

Best Water! Best Service!



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Annexation Process

1. Criteria for Annexation

GWC will consider furnishing service beyond the boundaries of existing service area. New areas need not be contiguous to GWC's service territory.

2. Request for Annexation

The application for annexation into the Utility's service area shall set forth the following:

1. an accurate legal description, proof of ownership, and vicinity maps depicting the location and elevations (5-foot contours) of the development to be served in relation to the Utility's existing service area;
2. an estimate of the domestic and fire protection water requirements for the development to the satisfaction of the Utility;
3. preliminary engineering plans and specifications describing the improvements and/or alterations to the Utility's existing water facilities and the related cost to provide the expanded water service to the proposed development;
4. preliminary engineering plans and specifications describing the size and location of feeder mains, project mains, and other necessary facilities and the related cost to provide the expanded water service to the proposed development;
5. a non-refundable application fee of \$2,500.00; and
6. such other information as the Utility may reasonably require.

Staff will review the completed application and if consistent with the Utility's rules and tariffs, will submit the same to the Board with staff's recommendations. The Utility will advise the Applicant of the date and time of the meeting during which the application for annexation will be considered.

3. Disapproval of Annexation

If the application is not approved, Staff shall, within thirty days (30) of the board decision, notify the Applicant

4. Approval of Annexation

If the application is approved, the Staff shall so notify the Applicant in writing, within thirty (30) days of the Board's decision. The Board's approval shall be effective for thirty (30) calendar days following the date of service of notice of approval, and shall then automatically expire without further notice, unless the Applicant fully completes all of the following tasks within thirty (30) days of notice.

The Applicant shall:

- A. execute a written agreement with the Utility that shall cover the terms and conditions under which the Utility shall annex the Applicant's development, or the approval shall expire. The agreement shall provide, among other matters, that the Applicant agrees to diligently pursue the annexation process and will use best efforts to complete same within one year of Board approval;
- B. provide a cash deposit of \$10,000 to cover the Utility's estimate of costs for legal, engineering, and other essential services incurred by the Utility to obtain the required regulatory and governmental approvals for annexation of the Applicant's proposed development. Applications involving extraordinary effort may require a larger deposit, as determined by the Utility; and
- C. pay in full the current annexation fee as reflected on the Utility's Fee Schedule. The applicable fee shall be charged for each gross acre or portion thereof to be annexed.

The Applicant shall agree to record, in the office of the Douglas County Recorder, following PUC annexation approval, a notice affecting all the property subject to annexation. The notice shall be approved by the Utility prior to recording and shall be designed to inform future owners of the annexed property of requisites to connection to the Utility and that obtaining service therefrom, requires payment of water rights fees, impact fees, and other applicable fees, and that connection to and service by the Utility shall not occur absent compliance with all of the Utility's Tariffs. A copy of this notice shall be delivered to the Utility upon recordation;

The Applicant shall agree to provide to the Utility a new, complete service area map suitable for acceptance by the Commission and other affected entities, and "a place of use" map prior to the final acceptance of annexation. The Applicant shall provide such other information as the Utility may reasonably require.

5. Failure to Complete

In the event Applicant fails to complete the annexation process within one year from the date of Board approval of the application, and unless the Board has for good cause allowed additional time, the application for annexation shall be deemed withdrawn.

6. Extensions of Time

An Applicant who is unable to timely complete the annexation process may request additional time to do so. Any such request must be accompanied by a non-refundable extension fee as set forth in the Fee Schedule. The request must be submitted prior to the expiration of the one-year period, which year begins on the day the notice of Board approval is mailed to the Applicant.

7. Notice Regarding Conditions Precedent to Connection

Annexation into the Utility's certificated service area confers upon the Owner/Developer a right to receive water service from the Utility. However, annexation does not impose upon the Utility any obligation to extend any water service facilities or infrastructure to the Property, all such costs and expenses being the sole responsibility of the Owner/Developer. Prior to receiving water at the Service Connection, the property must be compliant with all the Utility's tariffs, Rules and Regulations, and must have paid all applicable Water Right Fees, Impact Fees and any other costs or assessments set forth therein and/or in the Fee Schedule.

Further, the Owner must timely satisfy all conditions and compliance items ordered by the PUC (currently 3 years), including submission of the Nevada Department of Environmental Protection's (NDEP) water system plan review approval. Owner will deliver said submissions to the Utility; the Utility will provide them to the NDEP/PUC. Failure to comply with PUC's submittal requirements may result in the PUC vacating the annexation order with or without notice. If, for any reason, the PUC vacates its annexation order, the parties' annexation agreement shall be void and of no further force or effect and, further, all amounts paid to GWC related to the annexation effort will be

forfeited and no refund to Owner will be due. No service to the property will be provided if not annexed.

8. Requisites to Connection

No connections to the Utility shall be allowed absent Owner/Developer observation of and compliance with all of the Utility's tariffs and Rules and Regulations.

The items identified below are some, but not all, items which must be addressed prior to connection of new systems to the Utility:

1. Water Rights Fees: No Service Connection shall be allowed until the Water Right Fee is satisfied. Water can only be delivered if there are underlying water rights dedicated by the Utility adequate for the new locations to be served.
2. The Water Right Fee relates to the value of the water rights necessary to serve the property as determined by the Utility for the Service Connection being considered. The Water Right Fee shall be based upon the local fair market value of the water rights at time of payment, as determined by the Utility in its sole discretion.
3. The Water Right Fee is not for the purchase of water rights, and the Utility shall convey no water rights. Rather, the Water Right Fee is compensation to the Utility in recognition that the water rights will be forever committed for use at the new Service Connection location and not elsewhere.
4. The Water Right Fee may be paid at any time following annexation, and in no event later than the building permit issuance of the new service location to the Utility.
5. Impact Fees: No Service Connection shall be allowed until all Impact Fees applicable to the new Service Connection location are paid. Impact Fees are based on size, type of service, fixture type, fixture count, and current fee schedule for each new service location. If more than one water Service Connection is needed per service location, a separate Impact Fee will be required for each such connection. All fees must be paid no later than the building permit issuance of the new service location to the Utility.