

Staff Report

for the Board of Directors' Meeting of March 22, 2017

TO: Board of Directors

FROM: Chip Close, Water Operations Manager
Shannon Wood, Business Services Technician

DATE: March 14, 2017

SUBJECT: Temporary Service Location Policy Modifications

OPERATIONS

RECOMMENDATION:

Approve minor modifications to the Temporary Service Location policy, modify the related agreement as appropriate, as recommended by the Water & Hydroelectric Operations Committee

BACKGROUND:

The Temporary Service Location policy was last reviewed in 2011. Recently, Staff has made some observations to improve the policy. Minor modifications include: 1) removing the 300 foot minimum waterline extension requirement, 2) removing the requirement of written permission from neighboring property owners affected, and 3) adding the requirement of executing a Water Service Agreement for Parcels not Fronting NID Waterline in lieu of providing copies of private easement documents, if necessary.

The Water & Hydroelectric Operations Committee reviewed the policy at the March 14 meeting and accepted the changes with a few additional minor edits including the inclusion of private roads in Section 10.12.01. The committee unanimously agreed to recommend the Board of Directors approve said changed via consent agenda.

BUDGETARY IMPACT:

None. All costs associated with the Temporary Service Location are paid by the applicant.

CC/sw

Attachments (2):

- Policy – redline copy
- Water Service Agreement for Parcels not Fronting NID Waterline

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 properties that would be required to construct at least 300 feet of treated water extension (under Section 10 of the District Rules and Regulations) would be considered for a TSL, as determined by the VSC.~~

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

10.10.12.02 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, ~~along with written permission by all property owners affected by the proposed temporary service line (for water service to the applicant's property)~~. The processing fee is non-refundable regardless of approval or denial of the TSL Application.

10.10.12.03 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 for consideration. The Engineering Committee 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 ~~Coordinator~~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. Execute Water Service Agreement for Parcels not Fronting NID Waterline, if necessary~~Provide copies of all required easements (executed and recorded) for constructing and maintaining the temporary service line (crossing neighboring parcels);~~
- f. Provide adequate easements or Rights-of-Way for the future water main and related appurtenances, if applicable;

- g. 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. 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:

$$\text{TWM Contribution} = \sqrt{\text{size of lot (in square feet)}} \times \text{estimated cost of TWDM}^* \div 2$$

*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 \div 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 = $\sqrt{43,560}$ x TWDM \div 2 = \$_____

10.12.09 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.

10.12.10 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 remove or abandon any on-site or off-site plumbing that is connected to the TSL service and~~ shall connect to a newly installed service lateral and meter, pursuant to the agreement referenced in 10.12.05(h).

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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RECORDING REQUESTED BY:

Nevada Irrigation District

WHEN RECORDED MAIL TO:

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

[Insert Name] County APN: [Insert Number]

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Documentary Transfer Tax: \$ -0-

() Computed on full value of property conveyed

() Unincorporated area () City of _____

(X) Recordation requested by Nevada Irrigation District, a political Subdivision of the State of California, pursuant to Government Code Section 6103.

Signature of Agent Determining Tax

**WATER SERVICE AGREEMENT
For Parcels Not Fronting NID Waterline**

This agreement ("Agreement") between Nevada Irrigation District ("NID"), an irrigation district formed and existing pursuant to Division 11 of the Water Code of the State of California, and [Insert Name] ("Property Owner") allows for connection to NID facilities at the NID meter, subject to the conditions set forth below. This agreement is effective this ____ day of _____, 2016, and provides as follows:

RECITALS

WHEREAS, Property Owner is the owner of a parcel of land in [Insert Name] County, California, known as Assessor Parcel No. [Insert Number] (the "Property"), commonly known as [Insert site address], [Insert City], which is more particularly described in vesting deed recorded on [Insert Date], at Document Number [Insert Number], [Insert Name] County Records, and is generally shown in Exhibit A, attached hereto and incorporated herein by this reference; and,

WHEREAS, Property Owner desires that NID provide water service for the Property at the location described in Exhibit B; and,

WHEREAS, Property Owner's only means of connection to the NID meter is by traversing an adjoining parcel(s) he/she/it does not own.

NOW, THEREFORE, NID and Property Owner agree as follows:

1. Property Owner warrants that he/she/it is legally entitled to traverse the adjoining parcel(s) and further warrants NID has made no representations as to Property Owner's entitlement to do so.
2. NID will deliver water from its facilities to the point of delivery (meter) described in Exhibit B, subject to NID Rules and Regulations. Delivery will occur only after approval of the application for service and confirmation that necessary District facilities have been satisfactorily installed.
3. Water service under this Agreement shall be solely for the use of Property Owner, and solely for use on the Property. Use of the water service by any other dwellings, parcels, or persons is prohibited.
4. Property Owner shall be solely responsible for the conveyance of water from the point of delivery (meter) to his/her/its property.
5. Property Owner shall maintain all pipes and related facilities used for the conveyance of water from the point of delivery (meter) in good working order.
6. Property Owner shall promptly pay any and all fees, charges, and obligations attendant to the provision of water service to Property by NID at the time the connection is installed, including, but not limited to, installation costs, use fees, service fees, connection fees, capacity fees, backflow prevention requirements, etc.
7. Property Owner is solely responsible for the acquisition and retention of satisfactory rights, in favor of Property Owner, from underlying landowners that permit the installation and maintenance of service lines on private land(s).
8. In the event of a breach of this Agreement by Property Owner, NID may discontinue the water service provided pursuant to this Agreement to the Property.
9. Waiver: Property Owner waives any and all claims against NID for damages arising out of or relating or pertaining to all pipes and related facilities used for the conveyance of water from the point of delivery (meter) or to events or circumstances occurring beyond the point of delivery, including injury or loss due to interruption or discontinuance of service.
10. Indemnification: Property Owner will defend, indemnify, and hold NID harmless against all claims, damages, or demands that may arise out of or relate to this Agreement, including, but not limited to, claims for inverse condemnation by the owners of interests in the adjoining property.
11. Binding Effect of Agreement: This Agreement will inure to the benefit of, and be binding on, the parties' respective devisees, heirs, personal representatives, assigns, and successors in interest.

12. Entire Agreement: This Agreement contains the entire agreement of the parties on these matters, superseding any previous agreement between them.

DATED: _____

NEVADA IRRIGATION DISTRICT

By: _____

REMLEH SCHERZINGER

Its General Manager

DATED: _____

PROPERTY OWNER:

[Insert Name]

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 _____)

On _____, 2016, before me, _____, Notary Public, personally appeared _____ 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.

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.

Notary Public