

Staff Report

for the Board of Directors' Meeting of December 13, 2017

TO: Board of Directors

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

DATE: November 28, 2017

SUBJECT: American Hill Road Waterline Extension (Christ)
Reimbursement Agreement (Consent)

OPERATIONS DEPT

RECOMMENDATION:

Approval of a Reimbursement Agreement with Glenn Christ for the installation of approximately 2,144 lineal feet of 8-inch pipe, a Pressure Reducing Valve station, one fire hydrant and all appurtenances.

BACKGROUND:

The District entered into a Conveyance Agreement with Glenn Christ July 27, 2016 to extent approximately 2,144 lineal feet of 8-inch pipe, a Pressure Reducing Valve station and one fire hydrant from the Nevada County Juvenile Hall on highway 49 lying along an as yet unnamed emergency egress road running southerly to and along American Hill Road. Construction and final inspection are complete.

BUDGETARY IMPACT:

Minimal costs associated with administering the reimbursement agreement. Cost of the pipeline installation is paid by the developer.

cc/sw

attachments:

- Reimbursement Agreement

Being Requested by

Nevada Irrigation District

When Recorded, Mail To

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

REIMBURSEMENT AGREEMENT

THIS REIMBURSEMENT AGREEMENT, made and entered into this _____ day of December 2017, by and between GLENN CHRIST, hereinafter referred to as "Applicant", and the NEVADA IRRIGATION DISTRICT, hereinafter referred to as "District".

RECITALS

WHEREAS, Applicant has caused to be constructed, at its sole cost and expense, a water main and appurtenances thereto on, over, and across the frontage of that property as shown in Exhibit "A" attached hereto and made a part hereof (Improvement plans for which are on file in District office as "American Hill Waterline Extension – Phase 1"); and

WHEREAS, said water main and appurtenances thereto have been approved by District as having been constructed of the size and dimension and located according to the requirements of, and under the inspection of the District; and

WHEREAS, Applicant is willing to convey said water main and appurtenances to the District in accordance with the District's Regulations; and

WHEREAS, the intent of this Reimbursement Agreement is to provide Applicant with a mechanism to assist it being reimbursed for a portion of the cost of constructing approximately 2,144 lf of 8-inch pipe, 1 fire hydrant and a pressure reducing station and dissipater lying along an as yet unnamed emergency egress road running southerly from the Nevada County Juvenile Hall on highway 49 to and along American Hill Road, all as shown on Exhibit "A", and

WHEREAS, such reimbursement is allowed by District Regulations, specifically Section 10.06 "Reimbursement Fee", a copy of which is marked Exhibit "B", attached hereto, and made a part hereof.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein, the parties hereto mutually agree as follows:

ARTICLE 1 - RECITALS. The recitals contained herein are an integral part of this Agreement.

ARTICLE 2 - APPLICANT ENTITLED TO REIMBURSEMENT. District agrees that Applicant is entitled to reimbursement for a portion of the cost of constructing that part of the

water main and appurtenances lying along an as yet unnamed emergency egress road running southerly from the Nevada County Juvenile Hall on highway 49 to and along American Hill Road, all as shown in Exhibit "A".

ARTICLE 3 - COLLECTION OF REIMBURSEMENT FEES FOR APPLICANT. District shall attempt to collect and recover a reimbursement fee in the amounts and at the times prescribed herein. After receiving monies, District shall disburse said monies to Applicant, his heirs, successors, or assigns at the mailing address listed for Applicant in this Agreement.

It is understood and agreed by the parties hereto that District shall not be liable or responsible for any reimbursement to Applicant, but that District shall act whenever possible as a collection facility for Applicant to aid and assist in acquiring monies for the reimbursement from individuals having properties fronting or traversing the water main.

ARTICLE 4 - ELIGIBLE COST OF IMPROVEMENTS. It is hereby agreed that the costs of construction of the water main and appurtenances shown in Exhibit "A" and allowed by District Regulations for calculation of the front footage charge totals \$214,153.76.

ARTICLE 5 - APPLICANT'S DECLARATION OF OPTION. Section 10.06 "Reimbursement Fee" of District Regulations, attached hereto as Exhibit "B", allows Applicant to select Option A, Option B, or Option C in combination with Option A or Option B, all as specified in District Regulations attached hereto as Exhibit "B", for purposes of determining the eligible front footage and the front footage charge. The Applicant hereby selects Option B.

ARTICLE 6 - ELIGIBLE FRONT FOOTAGE. It is hereby agreed that the eligible front footage of parcels identified in Exhibit "A", lying along the water main and allowed by Option B of District Regulations for calculation of the front footage charge, totals 2,549 feet.

ARTICLE 7 - FRONT FOOTAGE CHARGE. The front footage charge is calculated by dividing the eligible costs of improvements by the eligible front footage and rounding off to the nearest cent. It is hereby agreed that the front footage charge for this Agreement is \$84.01 per foot of frontage. The calculations are shown in Exhibit "C" attached hereto.

ARTICLE 8 - CALCULATION OF REIMBURSEMENT FEE CHARGES. Reimbursement fee charges shall be determined by multiplying the front footage of subject parcel by the front footage charge.

ARTICLE 9 - REIMBURSEMENT FEES CHARGED FOR SERVICE TO PARCELS WITH FRONTAGE. Developer has selected and declared Option B from Section 10.06 "Reimbursement Fee" of District Regulations; therefore, and further subject to the limitations included in this Agreement, owners of property fronting the improvements and may be served directly from the extension, either as the parcel presently exists, or in the future due to a parcel split, shall be charged a reimbursement fee as prescribed herein at the time of application for water service or a private fire service. Existing parcels fronting the extension which were receiving service at the time the Agreement was executed will only be charged a reimbursement fee if that service is expanded or upsized, or if that parcel is split. In case of a parcel split, the existing service will be assigned, at the sole discretion of the District, to one of the newly created parcels. The remaining new parcel(s) that lie along and may be served directly from the extension will be subject to the reimbursement based on that parcel(s) front footage along the extension at the time of application for water service or private fire service.

ARTICLE 10 - REIMBURSEMENT FEE CHARGE LIMITATIONS. The calculated reimbursement fee charge for any one parcel shall be limited to fifty percent (50%) of the total eligible cost of improvements as stated herein.

ARTICLE 11 - FRONT FOOTAGE CHARGE LIMITATIONS. The front footage charge shall be applied only once to any frontage of any parcel.

ARTICLE 12 - MAXIMUM REIMBURSEMENT DUE APPLICANT. It is expressly agreed by the parties that the maximum reimbursement Applicant and its successors is entitled to receive under this Reimbursement Agreement shall be \$130,047.48 as shown on Exhibit "C".

ARTICLE 13 - NO REIMBURSEMENT FOR EXTENSIONS. It is understood and agreed by the parties hereto that no reimbursement under this Agreement will be made to Applicant for water service connections made to future extensions of the water main shown in Exhibit "A". Nothing herein shall prohibit the parties from negotiating and potentially executing future reimbursement agreements for future water main extension projects by Applicant.

ARTICLE 14 - DISTRICT'S FEES AND REGULATIONS. It is agreed by the parties hereto that nothing in this Agreement shall be construed to relieve new connectors to the water main from paying all connection fees and other authorized charges of District, including capacity fees, required by District and from complying with the then current District Regulations. If fees paid by any connector are not adequate to pay all District fees and charges and the amount set forth in the Reimbursement Agreement, amounts received shall be first credited to District fees and charges due and owing upon connection.

ARTICLE 15 - DURATION AND TERMINATION. It is understood and agreed by the parties hereto that no reimbursement shall be made to Applicant after the expiration of twenty years from the date of this Agreement at which time this Agreement shall terminate and be of no further affect.

ARTICLE 16 - NOTICES. The mailing addresses of District and Applicant for purposes of giving any notices required pursuant to this Agreement are as follows:

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

APPLICANT
Glenn Christ
126 Purdue Avenue
Kensington, CA 94708-1051

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

Attach Notary Here

NEVADA IRRIGATION DISTRICT

By _____
President

By _____
Secretary

Attach Notary Here

APPLICANT

By 

GOVERNMENT BUSINESS: FREE

This is to certify that the recordation of this document is being requested by NEVADA IRRIGATION DISTRICT, a political subdivision of the State of California, pursuant to Government Code Section 6103.

NEVADA IRRIGATION DISTRICT

Date _____

By _____

Title _____

CALIFORNIA ALL-PURPOSE 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.

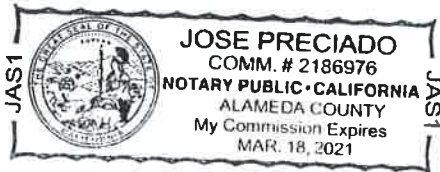
State of California
County of Alameda

On 11/25/2017 before me, Jose Preciado Notary Public,
personally appeared Glenn Christ

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.



Jose Preciado
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____ 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: _____



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

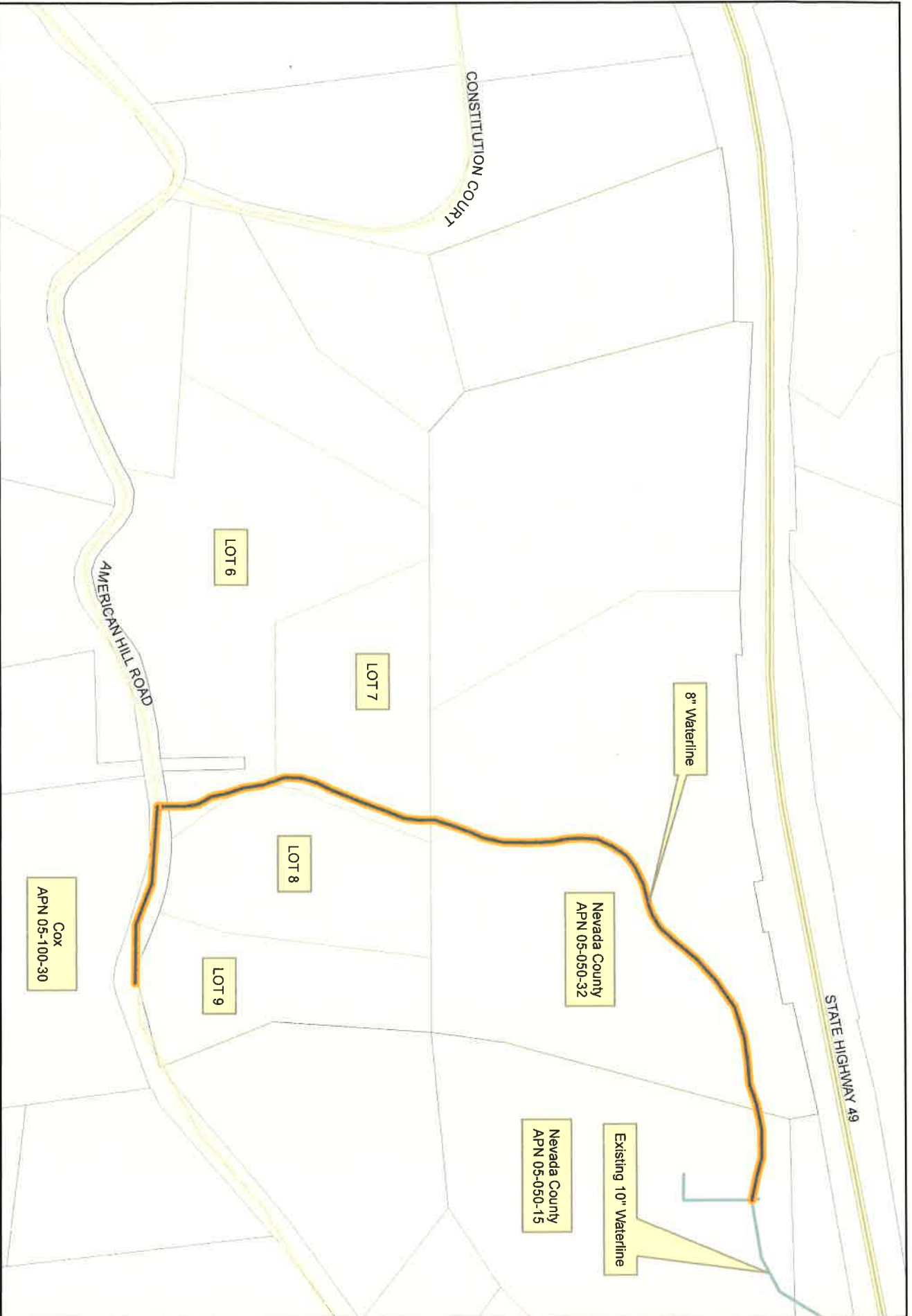
Drawn By: L. CANNON

Date: 10/30/2017

Scale: 1"=250' @ 8.5X11

Sheet: 1 of 1

AMERICAN HILL WLE PHASE I



10.06 REIMBURSEMENT FEE

The District will collect a reimbursement fee, where applicable, before granting a water service, including a private fire service, to a parcel which lies along and may be served directly from any pipeline extension installed under the provisions of these Regulations. The reimbursement fee for any parcel shall be determined by multiplying the front foot charge by the lineal feet of property frontage which lies along the extension. The reimbursement fee for an extension shall be in effect for a period of twenty years from the date of execution of the reimbursement agreement between the developer and the District. All monies collected will be returned to the developer.

No reimbursement fees will be collected unless the developer has signed a reimbursement agreement prior to District acceptance of the extension in the case of a developer-constructed extension. In the case of a District-constructed extension, reimbursement provision will be included in the initial agreement.

All monies collected will be returned to the developer by registered mail to the last address on record at the District office. The developer shall be responsible for keeping the District record current. Monies so delivered that are returned to the District shall be retained for the benefit of the developer for a period of one year. No other attempts will be made to locate the developer. At the end of the one-year holding period, the District shall return the principal amount to the then current owner of the parcel from which the reimbursement had been collected. The developer shall have no further claim to the monies. The reimbursement accounting system shall continue to indicate that the parcel has paid the reimbursement.

The developer will select, at the time a reimbursement agreement is signed, one of the following options for determining the front footage charge and parcels subject to a reimbursement fee.

Option A. The front footage charge will be determined by dividing the cost of the extension by the front footage along the extension of all parcels which may be served directly from the extension. Parcels already receiving District treated water, at the time a reimbursement agreement is signed, will be excluded in determining the front footage charge, even though future service may be made from the extension. All parcels, whose front footage was utilized in the calculation described above, will be subject to the reimbursement fee.

Option B. The front footage charge will be determined by dividing the cost of the extension by the front footage along the extension of all parcels which may be served directly from the extension. An existing parcel fronting the extension, and not currently receiving District treated water, will be subject to the reimbursement fee. An existing parcel fronting the extension, which currently receives District treated water, will only be required to pay a reimbursement fee if that current service is expanded or upsized, or if that parcel is split. In case of a parcel split, the existing service will be assigned, at the sole discretion of the District, to one of the newly created parcels. The remaining new parcel(s) which lie along and may be served directly from the extension will be subject to the reimbursement based on that parcel(s)' front footage along the extension.

Option C. The Developer may elect to provide for reimbursement from parcels that in the future, may obtain water service by formal variance and which service assembly is tapped directly onto the water main that is the subject of the reimbursement agreement. The Developer must request Option C, in combination with Option A or B, in writing and, in the same request, state the number of desired future variances to be accommodated in the reimbursement agreement. The number shall be considered empirical in nature and not in any way assigned to, or attached to any one parcel or future parcel. District acceptance of the Developer's request shall in no way indicate or influence the probability of variances that might be approved in the future.

Each of the variances requested for accommodation in the reimbursement agreement shall be assigned a length of front footage equal to 125 feet but not more than fifty percent of the total length of the water line extension. This length shall be multiplied by the number of future variances requested by the Developer to be accommodated in the reimbursement agreement. This amount shall be added to the front footage as determined by either Option A or B. The front footage charge will be determined by dividing the costs of the extension by the sum of front footages including frontages assigned to variances as determined above.

The front footage charge as determined above shall be adjusted periodically to reflect changes in construction costs. Each agreement approved after the effective date of this revision shall provide for a yearly adjustment in the reimbursement charge based on the Engineering News Record – 20 Cities Average – Construction Cost Index from approximately July 1 to June 30 of the next year. This adjustment shall become effective on September 1st of each year. The first adjustment for any agreement shall be made after the agreement has been in full force and effect through one complete cycle of July 1 to June 30 [Example: An agreement approved in November 2008 would receive its first front footage charge adjustment on September 1, 2010. The adjustment would reflect the change in the Construction Cost Index from July 1, 2009 to June 30, 2010].

Under any option, the front footage charge shall not be applied more than once to any parcel, and no one parcel will be required to pay a reimbursement fee in excess of fifty percent of the cost of the extension. The cost of the extension shall be considered to be the Developer's out-of-pocket expenses directly and solely related to the installation of the extension, as determined by the District. The Developer's on-site improvements will be excluded from the costs of the extension.

eff.04/11/2001; rev 6/11/03; 11/9/05

REIMBURSEMENT AGREEMENT
Summary for
 Glenn Christ – American Hill Rd WLE (Phase 1)

Eligible Cost of Improvements	<u>\$214,153.76</u>
Eligible Front Footage from Exhibit "A"	<u>2,549</u>
Front Footage Charge (\$ECOI / Eligible Front Footage from Exhibit "A")	<u>\$84.01</u>
Developer's Share (1,001' x Front Footage Charge)	<u>\$84,094.01</u>
Maximum Reimbursement Due Applicant (see Summary) (1,548' x Front Footage Charge)	<u>\$130,047.48</u>
Total Eligible Cost	<u>\$214,141.49</u>

SUMMARY of Parcels Included in Reimbursement

<u>Parcel</u>	<u>Condition</u>
AP <u>05-050-15 (Nevada Co)</u> presently 79' of frontage	Parcel as a whole or any newly created parcel requesting service from pipe shown on Exhibit "A".
AP <u>05-050-32 (Nevada Co)</u> presently 1,064' of frontage	Parcel as a whole or any newly created parcel requesting service from pipe shown on Exhibit "A".
AP 05-100-93 (Christ) presently 1,001' of frontage	Developer's parcel as shown on Exhibit "A". Not subject to reimbursement.
AP <u>05-100-30 (Cox)</u> presently 405' of frontage	Parcel as a whole or any newly created parcel requesting service from pipe shown on Exhibit "A".