

Staff Report

TO: Board of Directors

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

DATE: May 11, 2022

SUBJECT: **Water Service Regulations**
Section 10.12 Temporary Service Location (Consent)

ENGINEERING DEPT

RECOMMENDATION:

Approve revisions to Rules and Regulations Section 10.12 Temporary Service Location.

BACKGROUND:

At the March 23, 2022 Board meeting, direction was given by the Board of Directors to modify the District's Water Service Regulation, Section 10.12 Temporary Service Location (TSL). Based on that direction, staff made recommendations to modify Section 10.12 and the Agreement for Temporary Water Service and Contribution for Treated Water Main Extension (Agreement).

On April 27, 2022, staff presented the proposed modifications in a redlined version to the Board for consideration. During that discussion, the Board recommended two changes to the proposed modifications. The two changes were the following:

- Remove "if necessary" from the language in Section 10.12.05(d).
- Change language from "completion" to "intent to construct" in the Agreement, Section 2 Easements, second paragraph.

These changes have been made and are included in the attached documents. Staff also identified that with the proposed revisions, Schedule 10-B: TSL Treated Water Main Contributions was no longer needed and it will be removed from the District's Rate Schedule.

Staff is recommending approval to Rules and Regulations Section 10.12, the Agreement, and the removal of Schedule 10-B TSL Treated Water Main Contributions from the District's fee schedule.

BUDGETARY IMPACT: None at this time.

DR/SW

Attachments: (2)

- NID Rules & Regulations Section 10.12 (redlined and draft)
- Temporary Service Line Agreement (redlined and draft)

10.12 TEMPORARY SERVICE LOCATION

A Temporary Service Location (TSL) may be approved by the Variance Screening Committee (VSC) subject to certain requirements as described herein. The intent of the TSL is to provide a temporary water service to eligible parcels until a future water main is installed to serve the parcel(s) in accordance with Section 10. A TSL is a temporary service facility and is not considered a permanent service location.

10.12.01 Eligibility

A property owner is eligible for a TSL when the property: a) is located within the District Boundary; b) has an existing residential dwelling on the property (served by a water source - other than District treated water) or on a vacant property with the owner having applied for a building permit; c) is not currently fronted by a District treated water main; d) where water service to the property can be obtained from an existing water main; and e) where the orderly development of District facilities will logically require a mainline fronting the subject property in the future.

The subject property must front on a public road right-of-way, utility easement, public service easement, or public/private road which will abut the alignment for such right-of-way or easement as proposed by the District, or a city or county.

Only one (1) TSL will be allowed for each eligible parcel of land.

10.12.02 Application and Request for TSL

The applicant shall complete and submit Form 10-C, Temporary Service Location Request and an administrative processing fee as shown in Schedule 10-B, an 8½" x 11" scaled drawing or map showing the proposed temporary meter location and temporary

service line. The processing fee is non-refundable regardless of approval or denial of the TSL Application.

10.12.03 Review of TSL Application

The Variance Screening Committee (VSC) will review all TSL Applications to determine eligibility. The VSC may deny the TSL or recommend further action. If the VSC unanimously recommends the TSL, the application will be submitted to the General Manager for approval. The applicant will be notified of the District's decision, and if approved, the notification will include a list of requirements to be completed by the applicant prior to scheduling the installation of the meter for the TSL.

The VSC may unanimously deny a TSL. Applicant may appeal per Section 10.12.04.

If the VSC is not in unanimous agreement, it will present the TSL Request to the ~~Engineering Committee~~General Manager for consideration. The ~~Engineering Committee~~General Manager may approve or deny the TSL. If denied, the applicant may appeal per Section 10.12.04.

10.12.04 Appeal of TSL Denial

The applicant may appeal the VSC's denial of a TSL Application. All appeals must be in writing and received by the District within 60 days from the date of written notice of the District's denial. Upon receipt of the request for appeal, the matter will be scheduled for consideration by the District's ~~Engineering Committee or~~ Board of Directors, ~~as appropriate. The Engineering Committee may uphold or overturn the denial. If the Engineering Committee does not overturn the denial, the applicant may appeal the Committee's decision to the Board of Directors by written request to the Business Services Technician. The appeal will be scheduled for consideration by the Board of~~ Directors at a regularly scheduled meeting of the Board of Directors.

10.12.05 Requirements

Upon receipt of notice that the TSL Application has been approved, the applicant must comply with the following requirements to obtain a TSL service:

- a. Pay any fees, or other monetary obligations, that are required for connecting to the existing District main for the temporary service (this may include obligations for existing reimbursement agreements, participation in an existing Improvement District or District Financed Water Line Extension (WLE) program, or participation in other financing districts that may pertain to the existing main);
- b. Pay ~~two current~~ meter installation charges ~~(representing installation charges for connecting the TSL to the existing main and the connection charge for eventually relocating the connection to the future main at the permanent location fronting the subject property)~~. The installation fees will be ~~one (1) "Drop in" fee and~~ one (1) "Requiring Tap" fee as shown in Schedule 4-A;
- c. Pay the current capacity charge for treated water (based on the size of meter requested);
- ~~d. Pay the current Treated Water Main (TWM) Contribution as defined herein;~~
- e.d. Execute Water Service Agreement for Parcels not Fronting NID Waterline, if necessary;
- ~~f. Provide adequate easements or Rights of Way for the future water main and related appurtenances, if applicable;~~
- g.e. In the case of vacant property, provide copy of building permit issued by appropriate agency (District will issue conditional Will Serve Letter as needed);
- h.f. Execute Form 10-D, Agreement for Temporary Water Service and Contribution for Future Treated Water Main Extension;

10.12.06 Expiration of TSL Application

For a vacant property, an approved TSL Application shall remain in effect for a period of one (1) year following the date of approval by the District. For all other properties, an

approved TSL Application shall remain in effect for a period of two (2) years following the date of approval by the District. If all requirements for the TSL have not been met by the expiration date, the TSL approval shall expire and become void.

10.12.07 Extension of Approved TSL

A TSL Application approved for two (2) years may be extended by one (1) year. The applicant must submit a renewal application along with a processing fee as shown in Schedule 10-B which is non-refundable regardless of approval or denial of the TSL Renewal Application. The Renewal Application will be reviewed using the same process as the original application stated previously in this policy. Only one extension may be granted.

~~10.12.08 — Treated Water Main Frontage Contribution~~

~~The Treated Water Main (TWM) Contribution represents the applicant's monetary contribution to the design and construction of a future pipeline that will eventually be installed by others fronting the applicant's parcel. This contribution will be retained by the District, and accounted for separately, to supplement funds needed by a future developer, waterline extender, or by any District sponsored financing efforts to install the future treated water main.~~

~~For each TSL Application, the TWM Contribution will be determined based on the projected size of a single family residential lot that can be subdivided from the subject property at the smallest size (or maximum density), as defined by the General Plan of the appropriate County or City, as follows:~~

~~TWM Contribution = $\sqrt{\text{size of lot (in square feet)}}$ x estimated cost of TWDM* : 2~~

~~*TWDM = Treated Water Distribution Main~~

~~The TWDM multiplier as shown in Schedule 10-B will be determined by the Engineering Department and revised or amended periodically to reflect updated estimates for the cost to provide and install distribution pipelines.~~

~~For a General Plan designation that is not residential use, the TWM Contribution will be based on the actual current size of the subject property.~~

~~Examples:~~

~~A. Gross Area of Subject Property = 6.05 Acres~~

~~General Plan Land Use = Rural Residential~~

~~General Plan Density = 5 Acres (Min)~~

~~Size of lot = 5.0 Acres x 43,560 SF/AC = 217,800 SF~~

~~TWDM = (See Schedule 10-B)~~

~~TWM Contribution = $\sqrt{217,000}$ x TWDM : 2 = \$_____~~

~~B. Gross Area of Subject Property = 20.0 Acres
 General Plan Land Use = Rural Residential
 General Plan Density = 1 Acre (Min)
 Size of lot = 1.0 Acre x 43,560 SF/AC = 43,560 SF
 TWDM = (See Schedule 10-B)
 TWM Contribution = $\sqrt{43,560} \times \text{TWDM} \div 2 = \$$ _____~~

10.12.0908 Future Subdivision of Property

The future subdivision of property with a TSL shall be subject to the District’s Treated Water System Extension Policy (District's Rules and Regulations - Section 10). ~~Upon subdivision, the District will credit the TWM Contribution to one of the property owners of the subdivided parcels/lots, the particular lot to be chosen at the District’s discretion, and it will be assumed that the property owner of that lot will have met its obligation to the cost of the frontage mainline.~~ The property owners of the remaining parcels/lots resulting from the subdivision will be required to pay the appropriate reimbursement for the mainline extension, based on the policy in effect at the time, ~~without consideration of the TWM Contribution.~~

10.12.1009 Installation of Future Treated Water Main

Upon the installation of the future treated water main abutting the subject property, the TSL applicant, or the successor, shall connect to a newly installed service lateral and meter, ~~pursuant to the agreement referenced in 10.12.05(h), and will be responsible for payment of then-existing pro-rata share of the future main, meter and connection costs, and other then-existing reasonable District costs and fees associated with the new connection to the future main, pursuant to the agreement referenced in 10.12.05(f).~~

10.12.11 Refund of other Monetary Obligations

~~If, at the time of TSL approval, the District collected monetary obligations that were required in accordance with 10.12.05 (a), and to the extent that the collected funds have~~

~~not been used for their stated purpose at the time the subject service is moved to its permanent location, the District shall refund the remaining funds. The recipient of the refund shall be to the property owner(s) on title to the subject parcel at the time of disbursement.~~

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10.12 TEMPORARY SERVICE LOCATION

A Temporary Service Location (TSL) may be approved by the Variance Screening Committee (VSC) subject to certain requirements as described herein. The intent of the TSL is to provide a temporary water service to eligible parcels until a future water main is installed to serve the parcel(s) in accordance with Section 10. A TSL is a temporary service facility and is not considered a permanent service location.

10.12.01 Eligibility

A property owner is eligible for a TSL when the property: a) is located within the District Boundary; b) has an existing residential dwelling on the property (served by a water source - other than District treated water) or on a vacant property with the owner having applied for a building permit; c) is not currently fronted by a District treated water main; d) where water service to the property can be obtained from an existing water main; and e) where the orderly development of District facilities will logically require a mainline fronting the subject property in the future.

The subject property must front on a public road right-of-way, utility easement, public service easement, or public/private road which will abut the alignment for such right-of-way or easement as proposed by the District, or a city or county.

Only one (1) TSL will be allowed for each eligible parcel of land.

rev. 03/22/2017

10.12.02 Application and Request for TSL

The applicant shall complete and submit Form 10-C, Temporary Service Location Request and an administrative processing fee as shown in Schedule 10-B, an 8½" x 11" scaled drawing or map showing the proposed temporary meter location and temporary service line. The processing fee is non-refundable regardless of approval or denial of the TSL Application.

rev. 03/22/2017

10.12.03 Review of TSL Application

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The VSC may unanimously deny a TSL. Applicant may appeal per Section 10.12.04.

If the VSC is not in unanimous agreement, it will present the TSL Request to the General Manager for consideration. The General Manager may approve or deny the TSL. If denied, the applicant may appeal per Section 10.12.04.

rev. 05/11/2022

10.12.04 Appeal of TSL Denial

The applicant may appeal the VSC's denial of a TSL Application. All appeals must be in writing and received by the District within 60 days from the date of written notice of the District's denial. Upon receipt of the request for appeal, the matter will be scheduled for consideration by the District's Board of Directors at a regularly scheduled meeting of the Board of Directors.

rev. 05/11/2022

10.12.05 Requirements

Upon receipt of notice that the TSL Application has been approved, the applicant must comply with the following requirements to obtain a TSL service:

- a. Pay any fees, or other monetary obligations, that are required for connecting to the existing District main for the temporary service (this may include obligations for existing reimbursement agreements, participation in an existing Improvement District or District Financed Water Line Extension (WLE) program, or participation in other financing districts that may pertain to the existing main);

- b. Pay meter installation charges. The installation fees will be one (1) “Requiring Tap” fee as shown in Schedule 4-A;
- c. Pay the current capacity charge for treated water (based on the size of meter requested);
- d. Execute Water Service Agreement for Parcels not Fronting NID Waterline;
- e. In the case of vacant property, provide copy of building permit issued by appropriate agency (District will issue conditional Will Serve Letter as needed);
- f. Execute Form 10-D, Agreement for Temporary Water Service and Contribution for Future Treated Water Main Extension;

rev. 05/11/2022

10.12.06 Expiration of TSL Application

For a vacant property, an approved TSL Application shall remain in effect for a period of one (1) year following the date of approval by the District. For all other properties, an approved TSL Application shall remain in effect for a period of two (2) years following the date of approval by the District. If all requirements for the TSL have not been met by the expiration date, the TSL approval shall expire and become void.

10.12.07 Extension of Approved TSL

A TSL Application approved for two (2) years may be extended by one (1) year. The applicant must submit a renewal application along with a processing fee as shown in Schedule 10-B which is non-refundable regardless of approval or denial of the TSL Renewal Application. The Renewal Application will be reviewed using the same process as the original application stated previously in this policy. Only one extension may be granted.

10.12.08 Future Subdivision of Property

The future subdivision of property with a TSL shall be subject to the District’s Treated Water System Extension Policy (District's Rules and Regulations - Section 10). The property owners of the remaining parcels/lots resulting from the subdivision will be

required to pay the appropriate reimbursement for the mainline extension, based on the policy in effect at the time.

Rev. 05/11/2022

10.12.09 Installation of Future Treated Water Main

Upon the installation of the future treated water main abutting the subject property, the TSL applicant, or the successor, shall connect to a newly installed service lateral and meter and will be responsible for payment of then-existing pro-rata share of the future main, meter and connection costs, and other then-existing reasonable District costs and fees associated with the new connection to the future main, pursuant to the agreement referenced in 10.12.05(f).

rev. 05/11/2022

RECORDING REQUESTED BY:

Nevada Irrigation District

WHEN RECORDED MAIL TO:

Nevada Irrigation District
1036 West Main Street
Grass Valley, CA 95945-5424

APN: xx-xxx-xx-xxx

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**AGREEMENT FOR
TEMPORARY WATER SERVICE AND CONTRIBUTION FOR
FUTURE TREATED WATER MAIN EXTENSION
XXXXXXX**

This agreement, made on the ___ day of _____, 20__, by and between the NEVADA IRRIGATION DISTRICT (“DISTRICT”), an irrigation district formed and existing pursuant to Division 11 of the Water Code of the State of California, and ~~XXXXXXXXXXXX~~ (“CUSTOMER”), authorizes a temporary domestic water service to the Customer, subject to certain conditions and obligations, and provides for the termination of such temporary water service upon certain events, including the installation of future treated water mainline facilities (“FUTURE MAIN”) fronting or abutting CUSTOMER’S PROPERTY and further provides as follows:

RECITALS

WHEREAS, Customer is the owner of a parcel of land located at ~~XXXXXXXX, CA XXXXXXXX~~, known as Assessor Parcel No. ~~XX-XXX-XXX-XX~~, of ~~XXXXXXXX~~ County, and more particularly described in vesting deed recorded on _____, Document Number _____, of ~~XXXXXX~~ County Records referred to as Exhibit “A”, attached hereto and by this reference incorporated herein (“PROPERTY”); and

WHEREAS, CUSTOMER desires potable water service from DISTRICT and such service cannot be provided under DISTRICT’S established rules because PROPERTY is not fronted by a treated water main to provide a permanent water service to PROPERTY meeting DISTRICT’S rules for service; and

WHEREAS, CUSTOMER can access a DISTRICT treated water main that does not front PROPERTY through an easement, or easements, from neighboring property owners; and

WHEREAS, in lieu of installing a mainline extension at this time, CUSTOMER is agreeable to ~~pay CUSTOMER’S fair share of the FUTURE MAIN to be built by others, and has requested approval for~~ a Temporary Service Location (“TSL”) from DISTRICT under the terms of this Agreement and NID’s rules and regulations, as currently adopted and as may be amended in the future, until such FUTURE MAIN is constructed or this AGREEMENT is terminated; and

WHEREAS, the TSL provides for a temporary connection to DISTRICT’S treated water pipeline on ~~xxxxxxx~~ Road until a permanent service location is available, in accordance with the rules and regulations of DISTRICT, from the FUTURE MAIN; and

WHEREAS, ~~CUSTOMER is willing in addition to paying all capacity charges, and meter installation fees, meter removal costs upon termination of the TSL, and other reasonable costs as set forth in this AGREEMENT for the temporary and future connections to the DISTRICT pipelines, CUSTOMER is willing to contribute to the cost of the FUTURE MAIN based on DISTRICT'S estimates and formula for Treated Water Main Contribution ("TWM CONTRIBUTION"), as identified herein.~~

AGREEMENT

NOW THEREFORE, ~~for good and valuable consideration, the receipt and sufficiency of which is hereby stipulated,~~ DISTRICT and CUSTOMER agree as follows:

1. DISTRICT hereby approves CUSTOMER'S request for a TSL to provide treated water to the PROPERTY, in the approximate location shown on **Exhibit "X"**, attached hereto, and subject to CUSTOMER'S advance payment of all charges and fees, and compliance with all terms of this ~~AGREEMENT~~greement.

2. Easements. CUSTOMER has executed a Water Service Agreement for Parcels not Fronting NID Waterline addressing the construction and maintenance of a temporary service line to the point of connection for the TSL, and such agreement is recorded with the County Recorder of **XXXXXX** County, with a conformed copy of such recording on file with the DISTRICT.

Upon notification to CUSTOMER by DISTRICT of intent to construct the FUTURE MAIN, CUSTOMER shall provide, without compensation or further consideration, has provided adequate easements or Rights-of-Way for the future water main and related appurtenances, generally described as follows: ., if applicable.

3. Fees and Charges. CUSTOMER has paid the current connection fee for the TSL connection to the existing water main, and the current capacity charge for a **XX**-inch service. In addition, in the event of termination of this AGREEMENT, CUSTOMER agrees at that time to pay the cost of removal of the meter and other reasonable costs and fees associated with discontinuing service to CUSTOMER through the TSL. has paid an amount equal to an additional connection fee representing the estimated costs for the relocation and future connection to the FUTURE MAIN at the permanent location, and any other related fees required by DISTRICT rules and regulations. For the purpose of this Agreement, current fees and charges shall mean the DISTRICT rates, fees, or charges that are in effect at the time of payment by CUSTOMER.

4. Contribution to the Future Main. CUSTOMER and DISTRICT understand and agree that the FUTURE MAIN will benefit CUSTOMER, ~~that CUSTOMER desires to pay CUSTOMER'S fair share thereof,~~ and that the TSL is not intended to be a permanent point for delivery of water service to CUSTOMER'S parcel. Therefore, CUSTOMER and DISTRICT agree that approval of this TSL does not, in the event of construction of FUTURE MAIN, reduce or eliminate CUSTOMER'S obligation to pay the then-existing pro-rata share of the actual cost of the FUTURE MAIN, and that the actual cost for the FUTURE MAIN, and CUSTOMER'S prorata share of that cost, can only be estimated at this time. Therefore, CUSTOMER agrees to contribute and the District acknowledges receipt of \$X,XXX.XX to the actual cost of the FUTURE MAIN, based on DISTRICT'S estimate and formula for a Treated Water Main, and both CUSTOMER and DISTRICT agree that the TWM CONTRIBUTION represents a reasonable pro-rata share of the current estimated cost of the FUTURE MAIN, including the

~~costs for design, surveying, inspection, installation and materials, construction staking, and project management. No further contribution will be required of CUSTOMER for FUTURE MAIN unless PROPERTY subdivides.~~

~~— The DISTRICT shall deposit the TWM CONTRIBUTION in an interest bearing account for use in funding the FUTURE MAIN by a private water line extender, DISTRICT, or another public agency.~~

5. Connection to the Future Main. Upon completion of the FUTURE MAIN, and CUSTOMER's payment of then-existing pro-rata cost of the FUTURE MAIN, meter and connection costs, and other then-existing reasonable DISTRICT costs and fees associated with the new connection to the FUTURE MAIN, DISTRICT will install a meter to the FUTURE MAIN at the permanent service location fronting the PROPERTY, or at such other location as is consistent with DISTRICT'S rules and regulations. CUSTOMER will not be responsible for payment of an additional capacity fee charge, given that CUSTOMER has already paid a capacity fee for service under the TSL. DISTRICT shall notify CUSTOMER of the completion of the FUTURE MAIN and meter availability at the permanent service location and provide CUSTOMER with at least 30-60 days notice of the termination of the TSL. If CUSTOMER elects to pay all applicable fees and costs for the new connection to FUTURE MAIN, Upon receipt of such notification, CUSTOMER shall re-plumb water service to the permanent meter location. All CUSTOMER'S costs that are necessary for disconnection from the TSL and of reconnecting the CUSTOMER'S buildings to the permanent service location, including the cost of all piping, trenching, valves, and landscape restoration shall be borne by the CUSTOMER. DISTRICT will remove the meter at the TSL and cut CUSTOMER'S service line connected thereto at any time after the expiration of said 60 days after it provides the notice specified above.

6. Single Use. Water service in accordance with this AGREEMENT shall be for one single-family residence only - which may include one "granny unit," on the PROPERTY. Service to additional dwellings or parcels shall terminate this TSL.

7. Title. Grant of this TSL and related temporary provision of domestic water service, and DISTRICT'S right to terminate said TSL upon notice of a permanent meter location constitutes a covenant running with and benefiting and burdening the PROPERTY, and further constitutes an equitable servitude running with said PROPERTY and may be enforced against CUSTOMER, the heirs, successors and assigns, at such time as said permanent service location has been provided by DISTRICT.

8. Termination.

A. By DISTRICT: DISTRICT may terminate this AGREEMENT in the event (i) a FUTURE MAIN is constructed; (ii) breach of this AGREEMENT by CUSTOMER or CUSTOMER's successors; or (iii) CUSTOMER's violation of DISTRICT's rules and regulations, as currently drafted and as may be modified by DISTRICT in the future, including without limitation CUSTOMER's failure to timely pay DISTRICT for water service. District will provide CUSTOMER —60 days prior written notice in the event of termination of this AGREEMENT under this section 8.A.(i). District will provide advance written notice to CUSTOMER pursuant to applicable law, if any, in the event of termination of this AGREEMENT under either this section 8.A.(ii) or 8.A.(iii). As and for further consideration of this TSL approval by DISTRICT, CUSTOMER, the heirs, successors and assigns, hereby agree

that water service to be provided to the PROPERTY is subject to discontinuance by DISTRICT pursuant to this section ~~in the event of a breach of this Agreement by CUSTOMER, the heirs, successors and assigns.~~

B. By CUSTOMER: CUSTOMER may terminate this AGREEMENT at any time, with or without cause, upon —30 days advance written notice to DISTRICT and payment of then-existing fees and charges for DISTRICT to discontinue service, including costs of removal of DISTRICT’s meter and backflow prevention device.

THIS AGREEMENT is made by the undersigned parties on the date first written above, at Grass Valley, California.

CUSTOMER

NEVADA IRRIGATION DISTRICT (DISTRICT)

By: _____
XXXXXXXX

By: _____
President of the Board of Directors

[Notarize all signatures]

RECORDING REQUESTED BY:

Nevada Irrigation District

WHEN RECORDED MAIL TO:

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

APN: xx-xxx-xx-xxx

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**AGREEMENT FOR
TEMPORARY WATER SERVICE AND CONTRIBUTION FOR
FUTURE TREATED WATER MAIN EXTENSION
XXXXXXX**

This agreement, made on the ___ day of _____, 20__, by and between the NEVADA IRRIGATION DISTRICT (“DISTRICT”), an irrigation district formed and existing pursuant to Division 11 of the Water Code of the State of California, and XXXXXXXXXXX (“CUSTOMER”), authorizes a temporary domestic water service to the Customer, subject to certain conditions and obligations, and provides for the termination of such temporary water service upon certain events, including the installation of future treated water mainline facilities (“FUTURE MAIN”) fronting or abutting CUSTOMER’S PROPERTY and further provides as follows:

RECITALS

WHEREAS, Customer is the owner of a parcel of land located at XXXXXXXX, CA XXXXXXXX, known as Assessor Parcel No. XX-XXX-XXX-XX, of XXXXXXXX County, and more particularly described in vesting deed recorded on _____, Document Number _____, of XXXXXXXX County Records referred to as Exhibit “A”, attached hereto and by this reference incorporated herein (“PROPERTY”); and

WHEREAS, CUSTOMER desires potable water service from DISTRICT and such service cannot be provided under DISTRICT’S established rules because PROPERTY is not fronted by a treated water main to provide a permanent water service to PROPERTY meeting DISTRICT’S rules for service; and

WHEREAS, CUSTOMER can access a DISTRICT treated water main that does not front PROPERTY through an easement, or easements, from neighboring property owners; and

WHEREAS, in lieu of installing a mainline extension at this time, CUSTOMER is agreeable to a Temporary Service Location (“TSL”) from DISTRICT under the terms of this Agreement and NID’s rules and regulations, as currently adopted and as may be amended in the future, until such FUTURE MAIN is constructed or this AGREEMENT is terminated; and

WHEREAS, the TSL provides for a temporary connection to DISTRICT’S treated water pipeline on xxxxxxxx Road until a permanent service location is available, in accordance with the rules and regulations of DISTRICT, from the FUTURE MAIN; and

WHEREAS, CUSTOMER is willing to pay all capacity charges, meter installation fees, meter removal costs upon termination of the TSL, and other reasonable costs as set forth in this AGREEMENT.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby stipulated, DISTRICT and CUSTOMER agree as follows:

1. DISTRICT hereby approves CUSTOMER'S request for a TSL to provide treated water to the PROPERTY, in the approximate location shown on **Exhibit "X"**, attached hereto, and subject to CUSTOMER'S advance payment of all charges and fees, and compliance with all terms of this AGREEMENT.

2. Easements. CUSTOMER has executed a Water Service Agreement for Parcels not Fronting NID Waterline addressing the construction and maintenance of a temporary service line to the point of connection for the TSL, and such agreement is recorded with the County Recorder of **XXXXXX** County, with a conformed copy of such recording on file with the DISTRICT.

Upon notification to CUSTOMER by DISTRICT of intent to construct the FUTURE MAIN, CUSTOMER shall provide, without compensation or further consideration, adequate easements or Rights-of-Way for the future water main and related appurtenances, generally described as follows: _____.

3. Fees and Charges. CUSTOMER has paid the current connection fee for the TSL connection to the existing water main, and the current capacity charge for a **XX**-inch service. In addition, in the event of termination of this AGREEMENT, CUSTOMER agrees at that time to pay the cost of removal of the meter and other reasonable costs and fees associated with discontinuing service to CUSTOMER through the TSL.

4. Future Main. CUSTOMER and DISTRICT understand and agree that the FUTURE MAIN will benefit CUSTOMER, and that the TSL is not intended to be a permanent point for delivery of water service to CUSTOMER'S parcel. Therefore, CUSTOMER and DISTRICT agree that approval of this TSL does not, in the event of construction of FUTURE MAIN, reduce or eliminate CUSTOMER'S obligation to pay the then-existing pro-rata share of the actual cost of the FUTURE MAIN.

5. Connection to the Future Main. Upon completion of the FUTURE MAIN, and CUSTOMER'S payment of then-existing pro-rata cost of the FUTURE MAIN, meter and connection costs, and other then-existing reasonable DISTRICT costs and fees associated with the new connection to the FUTURE MAIN, DISTRICT will install a meter to the FUTURE MAIN at the permanent service location fronting the PROPERTY, or at such other location as is consistent with DISTRICT'S rules and regulations. CUSTOMER will not be responsible for payment of an additional capacity fee charge, given that CUSTOMER has already paid a capacity fee for service under the TSL. DISTRICT shall notify CUSTOMER of the completion of the FUTURE MAIN and meter availability at the permanent service location and provide CUSTOMER with at least 60 days notice of the termination of the TSL. If CUSTOMER elects to pay all applicable fees and costs for the new connection to FUTURE MAIN, CUSTOMER shall re-plumb water service to the permanent meter location. All CUSTOMER'S costs that are necessary for disconnection from the TSL and of reconnecting the CUSTOMER'S buildings to

the permanent service location, including the cost of all piping, trenching, valves, and landscape restoration shall be borne by the CUSTOMER. DISTRICT will remove the meter at the TSL and cut CUSTOMER'S service line connected thereto at any time after the expiration of said 60 days after it provides the notice specified above.

6. Single Use. Water service in accordance with this AGREEMENT shall be for one single-family residence only - which may include one "granny unit," on the PROPERTY. Service to additional dwellings or parcels shall terminate this TSL.

7. Title. Grant of this TSL and related temporary provision of domestic water service, and DISTRICT'S right to terminate said TSL upon notice of a permanent meter location constitutes a covenant running with and benefiting and burdening the PROPERTY, and further constitutes an equitable servitude running with said PROPERTY and may be enforced against CUSTOMER, the heirs, successors and assigns, at such time as said permanent service location has been provided by DISTRICT.

8. Termination.

A. By DISTRICT: DISTRICT may terminate this AGREEMENT in the event (i) a FUTURE MAIN is constructed; (ii) breach of this AGREEMENT by CUSTOMER or CUSTOMER's successors; or (iii) CUSTOMER's violation of DISTRICT's rules and regulations, as currently drafted and as may be modified by DISTRICT in the future, including without limitation CUSTOMER's failure to timely pay DISTRICT for water service. District will provide CUSTOMER 60 days prior written notice in the event of termination of this AGREEMENT under this section 8.A.(i). District will provide advance written notice to CUSTOMER pursuant to applicable law, if any, in the event of termination of this AGREEMENT under either this section 8.A.(ii) or 8.A.(iii). As and for further consideration of this TSL approval by DISTRICT, CUSTOMER, the heirs, successors and assigns, hereby agree that water service to be provided to the PROPERTY is subject to discontinuance by DISTRICT pursuant to this section.

B. By CUSTOMER: CUSTOMER may terminate this AGREEMENT at any time, with or without cause, upon 30 days advance written notice to DISTRICT and payment of then-existing fees and charges for DISTRICT to discontinue service, including costs of removal of DISTRICT's meter and backflow prevention device.

THIS AGREEMENT is made by the undersigned parties on the date first written above, at Grass Valley, California.

CUSTOMER

NEVADA IRRIGATION DISTRICT (DISTRICT)

By: _____
XXXXXXXX

By: _____
President of the Board of Directors

[Notarize all signatures]