

**CARSON WATER SUBCONSERVANCY DISTRICT
FUNDING ASSISTANCE FOR REGIONAL WATER SYSTEM
POLICY AND PROCEDURE**

Effective 12-15-04

Revised 5-16-07

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POLICY:

This policy of Carson Water Subconservancy District (CWSD) is to determine projects for which CWSD will provide financial assistance to promote the Regional Water System.

PURPOSE AND OBJECTIVE:

To establish uniform guidelines for providing financial assistance to water purveyors that are developing or up-sizing water distribution systems, both potable and non-potable, which can be used in the regional water system throughout the Carson River Watershed. This funding assistance is not to be used for local water facilities enhancement or for future growth by a single water purveyor. This policy only refers to the money deposited in CWSD's Acquisition/Construction Fund.

DEFINITIONS:

"Regional Water System" refers to any water project, potable or non-potable systems, which can be used to accommodate ~~all~~, or a portion of the water needs of two or more water purveyors. Any system capacity developed and funded through this program will be maintained by the jurisdiction where the system is located owned by CWSD, unless specified differently by Board action. The Regional Water System can consist of connecting two or more water systems together, enhancing the water supply for the region, up-sizing distribution systems, designed of regional water system facility, right-of-a-way evaluation, or providing other facilities necessary to provide emergency back-up supply that ultimately benefits the regional system.

"Water Purveyor's Water System" refers to any water project which a water purveyor needs to provide water to its service area but may be enlarged to transport water to or through for the benefit of a Regional Water System.

GENERAL PROCEDURES, GUIDELINES, AND RESPONSIBILITIES:

Preapproval:

For any project to be funded, a water purveyor must first submit a written request to CWSD asking if their project is eligible for funding. CWSD staff will initially evaluate the request to determinese if the project is eligible for funding. To be eligible the project must already be identified by CWSD as part of the regional water system or the water purveyor can demonstrate that the project will provide a regional benefit. If the project is eligible, CWSD staff will send a letter to the water purveyor informing them that their project is eligible for possible funding

assistance subject to CWSD Board approval. ~~CWSD reserves the right to accept or reject any project.~~

General Procedures:

If CWSD accepts the project, both entities will meet to discuss what specific elements of the project are eligible for funding. An estimation of the costs will also be submitted to CWSD. Once the specific elements have been agreed upon, an agreement will be developed and submitted to the water purveyor and CWSD to be ratified by both governing bodies. ~~Items that may be eligible for funding could include:~~

- ~~A) Costs associated with the design of the Regional Water System.~~
- ~~B) Costs associated with the construction of the Regional Water System.~~

Funding Procedures:

The following are the procedures for establishing the amount of funds available for the regional water system project: ~~paying to up-size a pipeline:~~

A). Alternative Bids:

1. The water purveyor will develop the bids for the project. If the project is to up-size the Water Purveyor's Water System, the water purveyor will develop one bid for the Water Purveyor's Water System and an alternate bid for the Regional Water System upgrade.
2. The water purveyor will conduct the bidding process and select the successful bidder.
3. CWSD will have up to 30 days to decide if it will participate in the Regional Water System portion of the project.
4. If CWSD elects to participate financially in the project, CWSD will pay the water purveyor the costs associated with the Regional Water System as agreed by both parties within 180 days after construction has begun.
5. The water purveyor is financially responsible for all change orders.
6. Incremental capacity for the Regional Water System will be defined as part of the agreement between CWSD and the water purveyor.

B). Maximum Project Costs: Not to Exceed:

1. The Water Purveyor and If developing two alternative bids is not practical, CWSD will can enter into a not-to exceed agreement.

~~For projects that tie water systems together or enhance the water system to the region, the amount of funds available will be negotiated on a case-by-case basis. This also pertains to regional storage tanks, treatment facilities, and wells.~~

Ownership:

The water purveyor that constructs the Regional Water System will own and maintain the facilities. CWSD will own the capacity rights for the portion that represents the Regional Water System, unless specified differently by Board action. ~~In the event public entity wants to utilize~~ The capacity owned by CWSD, is available to any public entity to use at no cost. for the ~~capacity. that public entity will request in writing the right to use the capacity from CWSD.~~ The public entity that uses the capacity from CWSD shall be responsible for all costs associated with operation, depreciation, and other fees that may be established by the public entity that operates and maintenance the Regional Water System. ~~In the event a private entity wants to utilize the capacity owned by CWSD, CWSD reserves the right to charge for such capacity in an amount that will recoup some or all of the financial commitment made by CWSD. The private entity will also be responsible for all costs associated with the operation, maintenance, depreciation, and other costs that may be established by the public entity that operates and maintenance the Regional Water System.~~

Modifications to the Policy:

Any modification to this policy must be approved by the Board.