

Staff Report

TO: Board of Directors

FROM: Doug Roderick, P.E., Engineering Manager
Shannon Wood, Business Services Technician

DATE: June 22, 2022

SUBJECT: Loma Rica Drive District Financed Waterline Extension
Funding Agreement – Lane (Consent)

ENGINEERING

RECOMMENDATION:

Approve Funding Agreement with Cornelius & Susan Lane, property owners within the Loma Rica Drive District Financed Waterline Extension project.

BACKGROUND:

The Board of Directors executed Funding Agreements with 10 property owners at the July 14, 2021 meeting. Plans and specifications were sent out to bid in July 2021. Subsequently, at the August 25, 2021 Board meeting, a construction contract was awarded to C&D Contractors.

The project included approximately 3,200 LF of 8-inch pipe and 3 public fire hydrants, which could serve a total of 20 parcels, 10 of which are participating parcels. Construction of the project was completed in December 2021 and meters were installed for participating parcel owners in February 2022. The road restoration was delayed due to weather conditions and is expected to be completed in the near future.

This project was approved by the Board under the existing DFWLE program, which includes financing over a 30-year period. Per Section 10.20.10 of District Rules and Regulations state that “fully executed DFWLE Funding Agreements and good faith deposits, as outlined in section 10.20.08, will be accepted up to 30 days from written notice of completion of a new treated water line as defined in Section 4.02.01”. Since written notice has not yet been provided due to the project not being completed (road restoration), this parcel is eligible for financing as it was

available to the existing participating parcels. This parcel was included in the project map and was identified as a non-participating parcel, so the project boundary has not changed. The parcel has changed ownership and the new owners would like to have treated water service to the home. Once the road restoration is completed, the remaining non-participating parcel owners identified within the project boundary will receive written notice of completion of the project. Once the 30 days is up, no additional non-participating parcel will be eligible for the financing option and will have to make payment in full in order to receive water service.

While recent discussions with the Board have resulted in new financing options (20-year, 4%) being available for the four remaining DFWLE projects, this project was approved under the original conditions/rules and regulations and as such should be eligible for the original project financing. The funding for this project has already been encumbered, and the District is financially liable for this parcel until water service is requested. By adding this additional parcel funding agreement, the District is ultimately reducing its financial liability, although it will take 30 years to recuperate its costs for this parcel.

Staff is recommending the Board of Directors approve and execute the Funding Agreement with Cornelius and Susan Lane.

BUDGETARY IMPACT:

The District will be recuperating the proportionate share of the Loma Rica Drive DFWLE project costs.

DR/SW

Attachments: (3)

- Funding Agreement – Lane
- District Rules & Regulations Section 10.20.10
- District Rules & Regulations Section 4.02.01

RECORDING REQUESTED BY:

Nevada Irrigation District

WHEN RECORDED MAIL TO:

**Nevada Irrigation District
1036 W. Main Street
Grass Valley, CA 95945-5424**

APN: 006-421-007

SPACE ABOVE THIS LINE FOR RECORDER'S USE
No Fee for Recording Per G.C 6103/27361.3

FUNDING AGREEMENT for LANE

(District Financed Waterline Extension)
Loma Rica Drive Waterline Extension

THIS AGREEMENT made and entered into this 7th day of June, 2022, by and between the NEVADA IRRIGATION DISTRICT, hereinafter referred to as "DISTRICT" and Cornelius W. Lane and Susan Lu Lane, Trustees of the Cornelius and Susan Lane Family 1982 Revocable Trust dated March 3, 1982, hereinafter referred to as "PARTICIPANT", sets forth the terms and condition under which District shall advance financing for the installation of a treated water pipeline to serve lands of PARTICIPANT and lands of other beneficiaries and by which PARTICIPANT shall pay back amounts advanced by DISTRICT with billings for monthly water charges.

RECITALS

WHEREAS,

1. PARTICIPANT is the owner of Nevada County Assessor Parcel Number 006-421-007, hereinafter referred to as "PARCEL." PARCEL, having a site address of 14128 Lee Lane, is described in vesting deed recorded on June 8, 2020, at Document Number 20200012332, Nevada County Records, and is generally shown as "PIQ" (Parcel in Question) on Exhibit "A", attached hereto and made a part hereof. All other parcels participating in the project are also shown in Exhibit "A".
2. PARCEL does not currently have DISTRICT treated water service available.
3. PARTICIPANT owns one parcel in a group of several other participating parcels, the owners of which also desire treated water service from DISTRICT.
4. DISTRICT has completed a water service study to determine requirements for water service availability to the PARCEL and other parcels participating in the project all as shown in Exhibit "A". The water system improvements required to provide service are known as the Loma Rica Drive Waterline Extension Project, and are shown schematically in Exhibit "A", and are collectively referred to herein as "WLE".

5. DISTRICT'S regulations provide for the extension of waterlines at the request of landowners whose land is otherwise eligible for service upon payment by landowners of the cost of said extension. PARTICIPANT has requested consideration by DISTRICT of extending a waterline to PARCEL, and other parcels that can benefit therefrom, with the costs to be advanced by DISTRICT in consideration for PARTICIPANT'S promise to remit its share thereof through monthly installment payments.
6. DISTRICT'S regulations further provide that before water service can be provided to any parcel(s), an acceptable agreement securing payment of charges for all DISTRICT'S capital facilities must be executed prior to the time of connection. Included within such charges are the District's System Capacity Charge, the Meter Installation Fee, and the Backflow Prevention Charge (if necessary) and the costs of any pipeline needed to extend service from the nearest DISTRICT mainline to the parcel(s) to be served. These charges are generally referred to collectively hereafter as a "Connection Charge."
7. DISTRICT is willing to provide treated water service to the PARCEL by extending DISTRICT facilities.
8. DISTRICT will advance funding for the WLE provided PARTICIPANT, as PARCEL owner, agrees to repay the fair share of the actual total project cost for providing water service to PARCEL, including a surcharge required to restore to DISTRICT its interest income that was lost due to the advance, and provided further that all other parcels participating in the WLE agree to equivalent terms and conditions.
9. PARTICIPANT will repay DISTRICT'S advance of the connection charge through payment of a service extension charge billed in installments by DISTRICT in addition to the regular treated water charge billed to PARTICIPANT for water service to the PARCEL. The service extension charge shall be separately shown on the bill remitted for monthly water service charges.
10. PARTICIPANT agrees the service extension charge is a connection charge the payment of which in full is a pre-requisite to service to the PARCEL.
11. PARTICIPANT agrees that the service extension charge will be treated as a connection charge for billing and collection purposes and that DISTRICT may secure payment thereof by discontinuance of service. PARTICIPANT agrees that the unpaid balance of the PARCEL'S *Total Charge*, as defined below, shall be considered a lien against the PARCEL, and is currently due and owing as set forth herein.

NOW, THEREFORE, the parties mutually agree as follows:

A. DEFINITIONS:

1. PARTICIPANT: Owner(s) of the PARCEL as identified herein which is/are a party to this agreement.
2. Participating Parcels: Those parcels identified in Exhibit "A" by their Assessor Parcel Numbers and by which owner(s) have executed a valid Treated Water Service Extension Agreement, including the PARCEL as identified herein. For the purposes of this agreement, the total number of *Participating Parcels* is set at eleven (11).

3. Waterline Extension (WLE): All DISTRICT facilities required to provide treated water service to the participating parcels shown in Exhibit "A", including but not limited to, pipelines and appurtenances, fire hydrants, service assemblies, pressure reducing stations, pump stations, storage tanks, land, and easements.
4. Estimated Project Cost: Total project cost as estimated by DISTRICT for purposes of defining PARCEL'S obligations under this agreement, said estimate being shown in Exhibit "B" attached hereto and made a part hereof.
5. Total Project Cost: All costs associated with the design and installation of the WLE, including but not limited to, pre-design, compliance with the California Environmental Quality Act, design, land and easement acquisition, construction contracts, inspection, construction contract administration, consulting services, administration of consulting service agreements, and all DISTRICT material, labor, and equipment, including overhead.
6. PARCEL'S Share: PARCEL'S *Share* of the *Estimated Project Cost* as calculated in Exhibit "C" attached hereto and made a part hereof. PARCEL'S *Share* shall be adjusted to reflect the actual *Total Project Cost*. The actual *Total Project Cost* shall not exceed the *Estimated Project Cost* for the purposes of calculating PARCEL'S *Share*.
7. PARCEL'S Total Charge: PARCEL'S *connection charge*, composed of capacity charge(s), meter installation charges for the requested 5/8" water meter(s), and PARCEL'S *Share*, less any cash deposits required herein, all as calculated in Exhibit "C". See Exhibit "D" attached hereto and made a part hereof for Schedule 4-A (Capacity and Meter Installation Charges).
8. Payment Recovery Period: The number of months allowed for recovering project costs advanced by District, including a surcharge. For the purposes of this agreement, the *Payment Recovery Period* shall be set at 360 months.
9. Base Monthly Recovery Charge: The monthly charge required to recover PARCEL'S *Total Charge* over the *Payment Recovery Period*, all as calculated in Exhibit "C".
10. Surcharge Multiplier: An integer applied to the *Base Monthly Recovery Charge* for as long as any portion of PARCEL'S *Total Charge* is outstanding that reflects the interest earnings lost by District as a result of funding the WLE. For the purposes of this agreement, the *Surcharge Multiplier* shall be as calculated in Exhibit "C".
11. Service Extension Charge (SEC): The *Base Monthly Recovery Charge* plus the amount derived by the *Surcharge Multiplier*, all as calculated in Exhibit "C". The *Service Extension Charge*, herein after referred to as "SEC", shall be added to the monthly treated water bill for the PARCEL as a line item separate from the consumptive use charges.
12. Subdivision of a Parcel: Any action that creates two or more parcels or separate residential units, including but not limited to condominiums or town homes, which will be described by separate deeds.

B. GENERAL:

1. This agreement shall be recorded in the official records of Nevada County.
2. DISTRICT agrees to design and construct, or cause the design and construction of the WLE shown in Exhibit "A". WLE design and construction includes, but is not limited to, pre-design, compliance with CEQA, design, land and easement acquisition, construction, inspection, consulting agreement administration, and construction contract administration. PARTICIPANT agrees that DISTRICT will not be required to contract for construction but may, in its sole discretion, perform any and all above-described project functions with its own employees, material, and equipment.
3. PARTICIPANT agrees that water service will not be available to the PARCEL until DISTRICT completes construction of the WLE shown in Exhibit "A". DISTRICT agrees to diligently pursue construction and completion of the WLE.
4. District does not guaranty a completion date. PARTICIPANT agrees that DISTRICT has many priorities, including other demands for water service, regular operations and maintenance duties, and emergencies, all of which may take precedence over completion of the WLE project within the timeframe expected by PARTICIPANT. PARTICIPANT agrees to hold DISTRICT harmless for any damages or losses caused in whole or in part by any delay in completion of the WLE.
5. PARTICIPANT agrees that PARCEL'S *Total Charge* constitutes a connection charge for the parcel, and although it will be paid through monthly SEC charges for the term of this agreement, payment is a pre-requisite to water service to the PARCEL. PARTICIPANT agrees that the PARCEL'S *Total Charge*, as specified in this agreement, is due, and payable in accordance with the terms of this agreement, at connection and it shall be a lien against the PARCEL.
6. If actual Total Project Costs exceed the Estimated Project Cost, DISTRICT shall not seek reimbursement for such additional costs from participating parcel(s). PARCEL'S *Share* shall not exceed that calculated in Exhibit "C".

C. PARTICIPANT'S DEPOSIT:

PARTICIPANT has paid to DISTRICT a good-faith deposit of \$4,569 as calculated in Exhibit "C"; receipt of which is hereby acknowledged. PARTICIPANT'S deposit shall be aggregated with all other deposits received from Participating Parcels. PARTICIPANT agrees that District shall not refund any part of PARTICIPANT'S prorated share of the aggregated total deposit required to reimburse DISTRICT for work performed, and materials and equipment supplied; including overhead charges. The unused balance of said deposit shall be refunded if the DISTRICT fails to provide treated water service through its own actions, not caused nor contributed to by any one participant or group of participants, or due to actions not within the control of DISTRICT, or this agreement is terminated by mutual agreement between DISTRICT and PARTICIPANT.

D. APPLICATION FOR WATER SERVICE:

1. PARTICIPANT has signed and returned a Water Service Application Form for the 5/8" meter(s) requested, a copy of which is attached hereto, marked Exhibit "E" and made a part hereof.

2. PARTICIPANT may request and obtain a service size larger than a 5/8" meter. PARTICIPANT agrees to pay any additional capacity and meter installation charges at the then current rate, and PARTICIPANT further agrees to apply for, obtain, sign and return a revised Water Service Application Form, and pay 100% of such additional charges prior to DISTRICT completing construction of the water system improvements. Failure to complete a revised service application and pay such additional charges shall result in the installation of the 5/8" meter(s).
3. Should DISTRICT, either before or after the commencement of service determine, in its sole discretion, that a backflow prevention device is required, PARTICIPANT shall sign a revised Service Application Form and pay the appropriate fees. Should PARTICIPANT fail to complete a revised service application, including the payment of fees, the service assembly shall be locked in the "off" position and will remain locked until a Water Service Application Form has been submitted and appropriate fees paid, and the DISTRICT has installed and tested the backflow prevention device. Meanwhile, the monthly water bill shall continue and shall include among other charges the SEC. The water bill, notwithstanding the fact that water is not being used, must be paid in a timely manner and in full. Failure to do so shall cause the water bill to become delinquent.

E. WATER BILL:

1. PARTICIPANT agrees that the SEC as defined herein shall be added to the bill for treated water associated with PARCEL. The SEC payments will begin after the District accepts the waterline into the distribution system and the project costs have been reconciled. The SEC will be shown on the bill as a line item separate from charges for water actually used, PARTICIPANT agrees that the SEC is a connection charge the payment of which is a pre-requisite for water service to PARCEL. Failure to pay any portion of the total bill will result in the bill becoming delinquent.
2. PARTICIPANT agrees that once the SEC has been calculated and first appears on a water bill, the SEC shall not change for the duration of this agreement.

F. FAILURE TO PAY THE SEC:

1. PARTICIPANT understands and agrees that failure to pay the portion of the SEC, in part or in whole, shall cause the PARCEL to be ineligible for receipt of treated water service. For the purposes of this agreement, a bill is due and payable on issuance of the statement and shall become delinquent 10 days after issuance.
2. PARTICIPANT agrees that once the water bill becomes delinquent as defined above, water service shall be subject to termination. PARTICIPANT agrees that water service shall not be restored until such time as all delinquent amounts, including but not limited to, all past SEC charges, DISTRICT normal and customary water charges, delinquent charges, interest charges, and service charges have been paid in full.
3. PARTICIPANT agrees that nothing herein shall prohibit DISTRICT from utilizing all other methods for collection of delinquent charges, including delinquent SEC charges, permitted under the California Water Code or other applicable law and consistent with the nature of the PARCEL'S *Total Charge* lien created hereby.

4. PARTICIPANT agrees that PARCEL'S *Total Charge* is not a charge for consumptive water used through the meter nor is it a debt that is personal to PARTICIPANT, but is a connection charge, which is due and owing as a condition to water service being made available to the PARCEL. PARTICIPANT agrees that all delinquent SEC charges, including all SEC late fee penalties, shall be included in the unpaid PARCEL'S *Total Charge* lien against the PARCEL, as set forth in paragraph B.5, above. Should any portion of PARCEL'S *Total Charge* not be paid, for any reason, then such unpaid amount shall remain an obligation of the parcel to be paid prior to service being restored, notwithstanding any sale, transfer, or other change of ownership of the PARCEL.
5. PARTICIPANT agrees that the entire amount of PARCEL'S *Total Charge* lien created hereby shall become due and owing by the PARCEL sixty (60) days after any SEC charge payments become delinquent. PARTICIPANT agrees that DISTRICT may take all necessary action to enforce the lien allowed under the California Water Code or other applicable law.
6. The lien on the PARCEL shall not restrict DISTRICT'S authority to terminate service for delinquent accounts, it being understood that District may seek either of such remedies in its discretion.
7. The PARCEL'S *Total Charge* lien pursuant to paragraph B.5, above, shall terminate upon payment in full of PARCEL'S *Total Charge*.

G. PRE-PAYMENT OF PARCEL'S TOTAL CHARGE:

1. DISTRICT agrees to accept without penalty or prepayment charge, prepayment of all or a minimum portion of the then remaining balance of PARCEL'S *Total Charge* as allowed herein. Prepaid amounts will not include the *Surcharge Modifier*.
2. Upon receiving a prepayment conforming to the above criteria, DISTRICT shall determine the remaining months in PARTICIPANT'S *Payment Recovery Period*, effective at the time of receipt of such prepayment, by deducting the number of prior SEC payments received from PARTICIPANT'S *Payment Recovery Period* taking into account any other such adjustments to PARTICIPANT'S *Payment Recovery Period* as allowed herein and elsewhere in this agreement.
3. The remaining balance of PARTICIPANT'S *Payment Recovery Period* shall be reduced by the number of months equal to the pre-payment amount divided by the *Base Monthly Recovery Charge*, rounded down to the nearest whole number. Any remaining portion of the prepayment represented as a fraction of a month will be placed as a credit on the PARCEL water account.
4. DISTRICT agrees that the SEC shall be removed from the water bill for PARCEL at such time as the remaining balance of PARTICIPANT'S *Payment Recovery Period* reaches zero. All other applicable water charges shall remain in full force and effect in accordance with DISTRICT'S rules and regulations.

H. SUBDIVISION OF PARCEL:

1. PARTICIPANT shall notify DISTRICT of subdivision of the PARCEL not less than 10 days prior to recording a parcel map or final map.
2. Upon subdividing the PARCEL, the DISTRICT shall assign, at its sole discretion, the existing water service account (and meter) to one of the newly created lots or units. In general, the account will be assigned to a new parcel having adequate frontage on the WLE and will not necessarily be assigned to a newly created parcel containing the residence that enjoyed prior use of the treated water service. The then unpaid balance of PARCEL'S *Total Charge* shall constitute a lien against the PARCEL to which the existing water service account is assigned.

I. GENERAL REIMBURSEMENT:

1. DISTRICT will collect a *Reimbursement Charge* as defined by the District's Reimbursement Policy, from non-participating parcels at the time water service to such non-participating parcels are connected to the WLE
2. DISTRICT will collect a *Reimbursement Charge* from parcels created by subdividing a participating parcel when such newly created parcel or parcels request new service and are connected to the WLE.

L. TRANSFERS & DUE ON TRANSFER CLAUSE:

This agreement benefits and burdens the PARCEL and shall constitute a covenant running with the PARCEL, and it shall bind the heirs, successors and assigns of PARTICIPANT.

Upon any sale, conveyance, assignment, or other transfer of the PARCEL, except transfer to a spouse, immediate family member, or for the benefit of creating a trust for the current property owners, spouse, or immediate family member, any unpaid portion of the *Total Charge* will be immediately due and payable in full.

M. TERMINATION:

This agreement shall terminate and be of no further force or affect at such time that PARCEL'S *Total Charge* has been paid in full.

N. NOTICES:

The mailing addresses of DISTRICT and PARTICIPANT for the purposes of giving any notice required pursuant to this agreement are as follows:

DISTRICT:

NEVADA IRRIGATION DISTRICT
1036 West Main Street
Grass Valley, CA 95945-5424

PARTICIPANT:

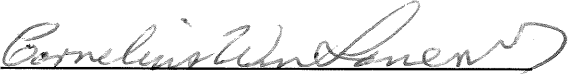
Cornelius W Lane, Trustee
Susan Lu Lane, Trustee
11380 Lonestar Road
Auburn, CA 95602

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year first above written.

NEVADA IRRIGATION DISTRICT

PARTICIPANT

By _____
Chris Bierwagen, Board President

By 
Cornelius W. Lane, Trustee

By _____
Kris Stepanian, Board Secretary

By 
Susan Lu Lane, Trustee

(Notarize all signatures by Acknowledgement)

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

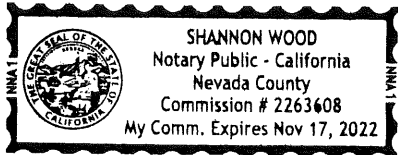
State of California

County of Nevada }

On 06/13/2022 before me, Shannon Wood, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Cornelius W. Lane and Susan Lu Lane
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.



Place Notary Seal and/or Stamp Above

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Shannon Wood
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Funding Agreement for Lane

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer is Representing: _____

Signer's Name: _____

Corporate Officer – Title(s): _____

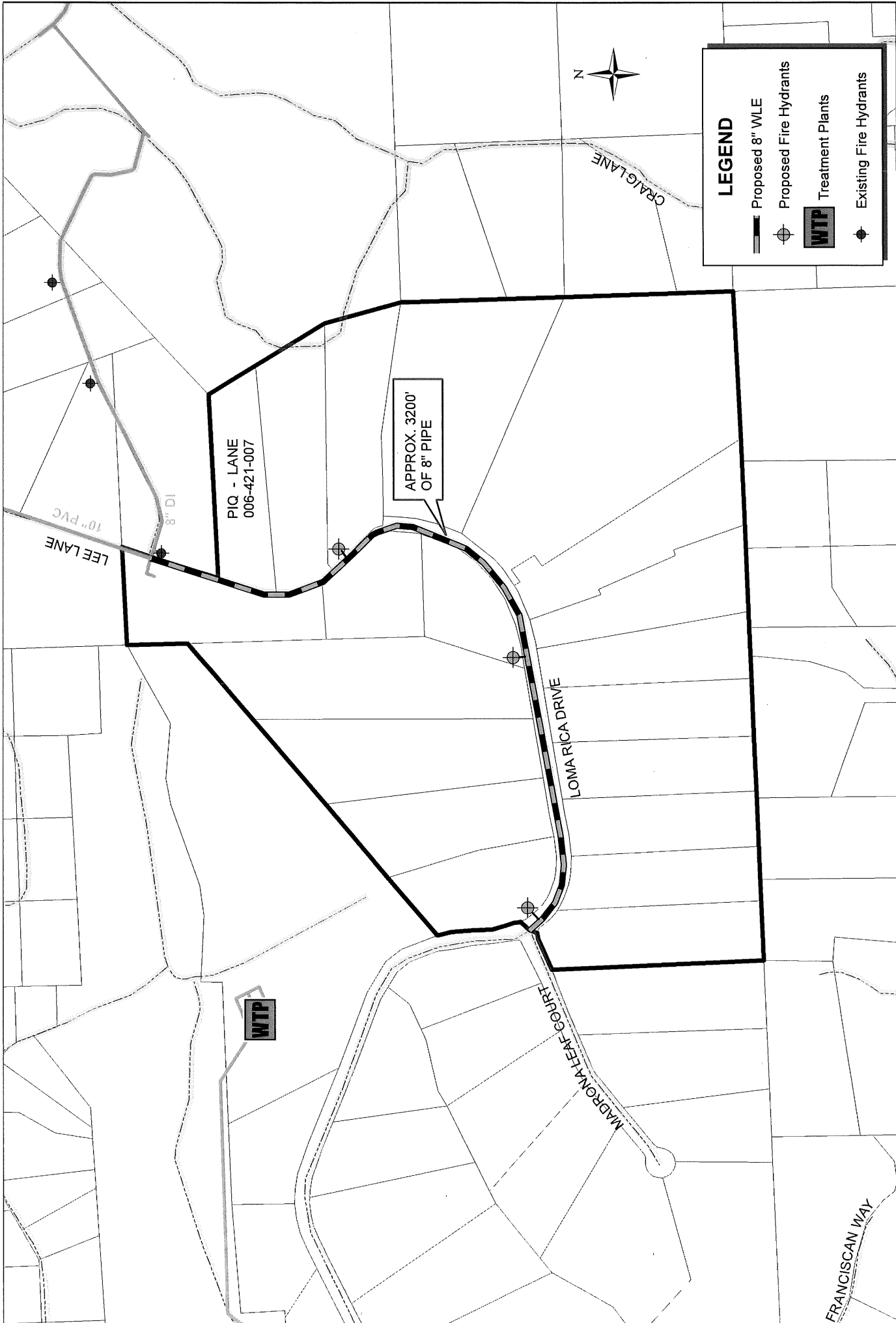
Partner – Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer is Representing: _____



LEGEND

- Proposed 8" WLE
- Proposed Fire Hydrants
- Treatment Plants
- Existing Fire Hydrants



LOMA RICA DRIVE DFWLE

Drawn By: D. HUNT Date: 11/4/2021 Scale: 1"=500'@11x17

EXHIBIT 'A'

NEVADA IRRIGATION DISTRICT
 NEVADA COUNTY -- PLACER COUNTY
 GRASS VALLEY, CALIFORNIA

F:\Engineering\Drawings\review\WLE\UomaRica\DW\ExhibitA\lane.mxd

Cost Estimate
LOMA RICA DRIVE DFWLE - 2021 ALTERNATIVE SHORTENED PROJECT
 District Financed Waterline Extension
 February 1, 2021

ADMINISTRATION

FATR - 2181

Description	Quantity		Unit Cost	Total Cost	District Participation		Project Participant Costs	
					Transmission & Storage Facilities	Community Investment Funds		
Up-Front	Preliminary engineering study (Labor)	1	ls	\$500	\$500	\$0	\$500	\$0
	Engineering administration (Labor)	1	ls	\$1,500	\$1,500	\$0	\$1,500	\$0
	Survey and Engineering (Consultant)	1	ls	\$2,500	\$2,500	\$0	\$2,500	\$0
	Right of way (Labor)	1	ls	\$1,000	\$1,000	\$0	\$1,000	\$0
	Engineering/Administration Subtotal				\$5,500	\$0	\$5,500	\$0
	Burden on Payroll (Labor only)	47	%		\$1,410	\$0	\$1,410	\$0
Subtotal				\$6,910	\$0	\$6,910	\$0	
After Agreement	Contract administration (Labor)	1	ls	\$3,000	\$3,000	\$0	\$0	\$3,000
	Engineering administration (Labor)	1	ls	\$10,000	\$10,000	\$0	\$0	\$10,000
	Engineering (Consulting fees)	1	ls	\$0	\$0	\$0	\$0	\$0
	Drafting (Labor)	1	ls	\$4,000	\$4,000	\$0	\$0	\$4,000
	Survey (Labor)	1	ls	\$10,000	\$10,000	\$0	\$0	\$10,000
	Inspection (Labor)	1	ls	\$10,000	\$10,000	\$0	\$0	\$10,000
	Right of way (Labor)	1	ls	\$5,000	\$5,000	\$0	\$0	\$5,000
	Right of way (Acquisition) ¹	1	ls	\$0	\$0	\$0	\$0	\$0
	Right of way (Consultant)	1	ls	\$0	\$0	\$0	\$0	\$0
	CEQA administration (Labor) ²	1	ls	\$1,000	\$1,000	\$0	\$0	\$1,000
	Fish & Game, CEQA, & Recording Fees	1	ls	\$0	\$0	\$0	\$0	\$0
	Engineering/Administration Subtotal				\$43,000	\$0	\$0	\$43,000
Burden on Payroll (Labor only)	47	%		\$20,210	\$0	\$0	\$20,210	
Subtotal				\$63,210	\$0	\$0	\$63,210	
Administration Subtotal				\$70,120	\$0	\$6,910	\$63,210	

CONSTRUCTION

Description	Quantity		Unit Cost	Total Cost	District Participation		Project Participant Costs
					Transmission & Storage Facilities	Community Investment Funds	
Clearing and grubbing/bonds/mob	1	ls	\$10,000	\$10,000	\$0	\$0	\$10,000
8-inch pipe	3,200	ft	\$110	\$352,000	\$0	\$0	\$352,000
2-inch blowoff	2	ea	\$2,700	\$5,400	\$0	\$0	\$5,400
Air release assembly	2	ea	\$3,600	\$7,200	\$0	\$0	\$7,200
8-inch valve	3	ea	\$2,500	\$7,500	\$0	\$0	\$7,500
Fire hydrant	3	ea	\$6,600	\$19,800	\$0	\$19,800	\$0
Main ending with blowoff	1	ls	\$2,000	\$2,000	\$0	\$0	\$2,000
Single service assembly	20	ea	\$3,400	\$68,000	\$0	\$0	\$68,000
Double service assembly	0	ea	\$2,000	\$0	\$0	\$0	\$0
Roadway Restoration - Chip Seal ³	73600	sf	\$0.63	\$46,368	\$0	\$0	\$46,368
Patching-Miscellaneous	1	ls	\$15,000	\$15,000	\$0	\$0	\$15,000
Rock Removal	40	cy	\$250	\$10,000	\$0	\$0	\$10,000
Construction Subtotal				\$543,268	\$0	\$19,800	\$523,468
Contingency	15	%		\$81,490	\$0	\$2,970	\$78,520
Construction Subtotal				\$624,758	\$0	\$22,770	\$601,988

TOTAL ESTIMATED PROJECT COST \$694,878 \$0 \$29,680 \$665,198

TOTAL PARTICIPANT COST PER PARCEL = \$33,260

20 Total Parcels

LINEAR FEET PER PARCEL = 160

¹ Public Utility Easement exists on sides of roads; road access easement assumed to be granted by homeowners.

² Cost is for a Categorical Exemption

³ Assuming pipe is installed within roadway, full width restoration

**Loma Rica Drive - DFWLE
Conceptual Cost Estimate - February 2021**

REQUIRED INFORMATION

Number of <i>Participating Parcels</i> :	20
<i>Payment Recover Period</i> :	360 Months (Per Funding Agreement)
<i>Estimated Participant Const./Admin. Cost</i> ¹ :	\$665,198 (See attached budget)
Capacity Charge 5/8" Meter:	\$11,985 (2022 rates)
Meter Installation Charge 5/8" Meter:	\$445 (2022 rates)
Surcharge Multiplier:	1.17456

CALCULATIONS

PARTICIPANT'S Share:	
Estimated Project Cost ÷ Number of Total Parcels (\$665,198/20) =	\$33,260
Plus Meter Capacity Charge & Installation Charge (\$11,985+\$445) =	\$12,430
	\$45,690

PARTICIPANT'S Good-Faith Deposit:	
	10% of PARTICIPANT'S Share ² = \$4,569

PARTICIPANT'S Total Charge:	
PARTICIPANT'S Total Share minus PARTICIPANT'S Good-Faith Deposit (\$45,690-\$4,569) =	\$41,121

Base Monthly Recovery Charge:	
PARTICIPANT'S Total Charge ÷ Payment Recovery Period (\$41,121/360)=	\$114.22

Surcharge Multiplier:	
Monthly multiplier for NID financing at 1.11% APR =	1.17456

PARTICIPANT'S Monthly Service Extension Charge (SEC):	
Base Monthly Charge * Surcharge Modifier (\$114.22*1.17456) =	\$134.16
	Per Month

¹Does not include Capacity Charge or Installation Charge

²Good faith deposit is 10% of Estimated Project Cost AND Capacity Charge & Meter Installation Charge per participating parcel.

Exhibit C

SCHEDULE OF RATES AND CHARGES
BY NEVADA IRRIGATION DISTRICT

SCHEDULE 4-A¹
EFFECTIVE JANUARY 1, 2022

**TREATED WATER SYSTEM
STANDBY CHARGES AND CONNECTION FEES**

STANDBY CHARGES²: \$6.00 per month per parcel

CONNECTION FEES³, Non-Commercial⁴ use

Drop In (Existing Meter Box and Water Service Lateral)

Simple Drop In		-----Capacity Charge-----	
Meter Size	Installation Charge	Parcels In District Prior to 03/01/2007	Parcels Annexed to District After 03/01/2007
5/8"	445.20	\$ 11,985.00	\$ 16,073.00
3/4"	468.70	17,258.00	23,146.00
Complex Drop In, Domestic Meter & Fire Meter Installation			
5/8" & 1"	\$2,052.30	\$ 11,985.00	\$ 16,073.00
3/4" & 1"	2,075.80	17,258.00	23,146.00

Installation Requiring Tap to Main*

		-----Capacity Charge-----	
Meter Size	Installation Charge	Parcels In District Prior to 03/01/2007	Parcels Annexed to District After 03/01/2007
5/8"	\$ 7,562.60	\$ 11,985.00	\$ 16,073.00
3/4"	7,586.20	17,258.00	23,146.00
1"	7,628.70	30,683.00	41,043.00
1 1/2"	7,843.60	69,021.00	92,910.00
2"	8,013.30	122,725.00	164,599.00
Over 2"	DETERMINED BY DISTRICT		
Domestic Meter & Fire Meter Installation			
5/8" & 1"	\$ 8,031.90	\$ 11,985.00	\$ 16,073.00
3/4" & 1"	8,055.50	17,258.00	23,146.00

***Service Lateral Installation Cost**

\$108.00 per foot of service lateral installed per standard detail
(in addition to meter installation cost)

NOTE:

Add 25% to all charges above for existing accounts serving lands outside the District (amount rounded to the nearest dollar.) The District does not presently offer treated water service to new accounts serving lands outside the District.

¹BOD 01/25/2017; 09/13/2017; 06/27/2018; 12/08/2021

² BOD 12/12/1990, 12/09/1993; Rules & Regulations Section 4.02.01

³ Rules & Regulations Section 4.04

⁴ Rules & Regulations Section 4.01.04

LANE, MD, CORNELIUS W.

CYCLE	[FACILITY]	ACCOUNT NUMBER
M1	[10313]	43254-0

RETURN SIGNED ORIGINAL TO NID

AGREEMENT AND APPLICATION
 FOR INSIDE DISTRICT TREATED WATER SERVICE FROM:
NEVADA IRRIGATION DISTRICT
 1036 W. MAIN STREET
 GRASS VALLEY, CA 95945
 530-273-6185

APPROXIMATE P.S.I.: 91
 DATE: 6/9/2022
 EFFECTIVE DATE: 6/9/2022

- NEW SERVICE METER RELOCATION
 TRANSFER CHANGE OF SERVICE SIZE
 TURN ON
 NAME CHANGE ONLY

THE APPLICANT REQUESTS DISTRICT TO SUPPLY TREATED WATER AS INDICATED:

TO BE USED ON PROPERTY OWNED BY: CORNELIUS W. LANE, MD
 OWNER'S MAILING ADDRESS: SUSAN L. LANE
11380 LONESTAR ROAD
AUBURN CA 95602-9277

OFF RATE
 SERVICE SIZE _____
 DCV/RP _____
 RPD SERVICE _____
 FIRE SERVICE _____
 SMARTVILLE SERVICE _____

BUSINESS NAME (IF APPLICABLE) _____
 SUBDIVISION/LOT/UNIT: _____ PARCEL NUMBER: N006-421-007-000
 DELIVERY FROM: E GEORGE SYSTEM
 SERVICE ADDRESS: LEE LANE, 14128

ROUTE 02
 BOOK/PAGE 148-
 METER NUMBER _____

NON-COMMERCIAL COMMERCIAL FORMER CONSUMER: LANE MD, CORNELIUS W

Service of water to be in accordance with the conditions printed on the reverse of this application and with other rules and regulations of the District. Applicant agrees to pay for such services at the tolls and charges as established by the District from time to time and agrees to the conditions of this application. New service applications are void 90 days after issuance.

SERVICE CONNECTION FEE	<u>0.00</u>
DCV/RP FEE	<u>0.00</u>
STANDBY FACTOR/FEE	<u>12,430.00</u>
ENCROACHMENT FEE	<u>-4,569.00</u>
OTHER	<u>33,260.00</u>
TOTAL DUE	<u>\$ 41,121.00</u>

OWNER'S SIGNATURE: X Cornelius W Lane MD
 APPLICANT SIGNATURE: X Susan L Lane
(COMMERCIAL ONLY)
 NAME (IF OTHER THAN ABOVE) _____
 MAILING ADDRESS _____

NID BY: AT

FORM 4-C

LOMA RICA DFWLE PARTICIPANT, FEES FINANCED PER FUNDING AGREEMENT

CYCLE	[FACILITY]	ACCOUNT NUMBER	DATE
M1	[10313]	43254-0	6/9/2022

- NEW SERVICE TURN ON
 TRANSFER METER RELOCATION
 OFF RATE NAME CHANGE ONLY
 CHANGE OF SERVICE SIZE

SVC SIZE _____ DCV/RP _____ PSI 91

PROPERTY OWNER CORNELIUS W. LANE, MD
 ADDRESS SUSAN L. LANE
11380 LONESTAR ROAD
AUBURN CA 95602-9277

DELIVERY FROM E GEORGE SYSTEM
 PARCEL NUMBER: N006-421-007-000

SUBDIVISION/LOT/UNIT _____
 SERVICE ADDRESS LEE LANE, 14128

ROUTE 02 BOOK/PAGE 148-

EFFECTIVE DATE 6/9/2022

FORMER CONSUMER: LANE MD, CORNELIUS W

SERVICE CONNECTION FEE	<u>0.00</u>
DCV/RP FEE	<u>0.00</u>
STANDBY FACTOR/FEE	<u>12,430.00</u>
ENCROACHMENT FEE	<u>-4,569.00</u>
OTHER	<u>33,260.00</u>
TOTAL DUE	<u>\$ 41,121.00</u>

NON-COMMERCIAL COMMERCIAL
 NID BY: AT

Exhibit E

economically unreasonable; the risk of foreclosure is so small that it is not considered a realistic risk; and/or the lender or senior lienholder provides the District with alternative assurance satisfactory to the General Manager, that the District's easement will not be disturbed by a senior lienholder. The General Manager's determination can be appealed by written request to the Board of Directors, who may by unanimous action grant the appeal or deny the appeal. The decision of the Board of Directors shall be made in its sole and unlimited discretion and will not be subject to appeal.

Rev. 2/24/21

10.20.10 Funding Agreement

The owner(s) of each participating parcel must enter into a Funding Agreement, subject to approval by the Board of Directors, as found in Form 10-F attached to these regulations. Special provisions may be added to, or other revisions made to the Funding Agreement form as found necessary by the District under the circumstances of each transaction. A DFWLE Funding Agreement, fully executed by the interested landowner(s), must be delivered to the District and approved by the Board before it is effective. The Funding Agreement will be recorded against the participating parcel.

The Funding Agreement, once recorded, will authorize a lien by the District on the participating parcel for the purpose of collecting all delinquent water account charges, including the accumulated SEC.

Project design work will not begin until at least 50% of the potentially served parcels as calculated in accordance with Section 10.20.01 have executed a Funding Agreement, returned it to the District, and the agreement has been recorded with the County Clerk.

Fully executed DFWLE Funding Agreements and good faith deposits, as outlined in section 10.20.08, will be accepted up to 30 days from written notice of completion of a new treated water line as defined in Section 4.02.01. Funding Agreements received more than 30 days from the date of notice or without a good faith deposit shall be deemed invalid.

4.01.10 Minimum Size Water Service

Considered to be a 5/8-inch metered treated water service.

eff. 6/11/03

4.02 STANDBY CHARGES

4.02.01 General

There shall be a charge, as shown in Schedule 4-A, to each parcel located in the District, which parcel is adjacent to, and has direct access to, a District treated water main which can provide a minimum size service. A parcel which is located so that a connection may be made to a District water main without necessity of obtaining any additional “non-District” easements or rights of access from any party will be considered as having direct access. The necessity of obtaining an encroachment permit or equivalent permission from the state or county division of government designated as controlling a roadway or easement, shall not prevent the levy of a standby charge. A parcel will be considered adjacent to a District water main when a principal part of the parcel’s frontage has access to the water main as further discussed in Section 10.01.01(c) of these Regulations.

A court decree or proscription of the Department of Real Estate, Corporation Commission or other state or county body or official against using land for residential or commercial purposes shall not excuse such land from being subject to a standby charge as a parcel.

Upon the completion of a new treated water main, or acceptance of any treated water main by the District, the District will provide a written notice to owners of parcels having direct access to the new treated water main. Such notice will inform the parcel owner(s) of:

- (a) the opportunity to connect to the new treated water main for water service, and related cost for connection; and

- (b) the option to put off connection to the new treated water main, whereas, the parcel owner(s) will be subject to standby charges; and
- (c) the option to defer standby charges if the parcel has another source of water, in accordance with Section 4.02.04; and

If the parcel is connected to the new treated water main within six months following the notice, the parcel will not be subject to standby charges; alternatively, if the parcel has not been connected within six month, the parcel will be subject to standby charges.

If the parcel owner(s) postpone connection to the new treated water main more than six months following the notice, the District will issue a statement for payment of standby charges, in accordance with Section 6.01.03, and every six months thereafter until the parcel is connected to the main, unless a Standby Deferment Agreement is approved by the District.

rev. 03/04/12

4.02.02 Uncollected Standby

Prior to acceptance of an application for water service, any uncollected standby, whether or not billed, shall be collected. Standby charges are collectable from the date the parcel became adjacent to, and had direct access to, a District water main and as determined by past agreements and inception dates of the standby charge.

The standby charges paid by the owners of a parcel shall remain with and run with the parcel and may not be transferred or assigned except that the successor owner of the same parcel shall receive credit for all standby charges paid by predecessor of the same parcel.

4.02.03 Parcel Divisions

If a parcel shall be divided into two or more parcels adequately fronting a District water main, for the purpose of this provision, each division of the larger parcel shall be entitled to credit for its ratio of the total standby charges previously paid by the larger parcel. The ratio shall be the number one over the number representing the total number of parcels existing after the division. The