on the subject property and, if applicable, take such action or require the property owner to take such action to limit water use to approved amount.

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

RULE 2 - WATER RIGHTS
RESIDENTIAL WATER DEMAND ESTIMATES

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

RULE NO. 24
ANNEXATION

The District will consider changes to its boundaries and inclusions of property into its boundaries pursuant to NRS 318.256 ET, seq. as follows:

I. APPLICATION FOR ANNEXATION

- A. The fee owner or owners of real property capable of being served with water, sewer or other services of the District, which property need not be contiguous to the existing boundaries of the District, shall first file with the District a Petition for Annexation and an Annexation Application, in writing, requesting that such property be included within the District's boundaries for receipt of all or a part of the District's services.
- B. The Petition shall:
1. Set forth an accurate legal description of the property owned by the Petitioners and intended to be annexed.
 2. State that consent to the inclusion of such property in the District is given by the signers thereto, which signers shall constitute all of the owners of such property as well as any persons having an interest in such property reflected in an Option to Purchase or Deed of Trust thereon.
 3. The signatures shall be acknowledged in the same manner as required for a conveyance of land.
 4. Separately there from, there shall be submitted with the Petition a service plan showing the necessity of service to the particular property and the ability of the District to serve it with the necessary utilities. The service plan shall include a financial survey and a preliminary engineering survey by a licensed civil engineer in the State of Nevada showing how the proposed services are to be provided and financed, including source of water and sewer capacity, a map of the proposed new boundaries, an estimate of the population and assessed valuation of the proposed new property, describing the facilities to be constructed, the standards of construction, that such construction shall be by a contractor licensed for such within the State of Nevada, the services to be provided, an estimate of costs, annual operation and maintenance expenses for facilities to be constructed, and any other major expenses related to the annexation to the District.

- C. An Annex application fee will be levied by the District, in accordance with the Utility Fee Schedule, referenced as Exhibit A in Rule No. 23 and shall be submitted to the District with the application.

II. MATTERS TO BE DETERMINED PRIOR TO FINAL ANNEXATION

- A. Upon receipt of an application, the Board of Trustees shall hold a hearing thereon and review it at a regularly scheduled Trustee's Meeting within forty-five (45) days of receipt of the application. The agenda posted for such meetings shall note the filing of such Petition, the general description of the area, and the location of the property under consideration and the names and addresses of Petitioners. The Petitioner shall be notified of the hearing and the date and time and place thereof. Of primary importance at the meeting will be a consideration of whether or not development on the property sought to be annexed meets the District goal that such development should pay for all of its impacts upon the services offered by the District. Objections to the application, if any, from the public, will be heard and considered at the hearing and the applicant or authorized agent thereof shall be available for questioning as to the service plan submitted and the application. No final board action need be taken at the initial Board of Trustee's Meeting thereon, though, if Notice of the Annexation Hearing has been published as required by law prior to the meeting such final action may be taken, in the District's discretion.
- B. There shall be no withdrawal of a Petition after consideration by the Board of Trustees at the hearing.
- C. Thereafter, the District staff shall investigate the propriety of the Petition and the ability of the District to obtain additional water to service the subject property and ability of the District to serve the property with sewer services, and ability of the District to provide refuse disposal services to the property. The Petitioner shall, within forty-five (45) days of the initial meeting of the Board of Trustees, commit to pay the costs and fees incurred by the District professional staff (including, but not limited to accountants, attorneys, engineers, publications, and surveyors), in providing services in consideration of such application, and shall pay such District professional staff directly on billing therefore.
- D. Prior to any final hearing upon such application, the applicant and District's staff shall have proposed agreements made for water rights supplied to the District to serve the subject property, for refuse disposal services to the subject property, and for sufficient sewer capacity to the District for the property.

- E. All property within the area to be annexed is subject to the Washoe County Master Plan, the Sun Valley Area Plan, County Zoning or, if applicable, the Master Plan and Zoning of an Incorporated city.

III. ANNEXATION AND HEARING THEREON

- A. Upon the satisfaction of the District that the requirements set out in paragraph I and II above have been met, the District shall hold, at a regularly scheduled Board of Trustee's Meeting, the final hearing upon the annexation, notice of which shall be published pursuant to NRS 318.258(4). The Board shall grant or deny the Petition in whole or in part and the action of the Board is final and conclusive, absent fraud or collusion. If the Petition is granted as to all or any portion of the subject property, the Board, shall, by appropriate documentation, note the extension of the boundaries of the District and file such for record as provided in NRS 318.075.

IV. OTHER CHARGES

- A. Inclusion of the property within the District shall not impair nor affect the organization of the District nor shall it affect, impair or discharge any contract, obligation, lien or charge upon which the District or the subject property therein might be liable or chargeable had such change of boundaries not been made.
- B. Property included within the District shall be subject to the payment of taxes, assessments and charges as provided in NRS 318.258.
- C. After the date of its inclusion in the District, the subject property is subject to all of the taxes and charges imposed by the District, collection of a fee from water customers located within the Reno/Sparks incorporated area to equalize the ad valorem tax burden on unincorporated customers. and is liable for its proportionate share of existing general obligation bonded indebtedness of the District, but it is not liable for any excess or charges levied or assessed prior to its inclusion in the District. Such charges shall be computed in such a manner as to not place a new charge against the District members, nor penalize the area annexed.

RULE NO. 21

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 or owners 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.

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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"	\$24.00
1"	\$26.02
1 1/2"	\$30.04
2"	\$30.61
3"	\$37.25
4"	\$53.56
6"	\$59.38
8"	\$65.20

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	\$2.52
Tier 2 Greater than 6,000 gallons	\$3.61

Multi-Unit Charge – For each additional unit in excess of one (1) unit served from a single residential meter, the unit charge shall be **\$24.00** per 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
3/4"	\$24.00

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

Tier 1 Usage up to 6,000 gallons per unit	\$2.52
Tier 2 Usage greater than 6,000 gallons, per unit	\$3.61

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
3/4"	\$24.00
1"	\$26.02
1 1/2"	\$30.04
2"	\$30.61
3"	\$37.25
4"	\$53.56
6"	\$59.38
8"	\$65.20

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

Tier 1 Per 1,000 gallons per month	\$2.52
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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"	\$24.00
1"	\$26.02
1 1/2"	\$30.04

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2"	\$30.61
3"	\$37.25
4"	\$53.56
6"	\$59.38
8"	\$65.20

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

Irrigation Per 1,000 gallons	\$3.61
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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 **\$29.13** 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	\$3.61
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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.

9. Emergency Service Fees:

In the event that a Customer or property owner requests District personnel to inspect and/or repair water service and it is, upon such inspection or repair, determined by such District personnel that the cause of the need for such inspection or repair was not the responsibility of the District (i.e., frozen pipes, etc.) then there shall be added to the monthly bill for the premises a minimum charge of **\$40.00** for such services supplied after normal District working hours. Additional after hour services will be charged in accordance with the Utility Fee Schedule.

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 apply for and receive a "Will Serve" letter from the District.
2. 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.
3. Attached Accessory Dwelling or a Detached Accessory Dwelling will be billed as 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. The customer shall then apply, on a District-provided form, for temporary occupancy of the Infirm Care unit in the District. Such District form shall require, and the customer, by making such application, does agree that:
 - a. Suitable medical documentation supporting the need for the infirm care until must be supplied with the application.
 - b. 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.
 - c. The property owner must either be the caregiver for an immediate family member, or the actual infirm person.
 - d. The infirm care unit may not be transferred to another individual and/or property.
 - e. 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.
 - f. District staff, on initial approval, and the Board of Trustees on any subsequent renewal, may make any additional conditions to approval of the unit as are required in the particular circumstances of the infirm care situation.
2. All Infirm Care units are strictly temporary in nature, and continued occupancy thereof is not permanent or guaranteed by the District. If approved by District staff, the initial approval expires twelve (12) months from the date of issuance. If renewal of the approval of the Infirm Care unit is desired by the Customer, prior to such expiration the Customer shall provide an active Administrative Permit issued by Washoe County and/or request to be placed on the agenda for a

regular meeting of the Board of Trustees to consider such renewal. Customer shall supply a new set of medical documentation supporting the need for the continuation of the infirm care unit. The Board of Trustees, in its sole discretion, and whether or not such medical documentation is supplied, may for any legal reason approve or disapprove the renewal of the unit for an additional period of six (6) months from the date of expiration of the initial approval. Thereafter, the same process must be followed by customer every six (6) months from renewal of the unit until the unit is no longer in use.

3. Any additional unit charge will be charged as set forth above in this Rule.
4. 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.
5. 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. 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 (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.

G. Special Conditions:

1. For the purposes of computing the unit charge under Paragraph 3 above, a unit is defined under Rule No. 1.
2. 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.

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:

The installation of water taps will be billed to the applicant at the actual cost of installation in terms of District staff time, equipment and material, and due upon completion of work. Due to the differences in water main depths and soil conditions, a firm estimate of cost cannot be given. The District's estimate of actual job costs shall be the required deposit. 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 3/4 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.

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 \$100.00 administrative fee, per occurrence.

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.

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 Washoe County Health Department, 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 Washoe County Health Department, 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 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.

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 **\$100.00** administrative fee, per occurrence. 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. 22 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 under the water allocation map defined in Rule No. 2, I, A 3, 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 this 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.

III. INSTALLATION FEES

A. New Customer Setup Fees:

For initiation of service to a new customer, the District shall charge the Customer for either replacing or reading a meter at an existing installation, regardless of length of time service was provided, as follows:

<u>Service Connection</u>	<u>Fee</u>
3/4 inch	\$15.00
1 inch	\$15.00

For any service connection in excess of 1", a charge to the Customer equal to **\$25.00** plus the actual cost of the materials and labor of the District for such replacement or reading shall be paid.

B. Reinstallation Of Disconnected Service Fees:

In the event service has been disconnected for non-payment of water and/or sewer bills, the same customer shall be subject to a reconnection charge as follows:

<u>Service Connection</u>	<u>Fee</u>
3/4 inch	\$40.00
1 inch	\$40.00

If payment is made after the last day for payment prior to disconnect and the service has not been disconnected but the service technician has been dispatched to perform the disconnection the customer shall pay a **\$40.00** service connection fee.

When a Customer requests to restore delivery of water before 4:30 pm on a regular work day, the District will make every effort to restore delivery of water on the day of the request. Otherwise, after 4:30 pm restoration will be within District regular business hours the following regular workday from time the request is made.

For any service connection in excess of 1" (i.e. commercial/industrial accounts), a charge to the customer equal to **\$10.00** plus the actual costs of materials and labor of the District for such replacement shall be paid.

C. Special Conditions:

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

IV. 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.

RULE NO. 22

SEWER SERVICE RULES, RATES, FEES AND CHARGES

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

I. SEWER RATES FOR SERVICE CLASSIFICATIONS -GENERALLY

A. Availability And Requirement Of Sewer Service:

Sewer service is available and is required to be obtained from the District to the property of Customers in all applicable service classifications defined in Rule No. 1 for real property within the service boundaries and legal boundaries of the Sun Valley General Improvement District, per the District Rules and/or Regulations validly adopted by Board of Trustees, to the extent the District has allocated to it sufficient capacity therefore in the Truckee Meadows Water Reclamation Facility.

B. Modifications To Existing Sewer:

Any existing customer who makes modification to his existing sewer in size, character or extent of the equipment or operations for which the service is utilized shall immediately file with the District a modification form.

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

If the modification is to any commercial or industrial property and results in an additional new or separate use of the property by an additional and separate commercial or industrial business, all appropriate charges set out in this 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, and/or building permit for such modifications these charges apply.

C. Water Meter Requirement:

For property under any service classification as defined in Rule No. 1 desiring or being mandated by law to utilize the District's sewer system, the sewer rates, fees and charges therefore are to be based on water utilized at

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such property, whether such water be supplied to such property by the District or through that property owner's own independent sources, such as a private well. For such purposes, therefore, any property owner desiring or being mandated by law to utilize the District's sewer system to serve such property within the District's boundaries shall, if not utilizing the District's water system and associated water meter at the time of connection to the District's sewer system, be required to have a water meter installed on the property to be served with the District's sewer service, such installation being at the point where the Customer's water supply enters a commercial building, single-family dwelling, mobile home, multiple-unit complexes including apartment complex or separate defined portion thereof or any structure of any type wherein are located fixtures which result in discharge to the District's sewer system.

1. The District shall be requested by the Customer so to install the water meter for such purposes, by written request therefore to the District so far in advance of the date of installation as reasonably required by the District.
2. The Customer shall pay to the District the actual costs of installation of said meter, based on an amount equal to the time and material expended by the District in said installation.
3. The meter shall remain the property of the District, but Customer shall be responsible for maintenance and upkeep of associated lines and other private water system devices utilized by the District.
4. By his written request to install said meter, the Customer consents to the District's installation of same and agrees to hold the District and its officers, agents and employees acting within the scope of their duties of employment hereunder harmless from any liability in connection with the said installation unless such liability arises due to negligence of such officers, agents and employees. Further, by said written request, the Customer agrees to be bound by this Rule as they relate to sewer service, as well as, pursuant to Rule No. 21 II b and Rule No. 19.

D. Properties With Well Water Capability:

In the event any property within the District served by the District water system also has an existing serviceable well with which well the inhabited or occupied improvements on the property could be served with water and which well does not have a water meter installed to measure water supplied from such well to said improvements, the District reserves the right either to install such meter per the provisions set forth in I C above or to provide some method of assurance satisfactory to the District that the water capable of being pumped from such well is not in fact being utilized by the property owner or Customer to serve such improvements in such a manner that would allow discharge into the District's sewer system. The cost of such meter shall be paid by the Customer pursuant to I C above, as shall

the cost of the latter alternative. Provided, however, that no multiple-unit residential, commercial or industrial buildings shall be allowed to be served through well water.

E. Special Charges For Unauthorized Uses (Sewer Use Ordinance):

1. The District adopted, on September 10, 1981, "Rules of Operation - Sewer Division" which Rules, inter alia, prohibit, at the second paragraph thereof, the discharge into the District's sewer system of certain water or wastes.
2. In addition to the payments required pursuant to "Surcharge" II C 6 below, in the event any user of the District's sewer system is found to be violating such Rules of Operation, as they may be from time to time amended, the District may, at its discretion, discontinue sewer and/or water service to said property until the owner thereof shall demonstrate to the District's satisfaction his ability and intent to comply with said Rules of Operation as to prohibited discharges. Further, in the event the District is subject to payment by a governmental agency of a fine, fee, penalty or any other charge involving payment of funds of the District to a governmental agency because of such discharge, before such water and/or sewer service is re-established to the subject property, the District shall be reimbursed by the property owner for the amount of such fine, fee, penalty or other charge paid by the District.

F. Guidelines For Customer Charges:

The charges set out in Sections II and III of this Rule are based upon the actual use of the District's system by the respective customers' properties located within District boundaries. Each customer is, under this system of charges, to pay its proportionate share of operation and maintenance (including replacement) costs of the District's sewer system, based on the customer's property's proportionate contribution of wastewater, or will be based upon in the future, factors such as, volume and loading characteristics. The costs of operation and maintenance for sewer flow not directly attributable to the property of customer (i.e., inflow and infiltration) are distributed among all customers of the system in the same manner that it distributes costs of operation and maintenance among customers for actual use.

G. Accessory Dwelling:

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 sewer service line to service an Attached Accessory Dwelling shall be an extension of the service line servicing the main residence. The sewer service line to service a Detached Accessory Dwelling shall be a separate sewer line, with a separate and independent tap into the sewer main. On a case-by-case basis and in its discretion, the District may allow for an extension of the existing service line servicing the main residence. All inspections thereof shall be made and fees therefore shall be paid, as with new construction.
2. The Customer shall, if required by the District, pay the current Sewer Facilities fee.
3. The Customer shall comply with the District's construction and inspection specifications (i.e. the Green Sheet), and the construction shall be inspected by the District prior to any use.
4. Attached Accessory Dwelling or a Detached Accessory Dwelling will be billed in accordance set forth in this Rule.

H. Infirm Care Unit:

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.
2. The customer shall then apply, on a District-provided form, for temporary occupancy of the Infirm Care unit in the District. Such District form shall require, and the customer, by making such application, does agree that:
 - a. Suitable medical documentation supporting the need for the infirm care until must be supplied with the application.
 - b. All provisions of the District Rules and/or Regulations for sewer service to a residential unit must be met. These provisions include the application of all District inspection and approval of sewer service lines to the unit prior to occupancy.
 - c. The property owner must either be the caregiver for an immediate family member, or the actual infirm person.
 - d. The Infirm Care unit may not be transferred to another individual and/or property.
 - e. 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.
 - f. District staff, on initial approval, and the Board of Trustees on any subsequent renewal, may make any additional conditions to approval of the unit as are required in the particular circumstances of the Infirm Care situation.
3. All Infirm Care units are strictly temporary in nature, and continued occupancy thereof is not permanent or guaranteed by the District. If approved by District staff, the initial approval expires twelve (12) months from the date of issuance. If renewal of the approval of the infirm care unit is desired by the customer, prior to such expiration

the customer shall provide an active Administrative Permit issued by Washoe County and/or request to be placed on the agenda for a regular meeting of the Board of Trustees to consider such renewal. Customer shall supply a new set of medical documentation supporting the need for the continuation of the Infirm Care unit. The Board of Trustees, in its sole discretion, and whether or not such medical documentation is supplied, may for any legal reason approve or disapprove the renewal of the unit for an additional period of six (6) months from the date of expiration of the initial approval. Thereafter, the same process must be followed by customer every six (6) months from renewal of the unit until the unit is no longer in use.

4. The sewer service line for the unit shall be inspected and approved by District staff as meeting all current District regulations therefore, in advance of occupancy of the unit.
5. The additional unit charge will be charged pursuant to II B of this Rule.

I. Maintenance:

The District will not be responsible for the installation and maintenance of the sewer lines beyond the cleanout at property line.

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 that they be properly maintained.

J. Right Of Access To Premises Of Customer:

The District or its duly authorized agents shall have at all reasonable times the right to ingress and egress from the Customer's premises for any purpose properly connected with the service of sewer to the customer or maintenance of sewer mains or manholes that are within or run through private property. Removal of any restrictive object such as, but not limited to, fence, vehicle, trailer, structure, trees/shrubs and etc. will be removed and Customer will be responsible all associated costs with accessing sewer facilities.

K. Responsibility For Loss Or Damage:

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

The Customer will be held responsible for damage to the District's facilities and other property resulting from the use or operation of appliances and facilities on Customer's premises.

II. SEWER REVENUE SYSTEM

A. The Capitalization Fund:

The capitalization fund shall provide funding for capital expenditures and all other non-Operating Maintenance and Replacement costs as the Board may consider appropriate, including redemption of the principal and payment of the interest on sewer bonds.

1. Revenue Components for the Capitalization Fund shall include:

a. Service Charges:

Assessed customers to recover non-Operation, Maintenance and Replacement costs (for which the User Charge System is not appropriate) including the Sewer Facilities Charge (hookup) and the Monthly Capitalization Charge. The rate of the Capitalization Charge shall be established by the Board of Trustees and customers shall be notified of the charge as a portion of their monthly Sewer Fee bill pursuant to Rule No. 5.

b. Revenue Offsets:

These include funds generated through activities other than wastewater treatment services including sales of excess equipment or facilities. However, Revenue derived from the sale of treatment-related by-products shall accrue only to the User Charge System.

B. Fees, Penalties & Extraordinary Charges:

These are collected by the District and not related to regular Operation, Maintenance and Replacement expenses, and shall accrue to the Capitalization Fund.

C. The User Charge System:

The user charge system shall be based on actual use of the District's wastewater treatment facilities. Each user (user class) shall pay its proportionate share of Operation, Maintenance and Replacement costs based upon his actual contribution to the flow volume and loading of the plant, thereby assuring the fiscal self-sufficiency of the facility over its useful life. The User Charge System shall include:

1. A Financial Management System shall prescribe accounting budgetary procedures to accurately depict revenue requirements and procedures to generate revenue sufficient to operate and maintain the plant.
2. Separate Accounts shall be maintained for the User Charge System and the Capitalization Fund.
3. Operation, Maintenance and Replacement costs of the treatment system shall be enumerated through a line item budget including the following categories:
 - Salaries and Wages
 - Indirect Salary and Wage Costs
 - Contractual Services
 - Materials and Supplies
 - Utilities
 - Equipment Replacement
 - Administrative Expenses

Operation, Maintenance and Replacement costs shall include the costs required to achieve and maintain compliance with discharge permits.

4. The User Charge Rate shall generate revenue sufficient to meet Operation, Maintenance and Repairs costs and maintain a prudent equipment reserve thereby assuring the facilities fiscal operational

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viability, through charges to customers which are proportionate to their usage (volume and loading).

- Annual User Charge Rate: The Annual User Charge Rate per 1,000 gallons shall be based on the following formula:

$$\text{Annual User Charge Rate} \\ \text{Rate} = \frac{\text{Operation, Maintenance \& Replacement Costs}}{\text{Total Volume}}$$

- Industrial/Commercial Surcharge:

A surcharge shall be levied upon any customer whose property's discharge loadings exceed those found to be the average amongst the predominant user class (residential).

The Surcharge shall be based on treatment cost of loadings over standard levels. The standard is the local domestic wastewater strength, which follows:

<u>Parameter</u>	<u>Domestic Wastewater Strength</u>
BOD5d Inhibited	151 mg/l
SSd	149 mg/l
Pd	11.2mg/l
Nd	20.20mg/l

SURCHARGE RATE SCHEDULE

<u>Class</u>	<u>User/Type</u>	<u>Total Surcharge Per \$/1,000 Gal</u>
1	Large Hotel/Casino	\$0.60
2	Small Hotel/Casino	\$0.20
3	Restaurant	\$1.20
4	Pizza Shop	\$0.50
5	Hotel Laundry	\$1.70
6	Laundromat	\$0.50
7	Wand Car Wash	\$0.20
8	Commercial Bakery	\$0.10

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9	Donut Bakery	\$2.40
10	Truck & Bus Wash	\$0.70
11	RV Park w/dump site	\$1.10
12	Commercial Portable Toilet Dump	\$36.40
13	Meat Packer	\$0.50
14	Market with Bakery & Delicatessen	\$0.40
15	Kitchen, commercial	\$1.90

WEIGHTED FIXTURE UNIT SCHEDULE

In order to fairly apply the surcharge rate schedule to those user types whose properties are on a multiple service, the weighted fixture unit schedule will be applied as per the Uniform Plumbing Code Standards.

The number of weighted fixture units for discharges exceeding the said average shall be determined from the follow schedule:

<u>Fixture Type</u>	<u>Weighted Fixture Units Private Public</u>	
Bathtub (including shower head)	2.5	
Bedpan (washer and sterilizer)	3.0	5
(1) Car wash (stall)	12	28
Dental units (cuspidors)	1	
(2) Drinking fountain (per head) with valve control	1	2
(2) Dishwasher (conveyor)		100
(2) Dishwasher (under counter type)	2	10
(2) Disposal (commercial type)	25	50
Laundry (tub and trays)	2	4
(2) Lavatory	1	2
(1) Laundry, commercial (per pound capacity of machine)	1.5	
(2) Laundry, self-service (per pound capacity of machine)	1	.75
(2) Sink: kitchen or service	2	4
(2) Sink: wash or bar	1	2
Shower: each head	2.5	5

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(2) Urinal, tough (per 2 foot) valve Controlled	3	6
(2) Urinal, individual valve Controlled	3	6
(2) Water closet	3	6
(2) Floor drain	2	4
Recreational vehicle dump station	25	
Recreational vehicle park (per wet space)	7	

(1) Recycle: reduce by thirty-five percent

(2) Multiply 1.5 for private and public facilities with greater than twelve-hour and less than sixteen-hour operations. Multiply by 2.0 for private and public facilities with greater than sixteen-hour operation.

In order to protest the surcharge before the Board of Trustees the customer will be required to have ten (10) days of sampling from a State of Nevada Certified Lab.

III. SEWER RULES, RATES, FEES AND CHARGES FOR RESIDENTIAL SERVICE CLASSIFICATION

A. Applicability:

To all properties defined under domestic or residential service classifications in Rule No. 1 located within the District's Service Area and connected to the sewer system owned and operated by the District.

B. Sewer Service Charge:

1. User Charge Component:

- Based upon metered water consumption, each Customer in each single family dwelling unit or having residential service shall be billed at the rate of **\$4.50** per each 1,000 gallons of water metered. Each Customer in each single-family dwelling

unit shall be billed the above rate based on 100% of their metered water consumption during the months of December, January and February (due to the District's billing cycles this consumption means metered water consumption during a consecutive three month period from December through March). The average monthly consumption during that period shall establish that specific Customer's monthly billable quantity for sewer service for the remainder of the year, unless the monthly discharge is less than the average monthly consumption, in which event the billing shall be based on metered water consumption for that period. The minimum sewer consumption charge for all residential customers will be billed at **500 gallons per month**.

- a. In the event of excessive loadings, the surcharge defined in II C 6 above shall also be paid monthly.

2. Capitalization Fund:

- a. In addition to the sewer service user charge component established above, each Customer in each single family dwelling unit or having residential service shall also pay the flat monthly sum of **\$19.00**.

- b. Multi-Unit Charge:

Where Applicable - For each unit in excess of one (1) unit served from a single metered service connection, the unit charge shall be **\$19.00** per unit.

C. Establishing Sewer Service Charge:

In the event a person becomes a Customer of the District at such a time of year as not to be able to establish the discharge component of the sewer bill set forth in III B 1 above, such component, pending calculation of same per the method set forth in III B 1 above, shall be the average of such component for all existing residential service classification Customers.

D. New Customer Set-Up Fee:

For initiation of service to a new Customer, the District shall charge the Customer **\$15.00** to defray initial costs of establishing sewer records and

billing procedures for such Customer. All requests for physical connection to sewer shall be complied with during regular working hours, if possible, on the date of the request, as conditions permit.

E. Emergency Service Fees:

In the event that customer or property owner requests District personnel to inspect and/or repair sewer service and it is, upon such inspection or repair, determined by such District personnel that the cause of the need for such inspection or repair was not the responsibility of the District (i.e., blockage on customer's private lines, etc.) then there shall be added to the monthly bill for the premises a minimum charge of **\$40.00** for such services supplied after normal District working hours. (District Utility Fee Schedule, referenced in Rule No. 23 as Exhibit 23).

IV. SEWER RULES, RATES, FEES AND CHARGES FOR RESIDENTIAL MULTIPLE UNIT COMPLEXES SERVICE CLASSIFICATION

A. Applicability:

Properties defined under Residential Multiple-Unit Complexes as defined under Rule No. 1 located within the District's Service Area and connected to the sewer system owned and operated by the Sun Valley General Improvement District.

B. Sewer Service Charge:

1. User Charge Component:

Apartment complex and mobile home parks serviced by a master meter, having domestic service shall be billed at the flat charge of **\$41.50** per unit and will be billed whether or not unit is occupied; charge is based on District' Operation, Maintenance & Replacement costs as defined in II C above.

C. New Customer Set-Up Fee:

For initiation of service to a new Customer, the District shall charge the Customer **\$15.00** to defray initial costs of establishing sewer records and billing procedures for such Customer. All requests for physical connection to sewer shall be complied with during regular working hours, if possible, on

the date of the request, as conditions permit.

D. Emergency Service Fees:

In the event that customer or property owner requests District personnel to inspect and/or repair sewer service and it is, upon such inspection or repair, determined by such District personnel that the cause of the need for such inspection or repair was not the responsibility of the District (i.e., blockage on customer's private lines, etc.) then there shall be added to the monthly bill for the premises a minimum charge of **\$40.00** for such services supplied after normal District working hours. (District Utility Fee Schedule, referenced in Rule No. 23 as Exhibit 23).

V. SEWER RULES, RATES, FEES, AND CHARGES FOR COMMERCIAL AND INDUSTRIAL SERVICE CLASSIFICATION

A. Applicability:

To all properties defined under Commercial and Industrial service classifications as defined in Rule No. 1 located within the District's Service Area and connected to the sewer system owned and operated by the Sun Valley General Improvement District.

B. Sewer Service Charge:

1. User Charge Component:

Based upon metered water consumption, each Customer in each commercial or industrial unit shall be billed at the rate of **\$4.80** per each 1,000 gallons of water metered.

In the event of excessive discharge loadings, the surcharge defined in II C 6 above shall also be paid monthly.

2. Capitalization Component:

In addition to the sewer service user charge component established above, each Customer in each commercial or Industrial unit shall also pay the flat monthly sum of **\$19.00**.

3. Multi-Unit Charge:

Where Applicable - For each unit in excess of one (1) unit served from a single metered service connection, the unit charge shall be **\$19.00** per unit.

C. New Customer Set-Up Fee:

For initiation of service to a new Customer, the District shall charge the Customer **\$15.00** to defray initial costs of establishing sewer records and billing procedures for such Customer. All requests for physical connection to sewer shall be complied with during regular working hours, if possible on the date of the request, as conditions permit.

D. Emergency Service Fees:

In the event that customer or property owner requests District personnel to inspect and/or repair sewer service and it is, upon such inspection or repair, determined by such District personnel that the cause of the need for such inspection or repair was not the responsibility of the District (i.e., blockage on customer's private lines, etc.) then there shall be added to the monthly bill for the premises a minimum charge of **\$40.00** for such services supplied after normal District working hours. (District Utility Fee Schedule, referenced in Rule No. 23 as Exhibit 23).

VI. SEWER SERVICE CONNECTION RULES, RATES, FEES AND CHARGES

A. Separate Services:

As to each commercial or industrial premises constructed after the effective date of this Rule, a separate sewer lateral shall be required for each unit of commercial or industrial property, whether or not the same are adjacent and/or owned by one person.

B. General Sewer Facilities Charges:

1. For the availability of sewer 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 sewer system, system development costs and the cost of capital. This fee shall be separate and apart from the costs of construction of private yard

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lines and house piping upon the Customer’s property, which costs of construction are the sole responsibilities of the Customer. The General Sewer Facilities Charge shall be based upon service level and water meter sizes, as stated below. A minimum General Sewer Facilities Charge shall be set at the same as a single-family unit (3/4 inch meter) per apartment unit.

<u>Water Meter Size</u>	<u>Fee</u>
3/4 inch	\$ 6,340
1 inch	\$ 7,982
1-1/2 inch	\$ 10,582
2 inch	\$ 13,482
3 inch	\$ 20,482
4 inch	\$ 30,482
6 inch	\$ 55,482

All sewer fees set forth in this Section shall be paid in full to the District prior to sewer plan submittal for review and/or approval by Nevada Department of Environmental Protection or Washoe County Health Department, issuance of Will Serve Letter, and commencement of construction of improvements on 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 Sewer Facilities Charge for each parcel under the following agreed terms. Charges may not be deferred for any project which includes commercial, or multi-family/multi-unit dwelling uses such as apartment complexes and mobile home parks.

Payment Option:

- a. One-third of the Sewer Facilities Charge paid at the time to the District prior to the sewer plan submittal for review and/or approval by Nevada Department of Environmental Protection or Washoe County Health Department, and issuance of Will Serve Letter.

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- b. One-third of the Sewer 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 Sewer Facilities Charge paid at the completion of improvements upon the parcel or at time of the customer's request for sewer service to the parcel.

No Customer/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 lien on the subject property for any payments due under this Rule.

Right to make 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 paid in full.

2. 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 facility fees must be submitted in writing no

later than six (6) months from the date of payment of first payment of facility fees. Refund will be subject to **\$100.00** administrative fee, per occurrence. No refunds will be considered if map has been recorded or if taps have been installed.

C. Customer Refusal To Connect:

In the event a customer or owner of property fails neglects or refuses to connect the Customer's property to the District's sewer system when required and within the time allowed by the District, the District shall take whatever steps are appropriate to cause such connection to be made at the earliest possible date. These steps include, but are not limited to:

1. Reference of the failure to legal counsel for the District and/or the attorney General of the State of Nevada and/or the District Attorney of Washoe County for criminal prosecution for such failure, as allowed by law.
2. Imposing a charge to the Customer or owner against the subject property, which charge shall be denominated a "standby sewer service charge." Such charge shall be in an amount equal to the monthly sewer service charge otherwise charged to the Customer had such property been properly connected to the District's sewer system, as calculated by reference to the District's records regarding the subject property and by referenced under this Rule regarding sewer service fees and charges. Such charge shall be billed monthly commencing not earlier than the first regular billing due upon the subject property after failure to connect as required herein and, in the first billing, also shall be included the sewer connection fee for such property effective on the date of the first billing. In the event such billing is not paid within the time required in these Rules, the provisions of these Rules, including Rule No. 5 hereof, shall apply as to such non-payment.

D. Sparks' Inspection Fees:

All properties defined under Commercial and Industrial Service classifications in Rule No. 1 shall be subject to annual wastewater inspection performed by the City of Sparks, and also be assessed by the City of Sparks for wastewater inspection fees charged to each separate Commercial-and/or-Industrial classified property.

E. Tap Fee:

The installation of sewer taps will be billed to the applicant at the actual cost of installation in terms of District staff time, equipment and material upon completion of work. Due to the differences in sewer main depths and soil

conditions, a firm estimate of cost cannot be given. A deposit shall be paid to the District, based on District's estimate of actual job costs. When pavement removal and replacement are required, an additional deposit based on the size of the street cut will be required.

F. Additional Charges:

In addition to the tap fee 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. 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 regular overtime wages paid by the District to its employees and agents performing said tap.

G. Refund Procedure:

In the event an applicant cannot develop parcel(s) and taps have not been completed, any requests 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.

H. Special Conditions:

1. The User Charge System described in this Rule shall take precedence over the terms & conditions of any agreements or contracts to which the District is a party which are inconsistent with the requirement of the Water Quality Act (as amended 1986) and the applicable regulations of the U.S. EPA.
2. All street cut permits will be obtained by the District personnel, unless construction is being done by the contractor in which case the contractor or property owner will obtain the permit.

RULE NO. 15

WATER SERVICE CONNECTIONS AND CUSTOMER'S FACILITIES

I. INSTALLATION

A. Water Service Connections:

The District will, for the fees pursuant to Rule No. 21 II C 1 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. Protective Devices On Water Service Connections:

1. Residential Cross Connection Protective Devices:

Where any water pipe on Customer's premises is cross-connected to another source of water supply, the District may refuse service or discontinue service until there shall be installed at the expense of the Customer a suitable protective device, approved by the District, to protect against back-flow into the District's system, as required by the State Health Department and other State, County or Municipal authorities having jurisdiction.

2. Non-Residential Backflow Prevention Devices:

- a. Where any connection is made to the District's water system for non-residential uses, a backflow prevention device shall be installed at the Customer's expense. Such devices are required by State regulations, and copies of the current regulations are available at the District office. The size, type and location of the device installed shall comply with such regulations and shall be approved by the District in writing and in advance of installation. The District shall inspect the correct installation of the device prior to any use of it.
- b. Except for backflow prevention devices serving a fire sprinkler system, each installed backflow prevention device shall be tested at least annually to ensure that it is operating correctly. A Notice of the requirement of such annual inspection shall be sent to each Customer affected approximately thirty (30) days before such inspection is required to be performed. Such inspection shall be performed at the Customer's expense, and shall be performed by a backflow prevention device contractor licensed as such and approved by the American Water Works Association. If Customer fails to provide proof of backflow inspection report to the District by June 1st, the District will perform the inspection and will charge an inspection fee in accordance with the Utility Fee Schedule, per inspection. In the event a device fails at the time of the inspection, the device shall be repaired by the District, at a price equal to the total of the cost of the materials needed for the repair and the cost of the labor expended by the District at its regular hourly labor rate. Re-inspection of the device immediately after the repair shall be performed by the District at no cost. Only the District may perform inspections or repairs of these devices.
- c. A backflow prevention device serving a fire sprinkler system shall be inspected at least annually to ensure that it is operating correctly. A Notice of the requirement of such annual inspection shall be sent to each Customer affected approximately thirty (30) days before such inspection is required to be performed. Such inspection shall be performed at the Customer's expense, and shall be performed by a backflow prevention device contractor licensed as such and approved by the American Water Works Association, and also licensed to inspect such devices by the Fire Marshall of the State of Nevada. A list of such approved contractors shall be supplied by the District to the Customer with the above Notice. The results of such inspection shall be provided to the District

by such inspecting contractor within the thirty (30) days allowed in such Notice. In the event such inspection shows that repairs are required to be made to the device, such repairs shall be made by such approved licensed contractor within thirty (30) days of the original inspection. Within such thirty (30) day period from the initial inspection, proof that such repairs were made and proof of the proper performance of the device thereafter shall be supplied in writing to the District.

- d. For good cause, the District may inspect backflow prevention devices or require inspection of such devices by others more often than annually. In the event that a Customer fails to comply with the requirements of any part pursuant to B above inspection and repair of backflow prevention devices, the District shall notify the Customer in writing of non-compliance and the device must be repaired by a licensed contractor and/or the District. Re-inspection of the device immediately after the repair shall be performed by the District at no cost. If the Customer disputes the repair requirement, the Customer will be advised the dispute will be discussed and acted upon at a meeting of a Board of Trustees of the District Such Notice shall be mailed to the Customer at least one (1) week before such meeting. At such meeting, after the Customer is given an opportunity to be heard, the District will determine the necessity, or not, of the repair.
 - e. If the Board of Trustees determines at a hearing held pursuant to sub-section d on the non-compliance issue that the noted repair is required, Customer must either obtain the repair by a licensed contractor within five (5) working days or the District will perform the repair, at a price charged to Customer, equal to the total of the cost of the materials needed for the repair and the cost of the labor expended by the District at its regular hourly rate. Re-inspection of the device immediately after the repair shall be performed by the District at no cost.
3. As to all Customers of the District, the District is authorized to conduct surveys or have surveys conducted on Customer's premises to identify where cross connection hazards exist or may occur. The regulations of the District noted above designate specific types of backflow prevention devices required at premises where hazards exist, and establish and maintain a list of approved backflow prevention assemblies.

C. 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.

D. Right Of Access To Premises Of Customer:

The District or its duly authorized agents shall have at all reasonable times the right to ingress and egress from the Customer's premises for any purpose accessing water facilities. Removal of any restrictive object such as, but not limited to, fence, vehicle, trailer, structure, trees/shrubs and etc. will be removed and Customer will be responsible all associated costs with accessing water facilities.

E. Responsibility For Loss Or Damage:

The District will not be responsible for any loss or damage caused by any negligence or wrongful act of a Customer or his 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 damage to the District's facilities and other property resulting from the use or operation of appliances and facilities on Customer's premises, including damage caused by steam, hot water, chemical, etc.