SGID WATER DEDICATION POLICY

June 13, 1996 Revised: May 19, 2016

Water Rights Dedication

Adequate water resources are required for all new developments to be served by SGID including:

Division of Land into Large Parcels

Subdivision Maps

Parcel Maps

Non-residential development including commercial, industrial, recreational or public facilities

Special use permit; or any other permit as deemed appropriate

Acceptability

The water rights dedicated to SGID in exchange for service must be in good standing with the Division of Water Resources. This includes:

Verification by the District Engineer that the base right being proposed for transfer is in good standing and is either an existing permitted or certificated Right.

Filing with the Division of Water Resources of an Application(s) and supporting map, if applicable, to Change the Place of Use, Point of Diversion, and/or manner of use (as required in each specific case) to the District's water service area in the well(s) designated by the District.

The applicant shall pay SGID for the costs of verification, filing of water

applications, and other related work.

Source of Rights

The source of water rights accepted by SGID shall be non-supplemental underground (well) water. All applications to change groundwater rights located outside the Stagecoach Sub-Area of the Dayton Valley shall require Division of Water Resources approval before <u>any</u> SGID approvals based on such rights.

Quantity

The amount of water required for dedication shall be:

.67 acre-feet annually required for each single-family residential lot to be served by the SGID system, unless a different amount is required by the State of Nevada, Division of Water Resources, State Water Rights Engineer.

The acre-feet annually required for commercial, industrial, recreational, or other

Development will be determined by SGID on a case by case basis.

Dedication Document

The document transferring water rights (in the proper amount) to SGID can be a Grant, Bargain and Sale Deed, QuitClaim Deed, or a Water Rights Deed.

The document must be executed by the water right owner of record at the Division of Water Resources or an adequate chain of title must be on file at the Division of Water Resources to the party executing the deed. After approval of the document by the District, it shall be recorded at the Lyon

County Recorder's Office and a copy filed with the required Report of Conveyance at the Division of Water Resources.

Time of Dedication

Complete water right dedication, including dedication document and approval of the application to change by the Division of Water Resources, must be made prior to:

Final approval of the project

Water service connection

SGID issuance of an unconditional will serve

If the water right dedication is pending but not yet complete, a conditional will serve subject to Division of Water Resources approval of an application to change, County approval, etc., can be issued by SGID to allow the developer to process their project through the County to the point of construction.

Time of Submittal

Information regarding the water rights to be dedicated to SGID in exchange for service shall be submitted to the District Board for review by District Staff, Engineer, and/or Attorney prior to being agendized for action by the Board. Information includes:

Permit number and/or Certificate number

Owner of water rights, if different than developer

Amount of water being purchased for dedication

Costs

It is the responsibility of an applicant seeking new or expanded water service to pay all costs related to SGID's verification, research, and transfer of water rights from the applicant to SGID.

All costs for the water right dedication, through issuance of a permit by the State

Engineer, shall be borne by the developer.

The District Engineer is to prepare any Report(s) of Conveyance, Application(s) to Change and supporting map with the associated billing to be handled through SGID.

An applicant is required to advance funds and filing fees to SGID in an amount equal to the Engineer's estimate of costs (to be determined on a case by case basis), and must reimburse SGID for any additional costs incurred in excess of the retainer.

Maintenance of the water rights and costs associated with maintaining the water right permit in good standing with the Division of Water Resources shall be the responsibility of SGID.

Donation to District of Excess Water Rights

If an individual has a partial water right left over of 1/3 ac.ft. or more and wishes to donate it to the District, the SGID will pay the related transfer fees up to the cash value of the partial donated rights.

Change of Use

Individuals may be allowed, upon Board approval, to change the specified use of previously dedicated water rights to a new utilization on the same parcel, provided water rights are sufficient for the new project (i.e. Originally an individual has dedicated water rights for a Laundromat and then changes to an RV Park).