

AGENDA
BIG BEND WATER DISTRICT
BOARD OF TRUSTEES

SPECIAL MEETING
9:00 A.M. – DECEMBER 5, 2017

Board of Trustees
Steve Sisolak, Chair
Susan Brager, Vice Chair
Larry Brown
Jim Gibson
Chris Giunchigliani
Marilyn Kirkpatrick
Lawrence Weekly

Date Posted: November 28, 2017

COMMISSION CHAMBERS
CLARK COUNTY GOVERNMENT CENTER
500 S. GRAND CENTRAL PARKWAY, LAS VEGAS, NEVADA
(702) 258-3100

The Big Bend Water District makes reasonable efforts to assist and accommodate persons with physical disabilities who desire to attend the meeting. For assistance, call the Agenda Coordinator (702) 258-3939 at least 24 hours prior to the meeting.

THIS MEETING HAS BEEN PROPERLY NOTICED AND POSTED IN THE FOLLOWING LOCATIONS:

Clark County Government Center
500 South Grand Central Parkway
Las Vegas, Nevada

Las Vegas Valley Water District
1001 S. Valley View Boulevard
Las Vegas, Nevada

Regional Justice Center
200 Lewis Avenue
Las Vegas, Nevada

Regional Government Center
101 Civic Way
Laughlin, Nevada

Big Bend Water District
1520 Thomas Edison Drive
Laughlin, Nevada

Laughlin Library
2840 Needles Highway
Laughlin, Nevada

All items listed on this agenda are for action by the Board of Trustees, unless otherwise indicated. Items may be taken out of order. The Board of Trustees may combine two or more agenda items for consideration, and/or may remove an item from the agenda or delay discussions relating to an item on the agenda at any time.

Visit our website at http://www.lvvwd.com/apps/agenda/big_bend/index.cfm or main office at 1001 S. Valley View Boulevard, Las Vegas, Nevada for Big Bend Water District agenda postings, copies of supporting material and approved minutes. To receive meeting information, including supporting material, contact the BBWD Agenda Coordinator at (702) 258-3939 or agendas@lvvwd.com.

CALL TO ORDER

COMMENTS BY THE GENERAL PUBLIC

NO ACTION MAY BE TAKEN: At this time, the Board of Trustees will hear general comments from the public on items listed on this agenda. If you wish to speak to the Board about items within its jurisdiction but not appearing on this agenda, you must wait until the "Comments by the General Public" period listed at the end of this agenda. Please limit your comments to three minutes or less.

ITEM NO.

1. *For Possible Action:* Approve agenda with the inclusion of tabled and/or reconsidered items, emergency items and/or deletion of items, and approve the minutes of the meeting of November 7, 2017.
2. *For Possible Action:* Accept the Big Bend Water District's Annual Financial Report for the period ending June 30, 2017, and authorize its submission to the Nevada Department of Taxation.
3. *For Possible Action:* Conduct a Public Hearing to consider and adopt the Citizens Advisory Committee's Recommendations Report that includes increases to water rates and fees, adopt the increases to water rates and fees, incorporate changes to the District's Service Rules, or take other action as appropriate.

COMMENTS BY THE GENERAL PUBLIC

NO ACTION MAY BE TAKEN: At this time, the Board of Trustees will hear general comments from the public on matters under the jurisdiction of the Big Bend Water District. Please limit your comments to three minutes or less.

**BIG BEND WATER DISTRICT
BOARD OF TRUSTEES MEETING
NOVEMBER 7, 2017
MINUTES**

CALL TO ORDER 9:15 a.m., Commission Chambers, Clark County Government Center,
500 South Grand Central Parkway, Las Vegas, Nevada

TRUSTEES PRESENT Steve Sisolak, Chair
Susan Brager, Vice Chair
James Gibson
Chris Giunchigliani
Marilyn Kirkpatrick
Lawrence Weekly

TRUSTEES ABSENT Larry Brown

STAFF PRESENT John Entsminger, Julie Wilcox, Dave Johnson, Greg Walch, Brian Thomas

OTHERS PRESENT None

Unless otherwise indicated, all members present voted in the affirmative.

COMMENTS BY THE GENERAL PUBLIC

For full public comment visit www.lvvwd.com/apps/agenda/big_bend/index.cfm

There were no speakers.

1. **Approve agenda with the inclusion of tabled and/or reconsidered items, emergency items and/or deletion of items, and approve the minutes of the meeting of June 6, 2017.**

FINAL ACTION: A motion was made by Trustee Gibson to approve the meeting's agenda and minutes of the June 6, 2017 meeting. The motion was approved.

2. **Consider the Business Impact Statement and determine whether the proposed changes to water rates and service charges are likely to impose a direct and significant economic burden upon a business or directly restrict the formation, operation, or expansion of a business, and direct the General Manager, or his designee, to certify the statement.**

John Entsminger, General Manager, stated that staff found no impact.

FINAL ACTION: A motion was made by Trustee Brager to follow staff's recommendation. The motion was approved.

3. **Set a Public Hearing for December 5, 2017, to consider and adopt the recommendations made by a citizens advisory committee, which include increases to water rates and fees, or take other action as appropriate.**

FINAL ACTION: Chair Sisolak set the public hearing for December 5, 2017 at 9:00 a.m.

COMMENTS BY THE GENERAL PUBLIC

For full public comment visit www.lvvwd.com/apps/agenda/big_bend/index.cfm

There were no speakers.

APPROVED:

Steve Sisolak, Chair

John J. Entsminger, Secretary

Adjournment

There being no further business to come before the Board, the meeting adjourned at 9:18 a.m.

Copies of all original agenda items and minutes, including all attachments, are on file in the General Manager's office at the Las Vegas Valley Water District, 1001 South Valley View Boulevard.

**BIG BEND WATER DISTRICT
BOARD OF TRUSTEES
AGENDA ITEM**

December 5, 2017

December 5, 2017

Subject: Annual Financial Report	Director's Backup
Petitioner: Brian G. Thomas, Chief Financial Officer	
Recommendations: That the Board of Trustees accept the Big Bend Water District's Annual Financial Report for the period ending June 30, 2017, and authorize its submission to the Nevada Department of Taxation.	

Fiscal Impact:

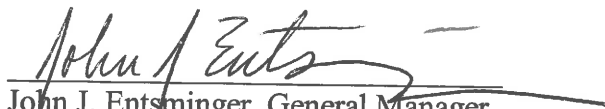
None by approval of the above recommendation.

Background:

The Las Vegas Valley Water District, as operating agent for the Big Bend Water District (BBWD) prepared an Annual Financial Report (AFR) for the fiscal year ending June 30, 2017. The AFR was audited by the BBWD's independent auditor, Piercy Bowler Taylor & Kern. The AFR is being presented to the Board of Trustees and, upon acceptance, will be submitted to the Nevada Department of Taxation, in accordance with Nevada Revised Statute (NRS) 354.624(6).

This action is authorized pursuant to NRS 354.624(6). The office of the General Counsel has reviewed and approved this agenda item.

Respectfully submitted:


John J. Entsminger, General Manager
JJE:BGT:kan
Attachment

AGENDA ITEM #

2

Annual Financial Report

Big Bend Water District

July 1, 2016 - June 30, 2017

Laughlin, Nevada

(a component unit of Clark County, Nevada)

Brian G. Thomas, Chief Financial Officer
Las Vegas Valley Water District
(Operating Agent for the Big Bend Water District)
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

Big Bend Water District
Table of Contents
For the Fiscal Year Ended June 30, 2017

	<u>Page</u>
Independent Auditors' Report on Financial Statements and Supplementary Information	1
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	4
Statement of Revenues, Expenses and Changes in Net Position	5
Statement of Cash Flows	6
Notes to Basic Financial Statements	8
Other Supplementary Information	
Statement of Revenues, Expenses and Changes in Net Position, Actual and Budget	18
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	20

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INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Board of Trustees
Big Bend Water District
Las Vegas, NV

We have audited the accompanying financial statements of the Big Bend Water District (the District), a discretely presented component unit of Clark County, Nevada, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

An audit performed in accordance with applicable professional standards is a process designed to obtain reasonable assurance about whether the District's basic financial statements are free from material misstatement. This process involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the basic financial statements to enable the design of audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the overall presentation of the basic financial statements.

Management's Responsibility for the Financial Statements. Management is responsible for the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility. Our responsibility is to express an opinion on the basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion. In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2017, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Information. Our audit was conducted for the purpose of forming our opinion on the financial statements that collectively comprise the District's basic financial statements. The introductory section and other supplementary information, as listed in the table of contents, are presented for purposes of additional

analysis and are not a required part of the basic financial statements.

The other supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Matters. The District has not presented a Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements in accordance with accounting principles generally accepted in the United States of America; and therefore, does not affect our opinion thereon.

Other Reporting Required by *Government Auditing Standards*. In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Penny Bowl Taylor, CPA

Las Vegas, Nevada
November 1, 2017

Basic Financial Statements

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Big Bend Water District
Statement of Net Position
June 30, 2017

ASSETS

Current assets:

Cash and cash equivalents	\$ 2,031,340
Accounts receivable, net of allowance for doubtful accounts	371,294
Prepaid expenses	11,181
	<u>2,413,815</u>

Noncurrent assets:

Capital assets, net of accumulated depreciation:

Structures and other improvements	52,407,418
Equipment	2,942,609
Accumulated depreciation	<u>(26,275,860)</u>
	<u>29,074,167</u>

Total assets	<u>31,487,982</u>
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DEFERRED OUTFLOW OF RESOURCES

Deferred amount - other government	<u>47,728</u>
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Total Assets and Deferred Outflow of Resources	<u><u>\$ 31,535,710</u></u>
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LIABILITIES

Current liabilities:

Interest payable	\$ 56,420
Customer deposits	54,103
General obligation bonds payable, current portion	<u>407,814</u>
	<u>518,337</u>

Noncurrent liabilities:

Due to other government	1,498,116
General obligation bonds payable, net of current portion	<u>3,124,406</u>
	<u>4,622,522</u>

Total liabilities	<u>5,140,859</u>
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NET POSITION

Invested in capital assets, net of related debt	25,541,947
Unrestricted	<u>852,904</u>

Total net position	<u>26,394,851</u>
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Total liabilities and net position	<u><u>\$ 31,535,710</u></u>
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Big Bend Water District
Statement of Revenues, Expenses
and Changes in Net Position
For the Fiscal Year Ended June 30, 2017

OPERATING REVENUES	
Water sales	<u>\$ 3,304,097</u>
OPERATING EXPENSES	
Salaries and wages	850,903
Employee benefits	539,638
Services and supplies	1,764,603
Depreciation	<u>1,393,288</u>
Total operating expenses	<u>4,548,432</u>
OPERATING LOSS	<u>(1,244,335)</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest and investment income	17,118
Interest expense	<u>(116,022)</u>
Total non-operating revenues (expenses)	<u>(98,904)</u>
LOSS BEFORE CONTRIBUTIONS	<u>(1,343,239)</u>
CONTRIBUTIONS	
Capital contributions	<u>729,901</u>
CHANGE IN NET POSITION	<u>(613,338)</u>
NET POSITION	
Beginning of the year	<u>27,008,189</u>
NET POSITION, END OF YEAR	<u><u>\$ 26,394,851</u></u>

Big Bend Water District
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2017

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers	\$ 3,267,198
Cash paid for employees and benefits	(1,337,471)
Cash paid for services and supplies	<u>(1,741,644)</u>
Net cash provided by operating activities	<u>188,083</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Capital contributions	729,901
Repayment of debt:	
Principal	(395,091)
Interest	<u>(122,333)</u>
Net cash provided by capital and related financing activities	<u>212,477</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest and investment income	<u>17,118</u>
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NET INCREASE IN CASH AND CASH EQUIVALENTS

417,678

CASH AND CASH EQUIVALENTS

Beginning of the year	<u>1,613,662</u>
End of the year	<u><u>\$ 2,031,340</u></u>

RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating loss	\$ (1,244,335)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	1,393,288
(Increase) decrease in operating assets:	
Accounts receivable	(31,936)
Prepaid expense	22,959
Deferred amount - other government	152,466
Increase (decrease) in operating liabilities:	
Customer deposits	(4,963)
Due to other government	<u>(99,396)</u>
Net cash provided by operating activities	<u><u>\$ 188,083</u></u>

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**Notes to Basic
Financial Statements**

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Big Bend Water District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

Note 1. Summary of Significant Accounting Policies

The Reporting Entity

The Big Bend Water District (District) was established in 1983 under the provisions of Nevada Revised Statutes (NRS or Nevada Statutes) 318 for the purpose of obtaining and distributing water in Laughlin, Nevada. Under the 1922 Colorado River Compact, the State of Nevada is allocated 300,000 acre feet per year (AFY) of Colorado River water, from which the District obtains water for distribution under a Colorado River water delivery contract, which provides the District with 10,000 AFY of Colorado River water. An additional 5,352 AFY of Colorado River water is allocated to the District under a cooperative agreement. Historically, the District has utilized approximately 5,000 of its 15,352 total available AFY of Colorado River water. The District currently provides potable water service in Laughlin, Nevada, to a population of approximately 8,000 to 9,000.

The Clark County Board of Commissioners serves as the District's Board of Trustees (the Board); and therefore, the District is included within the Clark County, Nevada Comprehensive Annual Financial Report. For purposes of these financial statements, the District is the reporting entity.

In evaluating how to define the financial reporting entity, management considered all potential component units using standards prescribed under Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. Component units would include any legally separate organizations for which the Board appoints a voting majority of the organization's governing body and 1) is able to impose its will on that organization, or 2) there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on the District. Based on these criteria, no component units or other reportable organizations were identified.

The Board appoints an operating agent to manage the day-to-day operations of the District. The Las Vegas Valley Water District (LVVWD) was appointed to be the District's operating agent beginning in September 2008. Prior to this appointment, the District's operating agent was the Clark County Water Reclamation District (CCWRD).

LVVWD was created under a special act of the State of Nevada Legislature in 1947 for the purpose of obtaining and distributing water primarily in the Las Vegas valley, which includes the metropolitan area of Clark County and the City of Las Vegas. LVVWD's Comprehensive Annual Financial Report (CAFR) can be obtained by writing to:

Chief Financial Officer
Las Vegas Valley Water District
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

In 1954, CCWRD was created under the provisions of NRS 318 (as the Clark County Sanitation District) for the purpose of providing sewer services to the unincorporated areas of Clark County. CCWRD's CAFR can be obtained by writing to:

Big Bend Water District
Notes to Basic Financial Statements (continued)
For the Fiscal Year Ended June 30, 2017

Financial Services Manager
Clark County Water Reclamation District
5857 East Flamingo Road
Las Vegas, Nevada 89122

During the year ended June 30, 2017, LVVWD paid all operating expenses on behalf of the District and billed the District for such expenses.

The District has no employees of its own; and therefore, during the year ended June 30, 2017, all District operating activities were performed by LVVWD employees. Consequently, any financial reporting requirements regarding employees utilized by the District including, but not limited to, reporting on post employment benefits and pensions can be found in LVVWD's CAFR.

In 1991, the Southern Nevada Water Authority (SNWA), a political subdivision of the State of Nevada, was created under the provisions of NRS 277 and by a cooperative agreement among the District, LVVWD, CCWRD, the City of Boulder City, the City of Henderson, the City of Las Vegas, and the City of North Las Vegas (member agencies). SNWA's primary functions are to secure additional supplies of water and effectively manage existing supplies of water on a regional basis through the cooperative action of the member agencies. The cooperative agreement was amended in 1994 and 1996. SNWA is governed by a seven-member board of directors, comprised of one director from each member agency. LVVWD is also the operating agent for SNWA, and LVVWD's General Manager and Chief Financial Officer are also SNWA's General Manager and Treasurer, respectively.

SNWA has the power to periodically assess the member agencies directly for operating and capital costs and for the satisfaction of any liabilities imposed against SNWA. The District and other members do not have an express claim to the resources of SNWA except that, upon termination of the cooperative agreement, any assets remaining after payment of all obligations shall be returned to the contributing member agencies. For this reason, the District records capital contributions to SNWA as an operating expense. SNWA's CAFR can be obtained by writing to:

Office of the Treasurer
Southern Nevada Water Authority
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

Basic Financial Statements

The government-wide/proprietary fund financial statements include a statement of net position, a statement of revenues, expenses and changes in net position and a statement of cash flows, and present information for the District's nonfiduciary activities, which consist solely of business-type activities that are accounted for in a single proprietary (enterprise) fund. The District does not currently maintain any governmental or fiduciary fund types.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide/proprietary fund financial statements are reported on the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. In this regard, the District's operations are accounted for in a manner similar to a private business enterprise, where the intent of the governing body is that the costs of providing goods and services to customers on a continuing basis are financed or recovered primarily through user charges, and its financial measurement focus is on determination of net income, financial position, and cash flows.

Big Bend Water District
Notes to Basic Financial Statements (continued)
For the Fiscal Year Ended June 30, 2017

The District adheres to all applicable financial accounting and reporting standards of the GASB.

Proprietary funds distinguish between operating and non-operating revenues and expenses. Operating revenues and expenses generally result from providing services, and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The District's primary operating revenue is charges for services (water sales). Operating expenses include the costs associated with the water sales, administrative expenses, and depreciation. All revenues and expenses not directly related to providing services, and producing and delivering goods are reported as non-operating revenues and expenses. Although capital contributions are reported separately, they are considered to be non-operating revenues.

When both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first, then unrestricted resources as needed.

Assets, Liabilities, and Net Assets

Cash and Cash Equivalents

The District's cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition are considered to be cash and cash equivalents.

At June 30, 2017, all District cash and cash equivalents were deposited with LVVWD, the District's operating agent, in a manner similar to an external investment pool. The amounts deposited with LVVWD are sufficiently liquid to permit withdrawals in the form of cash at any time without prior notice or penalty; and therefore, they are deemed to be cash equivalents (Note 3). Cash and cash equivalents deposited with financial institutions are partially insured by the FDIC and are further secured by collateral pledged by individual financial institutions with the State of Nevada, Office of the State Treasurer, in the Pooled Collateral for Deposits Program.

Receivables

At June 30, 2017, accounts receivable consist primarily of unbilled and/or uncollected water sales, which are expected to be collected within one year.

Capital Assets

Capital assets include structures, improvements, equipment and construction in progress and are recorded at cost where historical records are available and, if no historical records exist, at estimated cost (Note 3). Donated capital assets, if any, are valued at their estimated fair value on the date received. Capital assets are defined as assets with an initial cost of at least \$10,000 and an estimated useful life of three years. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's functionality are not capitalized. Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during the construction of an asset is included as part of the capitalized value of the asset. No interest expense was capitalized for the year ended June 30, 2017. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Structures and improvements	5-50
Equipment	3-10

Big Bend Water District
Notes to Basic Financial Statements (continued)
For the Fiscal Year Ended June 30, 2017

Capital Contributions

Capital contributions consist primarily of facilities connection charge (\$326,975) and shared sales tax revenue (\$393,976), which is restricted for the acquisition, relocation, improvement or construction of property, facilities, or equipment. No distinction is made between property acquired through capital contributions and property purchased from operating funds.

Net Position

Net position is displayed in two components: (1) Invested in capital assets, net of related debt represents the District's equity interest in its capital assets. It reflects the cost of capital assets less accumulated depreciation and less the outstanding principal of related debt, excluding unspent proceeds. (2) Unrestricted net position represents the remaining fund equity balance that is available to support District operations and capital asset acquisition/construction.

Use of Estimates

Timely preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates that affect reported amounts. These estimates may require revision in future periods.

Note 2. Stewardship, Compliance and Accountability

New Accounting Pronouncements

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which is effective for fiscal years beginning after June 15, 2017. Earlier application is encouraged. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multi-Employer Plans*, for OPEB. The District is currently evaluating how the adoption of Statement No. 75 will affect the District's financial position, results of operation or cash flow.

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*, which is effective for fiscal years beginning after December 15, 2016 and should be applied retroactively. Earlier application is encouraged. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is the beneficiary of the agreement. The District does not expect the adoption of Statement No.81 to affect the District's financial position, results of operation or cash flow.

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*, which is effective for fiscal years beginning after June 15, 2018. Earlier application is encouraged. The objective of this Statement is to provide financial statement users with information about asset retirement obligations that were not addressed in GASB standards by establishing uniform accounting and financial reporting requirements for these obligations. The

Big Bend Water District
Notes to Basic Financial Statements (continued)
For the Fiscal Year Ended June 30, 2017

District is currently evaluating how the adoption of Statement No. 83 will affect the District's financial position, results of operation or cash flow.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, which is effective for fiscal years beginning after December 15, 2018. Earlier application is encouraged. The principal objective of this Statement is to enhance the consistency and compatibility of fiduciary activity reporting by state and local governments. This Statement also is intended to improve the usefulness of fiduciary activity information primarily for assessing the accountability of governments in their roles as fiduciaries. The District does not expect the adoption of Statement No. 84 to affect the District's financial position, results of operation or cash flow.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, which is effective for fiscal years beginning after June 15, 2017. Earlier application is encouraged. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The District is currently evaluating how the adoption of Statement No. 85 will affect the District's financial position, results of operation or cash flow.

In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*, which is effective for fiscal years beginning after June 15, 2017. Earlier application is encouraged. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The District does not expect the adoption of Statement No. 86 to affect the District's financial position, results of operation or cash flow.

In June 2017, the GASB issued Statement No. 87, *Leases*, which is effective for fiscal years beginning after December 15, 2019. Earlier application is encouraged. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases; enhancing comparability of financial statements between governments; and also enhancing the relevance, reliability (representational faithfulness), and consistence of information about the leasing activities of governments. The District is currently evaluating how the adoption of Statement No. 87 will affect the District's financial position, results of operation or cash flow.

Note 3. Detailed Balance Sheet Information

Cash, Cash Equivalents and Investments

At June 30, 2017, all of the District's cash and cash equivalents were deposited with LVVWD, the District's operating agent, in a manner similar to an external investment pool. The amounts deposited with LVVWD are sufficiently liquid to permit withdrawals in the form of cash at any time without prior notice or penalty; and therefore, they are deemed to be cash equivalents.

LVVWD invests monies held on behalf of the District through a pooling of monies, which are invested as a whole and not as a combination of monies. In this manner, LVVWD is able to invest the monies at a higher interest rate for a longer period of time. Due to the nature of the pooling, it is not possible to separately identify any specific investment as being that of the District. Instead, the District owns a proportionate share of each investment. Investment income is apportioned monthly based on the average daily cash balance of the component for the month.

Big Bend Water District
Notes to Basic Financial Statements (continued)
For the Fiscal Year Ended June 30, 2017

The fair value of the District's position in the pooled monies is equal to the value of the District's proportionate share of the pooled monies.

LVVWD; and therefore, the District, has a formal investment policy that is designed to ensure conformity with applicable NRS and to limit exposure to investment risks. The NRS do not specifically require collateral for demand deposits, but do specify that collateral for time deposits may be of the same type as those described for permissible investments under NRS. The formal investment policy places no limits on the amount that can be invested in any one issuer beyond that stipulated by the NRS.

To minimize exposure to concentrations of credit risk, the formal investment policy limits investments to obligations of the United States (U.S.) Treasury and U.S. agencies (not to exceed ten years maturity from the date of purchase) and commercial paper issued by a corporation organized and operating in the U.S. having an "A-1" or "P-1" rating by a nationally recognized rating service (not to exceed 270 days maturity from the date of purchase and 20% of total investments).

The District's share of pooled cash consists of interest-bearing demand deposits.

Capital Assets

For the fiscal year ended June 30, 2017, changes in capital assets were as follows:

	Balance July 1, 2016	Additions	Retirements	Balance June 30, 2017
Capital assets being depreciated:				
Structures and other improvements	\$ 52,415,146	\$ -	\$ (7,728)	\$ 52,407,418
Equipment	2,972,534	-	(29,925)	2,942,609
Total capital assets being depreciated	55,387,680	-	(37,653)	55,350,027
Less accumulated depreciation	(24,920,226)	(1,393,287)	37,653	(26,275,860)
Capital assets being depreciated, net	30,467,454	(1,393,287)	-	29,074,167
Total capital assets, net	\$ 30,467,454	\$ (1,393,287)	\$ -	\$ 29,074,167

Due to Other Government

Effectively July 1, 2007, the LVVWD implemented the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. As a result of this implementation, the LVVWD allocated a portion of the costs related to postemployment benefits other than pensions (OPEB) to the District. As of June 30, 2017, allocated OPEB costs were \$73,815. Additionally, effective July 1, 2014, the LVVWD implemented provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*. As a result of this implementation, the LVVWD allocated a portion of the costs related to net pension liability to the District. As of June 30, 2017, the allocated net pension liability cost is \$1,424,301.

Big Bend Water District
Notes to Basic Financial Statements (continued)
For the Fiscal Year Ended June 30, 2017

Long-term Obligations

The District issues general obligation bonds to provide funds for the improvement, acquisition or construction of major capital assets. These bonds are the direct obligation of the District.

At June 30, 2017, general obligation bonds outstanding were as follows:

<u>Bond issue series</u>	<u>Maturity date</u>	<u>Original amount</u>	<u>Interest rate</u>	<u>Balance June 30, 2017</u>
2003	January 1, 2025	\$ 4,000,000	3.19%	\$ 1,907,749
2004	July 1, 2024	<u>3,197,729⁽¹⁾</u>	3.20%	<u>1,624,471</u>
		<u>\$ 7,197,729</u>		<u>\$ 3,532,220</u>

⁽¹⁾ The 2004 series bonds were authorized in the aggregate principal amount of \$6,000,000 for the purpose of expanding the District's water delivery system. The State of Nevada agreed to finance this expansion project by purchasing, at par, up to \$6,000,000 of the District's general obligation bonds as the project is completed. At June 30, 2017, the original amount of 2004 series bonds that had been purchased by the State of Nevada totaled \$3,197,729.

At June 30, 2017, annual debt service requirements to maturity were as follows:

<u>Years ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 407,814	\$ 109,609	\$ 517,423
2019	420,947	96,476	517,423
2020	434,503	82,920	517,423
2021	448,495	68,928	517,423
2022	462,938	54,485	517,423
2023 - 2025	<u>1,357,524</u>	<u>72,072</u>	<u>1,429,596</u>
	<u>\$ 3,532,220</u>	<u>\$ 484,491</u>	<u>\$ 4,016,711</u>

For the fiscal year ended June 30, 2017, changes in long-term obligations were as follows:

<u>Bond issue series</u>	<u>Balance July 1, 2016</u>	<u>Reductions</u>	<u>Balance June 30, 2017</u>	<u>Due within one year</u>
2003	\$ 2,114,022	\$ (206,272)	\$ 1,907,749	\$ 212,904
2004	<u>1,813,289</u>	<u>(188,819)</u>	<u>1,624,471</u>	<u>194,910</u>
	<u>\$ 3,927,311</u>	<u>\$ (395,091)</u>	<u>\$ 3,532,220</u>	<u>\$ 407,814</u>

Debt Covenants

Management believes that the District has complied with all legal requirements, limitations, and restrictions imposed by debt covenants. The District is required to set user charges (primarily water rates) at levels sufficient to cover all operating and maintenance expenses (excluding depreciation), all debt service requirements, and amounts pertaining to the water system, and to comply with the requirements of the Safe Drinking Water Act and 40 CFR Part 31. Other requirements of debt covenants include the District foregoing any action or not omitting to take any action that would cause paid bond interest to lose its federal tax exempt status.

Big Bend Water District
Notes to Basic Financial Statements (continued)
For the Fiscal Year Ended June 30, 2017

Note 4. Deferred Outflows of Resources

Deferred amount – other government is used to account for the net difference between projected and actual earnings and the differences between expected and actual experience in the pension trust fund held by the LVVWD. As of June 30, 2017, BBWD portion of the LVVWD deferred amount related to pension is \$47,728.

Note 5. Risk Management

The District's operating activities are comprised primarily of obtaining and distributing water in Laughlin, Nevada; and therefore, realization of the District's receivables and its future operations could be affected by an adverse change in the economic conditions in the area.

The District is exposed to various risks of loss related to torts; theft of, or damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains a risk management program to assess coverage of potential risks of loss. Beginning in September 2008, the District was included in LVVWD's risk management programs and as such assumes the same risks and receives the same benefits from such programs as LVVWD.

LVVWD manages and finances these risks through a combination of purchasing commercial insurance and self-assumption of some risk. In 2003 the District implemented a self-insurance program for its automobile and general liability exposure. The District assumes the first \$1 million for any one claim and purchases \$30 million of excess liability insurance. The District also self-insures its fleet of vehicles for any damage. The District purchases property insurance covering its buildings, contents and equipment from the commercial insurance market. This program has a blanket limit of \$500 million for all locations with a \$1 million deductible for damage to District properties except earthquake and flood which have limits of \$100 million and \$50 million respectively, with a deductible of \$100,000. This program also provides terrorism insurance for all locations with a blanket limit of \$500 million for all terrorist acts.

LVVWD settlements and awards have not exceeded insurance coverage in each of the past three years.

GASB Statement 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, requires that for retained risks a liability for claims be reported if information available prior to issuance of the financial statements indicates it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. In addition, there are also situations in which incidents occur before the balance sheet date, but claims are not reported or asserted when the financial statements are prepared. These incurred but not reported claims have been estimated based upon the District's past experience and adjusted for current trends. At June 30, 2017, the District had no significant retained risks; and therefore, has no accrued liability for retained risks. Information regarding LVVWD's retained risks can be found in LVVWD's CAFR, which can be obtained by writing to:

Chief Financial Officer
Las Vegas Valley Water District
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

Big Bend Water District
Notes to Basic Financial Statements (continued)
For the Fiscal Year Ended June 30, 2017

Note 6. Contingent Liabilities

In the ordinary course of its operations, claims are filed against the District. It is the opinion of management that these claims will not have any material adverse effect on the District's financial position, results of operation, or cash flows.

The District does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters but rather, records such as period costs when services are rendered.

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Other Supplementary Information

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Big Bend Water District
Statement of Revenues, Expenses
and Changes in Net Position
For the Fiscal Year Ended June 30, 2017
Actual and Budget

	FY 2017 Twelve Months Actual	FY 2017 Annual Budget
OPERATING REVENUES		
Water sales	\$ 3,304,097	\$ 3,207,680
Total operating revenues	<u>3,304,097</u>	<u>3,207,680</u>
OPERATING EXPENSES		
Salaries and wages	850,903	1,115,347
Employee benefits	539,638	523,316
Services and supplies	1,764,603	2,019,800
Depreciation	<u>1,393,288</u>	<u>1,300,000</u>
Total operating expenses	<u>4,548,432</u>	<u>4,958,463</u>
OPERATING LOSS	<u>(1,244,335)</u>	<u>(1,750,783)</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest and investment income	17,118	9,162
Interest expense	<u>(116,022)</u>	<u>(122,107)</u>
Total non-operating revenues (expenses)	<u>(98,904)</u>	<u>(112,945)</u>
LOSS BEFORE CONTRIBUTIONS	<u>(1,343,239)</u>	<u>(1,863,728)</u>
CONTRIBUTIONS		
Capital contributions	<u>729,901</u>	<u>351,664</u>
CHANGE IN NET POSITION	<u><u>\$ (613,338)</u></u>	<u><u>\$ (1,512,064)</u></u>

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Additional Auditors' Report

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Trustees
Big Bend Water District
Las Vegas, NV

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Big Bend Water District (the District), a discretely presented component unit of Clark County, Nevada, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents, and have issued our report thereon dated November 1, 2017.

Internal Control over Financial Reporting. In planning and performing our audit of the basic financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's basic financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters. As part of obtaining reasonable assurance about whether the District's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts, including whether the funds established by the District, as listed in Nevada Revised Statutes (NRS) 354.624 (5)(a)(1 through 5), complied with the express purposes required by NRS 354.6241. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report. The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Piercy Bowl Taylor, K

Las Vegas, Nevada
November 1, 2017

BIG BEND WATER DISTRICT

**REQUIRED
COMMUNICATIONS
LETTER**

**TO THE
BOARD OF TRUSTEES**

**FOR THE YEAR ENDED
JUNE 30, 2017**

BIG BEND WATER DISTRICT
REQUIRED COMMUNICATIONS LETTER

CONTENTS

	PAGE
Transmittal letter	1
Management's responsibility	2
Significant audit adjustments (corrected misstatements)	2
Difficulties or contentious matters encountered in performing the audit	2
Matters involving internal control	2
Other governance matters	3

Board of Trustees
Big Bend Water District
1001 South Valley View Blvd.
Las Vegas, NV 89153

RE: Required Communications

Ladies and gentlemen:

As part of our engagement to audit the basic financial statements of Big Bend Water District (the District) as of June 30, 2017, and for the year then ended, we are required under applicable auditing standards to communicate certain matters to those charged with governance responsibilities for the District for the purpose of assisting them in meeting their responsibilities with regard to the financial reporting process. This report contains those required communications.

The matters reported herein were considered in forming our opinion on the District's basic financial statements contained in our report dated November 1, 2017, and these matters do not change that report.

The purpose of this communication, among other things, is to describe the scope of our testing of internal control over financial reporting and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. This communication is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.

Percy Bowler Taylor Kern

November 1, 2017

Copies provided to:
John J. Enstminger, General Manager
Brian G. Thomas, Chief Financial Officer
Robert Smith, Accounting Manager

Others approved to receive a copy from management:

MANAGEMENT'S RESPONSIBILITY

It is management's responsibility to provide those charged with governance responsibilities, prior to issuance of the District's annual basic financial statements and our report thereon, with detailed information related to the District's 1) initial selection of, and changes in, significant accounting policies and practices, 2) significant estimates, 3) significant unusual transactions, and 4) corrected and uncorrected misstatements, if any.

Appended to this communication is a copy of the letter of representation, requested by us, to be executed by management with regard to our audit services.

SIGNIFICANT AUDIT ADJUSTMENTS (CORRECTED MISSTATEMENTS)

Our audit resulted in no significant adjustments to the District's basic financial statements.

DIFFICULTIES OR CONTENTIOUS MATTERS ENCOUNTERED IN PERFORMING THE AUDIT

Management cooperated fully, and no significant difficulties or contentious matters were encountered in completing the June 30, 2017, audit.

MATTERS INVOLVING INTERNAL CONTROL

We planned and performed our audit of the basic financial statements of the District as of June 30, 2017 and for the year then ended, in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* issued by the Comptroller General of the United States. We considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the District's basic financial statements. Such procedures were not performed for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

The principal objectives of effective internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that all transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of basic financial statements in accordance with accounting principles generally accepted in the United States. The concept of reasonable assurance requires that management, in fulfilling its responsibility, make estimates and judgments to assess the expected benefit and related costs of control procedures. Because of inherent limitations in any internal control, errors or fraudulent acts, particularly when involving forgery and collusion, may occur and not be detected. In addition, there is a risk that procedures may become inadequate in future periods because of changes in conditions and the degree of compliance with the procedures may deteriorate.

Definitions. A *deficiency* in internal control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the

District's basic financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control, that is less severe than a material weakness yet important enough to merit attention by those with governance. Our consideration of internal control would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

Findings. Our procedures did not identify any internal control deficiencies that we consider to be a material weakness.

OTHER GOVERNANCE MATTERS

Auditors' responsibility under applicable professional standards. As stated in our report on the District's basic financial statements, our responsibility as independent auditors, under applicable professional standards, is to express an opinion, based on our audit, on the District's basic financial statements, which are the responsibility of the District's management. Our responsibilities, as contrasted with management's, are spelled out more fully in our letter of engagement.

Despite any limited assistance we may have provided to management in its preparation, our responsibility for information accompanying the District's basic financial statements is limited to 1) reading such information to ascertain that it is materially consistent with information presented in the District's basic financial statements 2) considering whether any statements contained therein may appear to be materially misstated, and 3) assuring the satisfactory resolution of our concerns, if any. In this instance, we performed the required procedures, and any changes requested by us in this process were satisfactorily made and all questions satisfactorily resolved.

In considering the matters reported herein, you should be cognizant of your responsibility for oversight of the financial reporting process and management's responsibilities for establishing and maintaining an effective internal control subject to regulatory and ownership approval, and for the District's basic financial statements.

Fraudulent or other illegal or abusive activities. We did not become aware of any possible fraudulent or other illegal or abusive activities or any significant complaints or concerns regarding the District's accounting and financial reporting.

Significant accounting policies. The significant accounting policies employed by the District are disclosed in the notes to the District's basic financial statements and are essentially as prescribed, recommended or permitted under applicable authoritative literature for, or commonly used by, other entities in your industry. The accounting policies have been consistently applied and are not controversial or lacking in authoritative guidance or consensus.

Significant estimates. The basic financial statements do not contain any significant management estimates.

Significant unusual transactions. Significant unusual transactions are those that occur outside the normal course of business or that otherwise appear to be unusual due to their timing, size, or nature. We are not aware of any significant unusual transactions.

Related parties. No significant audit issues were encountered in connection with the District's related party transactions, for example, nondisclosure by management or questionable authorization/purpose.

Disagreements or pre-retention discussions with, and consultations with other accountants by, management. We are also required by professional standards to communicate any significant disagreements with management, consultations by management with other accountants that we become aware of, or discussions with us prior to our retention regarding any major issues, over the application of accounting principles, management's judgments about accounting estimates, disclosures to be made in the District's basic financial statements, the scope of the audit or the wording of the auditors' report, regardless of whether the matter was satisfactorily resolved. No such disagreements were encountered in our audit, nor are we aware of any consultations with other accountants, nor were we consulted prior to retention, regarding any such matters.

Licensing and independence. This will confirm that we are duly licensed to perform this engagement. In addition, in our professional judgment, we are independent of the District and, when applicable, its affiliated entities under all applicable rules, regulations, and interpretations, and we represent that we know of no relationships that a reasonably informed person might consider an impairment of our independence under such requirements with regard to this engagement.

Management consulting services. We have not provided the District with any management consulting services.

Compliance with laws, regulations, contracts and grants. Compliance with laws, regulations, contracts and grants applicable to the District is the responsibility of the District's management. As part of obtaining reasonable assurance about whether the District's basic financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grants. However, our objective was not to provide an opinion on overall compliance with such provisions.

In accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, we have issued our report dated November 1, 2017, on our consideration of the District's internal control over financial reporting and on our tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and should be considered in assessing the results of our audit.

Material instances of noncompliance are failures to follow requirements or violations of prohibitions contained in laws, regulations, contracts and grants, that when aggregated, in our judgment, are material to the District's basic financial statements. The results of our tests of compliance did not disclose material instances of noncompliance.

**REPRESENTATIONS SOUGHT
FROM MANAGEMENT**

**BIG BEND WATER DISTRICT
BOARD OF TRUSTEES
AGENDA ITEM**

December 5, 2017

Subject: Conduct Public Hearing	Director's Backup
Petitioner: Julie A. Wilcox, Deputy General Manager, Administration	
Recommendations: That the Board of Trustees conduct a Public Hearing to consider and adopt the Citizens Advisory Committee’s Recommendations Report that includes increases to water rates and fees, adopt the increases to water rates and fees, incorporate changes to the District’s Service Rules, or take other action as appropriate.	

Fiscal Impact:

If approved, the rate increase is estimated to generate approximately \$150,000 of additional revenue in Fiscal Year 2017-18 and a total of approximately \$2.4 million of additional revenue over the first four fiscal years of implementation. Beginning January 1, 2022, an annual CPI-indexed increase will affect the amount of additional revenue generated.

Background:

In June 2017, the Board of Trustees established a Citizens Advisory Committee (Committee) to evaluate Big Bend Water District (BBWD) initiatives and make recommendations to the Board. The Committee met five times in public meetings where they received a tour of the BBWD facilities, reviewed proposed capital improvement projects and operating expenditures, and evaluated funding options and rate adjustment scenarios. In September 2017, the nine-member Committee formalized six recommendations that included a 9.4 percent increase to tier rates and service charges annually for four years to help fund more than \$9 million in capital projects and ongoing operating and maintenance expenses needed for the water system. Other Committee recommendations included utilizing State Revolving Fund Loans to fund capital projects that are not grant-funded, not accessing funds in the Fort Mohave Valley Development Fund to fund capital needs, and evaluating revenue periodically and adjusting water rates if needed.

Since the Committee made its recommendations, the BBWD has worked diligently to notify customers about the proposed changes to rates and fees:

- As required by NRS 237.080, the BBWD notified trade associations and businesses of the proposed changes and evaluated impacts within a Business Impact Statement (BIS), and sent a direct mail piece to every non-residential customer.
- Staff presented the Committee's recommendations to the Laughlin Town Advisory Board (LTAB) on October 10, 2017.
- A newsletter was distributed to all BBWD customers that outlined the Committee process, anticipated rate impacts and promotion of the informational public meeting.
- A public meeting was held to inform residents about the proposed increase on November 6, 2017. Eight people attended the meeting.
- A public meeting was held by the BBWD Board of Trustees on November 7, 2017, to consider the Business Impact Statement. The Board determined that the proposed rate changes did not

significantly burden or restrict the formation of business and directed staff to notice a public hearing for December 5, 2017.

- The social media accounts managed by the Las Vegas Valley Water District, which operates the BBWD, featured posts about the BIS process and public meeting.
- The BBWD's website was updated throughout the process with information about the Committee and its recommendations. The site also includes a bill estimator to help customers understand how the proposed rate increase would impact them.
- The Public Hearing was noticed in the Legal Notices section of the *Las Vegas Review-Journal* on November 10, 11, 15, 16, 20, 21 and December 1, 2, 3 and 4, 2017. Additionally, the Public Hearing was noticed in the *Laughlin Times* on November 15, 22, and 29, 2017.

If approved, the BBWD's Service Rules would be updated and the increases incorporated into customer bills. The Service Rules were also updated to correct citations/references, add an appendix that consolidates all rate-related information, and include alphabetized terms for improved readability. If approved, the initial rate and fee increases would be effective January 1, 2018.

This action is authorized pursuant to NRS 237.030 through 237.150; Sections 9.2 and 16 of the Las Vegas Valley Water District Act, Chapter 167, Statutes of Nevada 1947; The Management, Funding, Operation and Maintenance Agreement between the Big Bend Water District and Las Vegas Valley Water District (September 2, 2008). The office of the General Counsel has reviewed and approved this item.

Respectfully submitted:



John J. Entsminger, General Manager

JJE:JAW:AMB:KH:ccd

Attachments

**Big Bend Water District
Rates and Rules
Citizens Advisory Committee**

2017 RECOMMENDATIONS REPORT

BIG BEND WATER DISTRICT

Rates and Rules

Citizens Advisory Committee

Table of Contents

Purpose and Need	3
I. Advisory Committee Process.....	4
II. Discussion Topics	4
III. Recommendations	6
Appendix A – Meeting Synopses	8
Appendix B – Recommended Rate Models and Projected Monthly Bills for Sample Customers.....	9
Appendix C – Proposed Water Rates.....	11
Appendix D – Model Assumptions and Rate Model Scenarios	12
Appendix E – 10-Year Capital Program: 2018-2027.....	14

BIG BEND WATER DISTRICT
Rates and Rules Citizens Advisory Committee

Recommendations Report

Purpose and Need

The Big Bend Water District (BBWD) provides water service to more than 9,000 residents and approximately 2 million annual visitors in Laughlin, Nevada. Its responsibilities include operating and maintaining the facilities necessary to meet the water demands within its service area. The BBWD is governed by a Board of Trustees whose members also serve as Clark County Board of Commissioners. The Las Vegas Valley Water District (LVVWD) has served as operating agent for BBWD since September 2008.

Prior to the LVVWD's operation of the BBWD, Laughlin ratepayers experienced four annual rate increases of between 8.3 percent and 8.7 percent, beginning in July 1, 2003. Water rates and charges have not changed since the last increase on July 1, 2006. Revenue generated by these increases resulted in healthy reserves to be used to fund future capital improvements. By 2009, the reserve's fund balance was approximately \$9.6 million.

Upon assuming operational control of the BBWD system, LVVWD staff identified a number of capital improvement projects necessary to meet Nevada Administrative Code requirements, enhance system reliability and increase efficiency, conservation and water quality. To date, more than \$7.5 million has been expended on these improvements which have largely been funded through BBWD reserves.

Today, the BBWD's water system needs ongoing investments in maintenance and repair to continue to provide quality drinking water and reliable water service to the area. In addition, operating costs have increased over the past decade along with inflation. Approximately \$9.2 million (in 2017 dollars) in capital improvements are needed over the next 10 years to ensure reliable and sufficient service to the community. The BBWD's fund balance ending FY 2015-16 was approximately \$1.6 million and would continue to decline without changes in revenues. It is anticipated that the reserves would be exhausted within 2 years without revenue increases.

Recognizing the need to evaluate different revenue alternatives, the BBWD Board of Trustees appointed a Citizens Advisory Committee (CAC) on June 6, 2017 to offer community perspective on these important issues. Eleven individuals¹ were appointed by the Board, representing a broad spectrum of community interests, including small businesses, gaming, retirees and members of the Laughlin Town Advisory Board. Their unique perspectives helped shape six recommendations that will help guide the Board of Trustees on how best to meet revenue deficiencies and support a reliable water system.

The committee met five times between July 12, 2017 and September 14, 2017, completing a process that consisted of an overview and tour of the BBWD system and facilities, analysis of proposed capital improvements projects, evaluation of funding options and rate structure scenarios, and the formulation of recommendations.

¹ The Board of Trustees appointed 10 individuals to serve along with an alternate. Upon appointment, two appointees were unable to serve. Therefore, the committee met as a 9-member committee, which included the appointed alternate.

This report summarizes the committee process, key topics of discussion and the committee’s resulting recommendations.

I. Advisory Committee Process

To coordinate and manage committee meetings, the LVVWD retained an independent, neutral facilitator, Lewis Michaelson of Katz & Associates, San Diego, California. Mr. Michaelson was responsible for encouraging dialogue and interaction among committee members, ensuring all perspectives were heard and considered, and suggesting appropriate process tools to assist the committee members in problem-solving and other aspects of their deliberations. Members worked together to identify positions that were generally acceptable to the committee as a whole.

The committee consisted of nine members selected by the BBWD Board of Trustees to represent diverse stakeholder groups within the BBWD’s service area. Below is a list of the committee members and the stakeholder groups they represented.

<u>Committee Membership</u>	<u>Stakeholder Group</u>
Fred Doten	Residential Ratepayers
Sean Hammond	Hospitality/Gaming
Bruce Henry	Town Advisory Board
Carrie Larson	Real Estate/Development
Danny Laughlin	Hospitality/Gaming
Deborah Murray	Residential Ratepayers
Kathy Ochs	Business/Town Advisory Board
Frank Pilj	Residential Ratepayers
Pamela Tyler	Hospitality/Gaming

To encourage public involvement, committee meetings were publicly posted in accordance with Nevada’s Open Meeting Law. Presentations, audio recordings and written meeting summaries are available on the BBWD’s website (www.bigbendwaterdistrict.com).

II. Discussion Topics

The committee process included an analysis of four major aspects of the BBWD: (1) its capital needs over the next 10 years; (2) financing of capital expenditures (3) rates and charges associated with the BBWD’s capital and operational activities; and (4) the use of grants and other alternative funding sources to support needed capital improvement projects. To provide context for their discussions, the committee received information on the BBWD’s history, major responsibilities, governance, service area, water deliveries, system assets, and sources and uses of funds.

Aging Infrastructure

Like all water systems, the BBWD requires continual reinvestment to maintain safe and reliable water delivery service. Because of ongoing proactive maintenance practices, the community’s water system is in a generally stable condition. However, various components are nearing or even past the end of their anticipated useful service life and are in need of replacement or repair.

Over the next decade, the water system will require significant maintenance and/or replacement efforts to address aging infrastructure. Some infrastructure issues discussed include strategic replacement of pipelines and service laterals, water tank refurbishments, and meter replacements (see Appendix E).

Financing Capital Expenditures

The committee discussed funding options for the BBWD, including grants and other sources of funding, paying from reserves and annual revenues (pay-as-you-go) and borrowing through Nevada's State Revolving Fund program (SRF loans) which offers low-interest loans for water system improvements. During rate modeling evaluation, the committee found that a pay-as-you-go approach to fund millions of dollars in construction projects would result in larger and potentially more volatile increases to water bills, compared to using low-cost debt to fund the capital program. Borrowing to fund the portion of the capital program that is not grant funded helps spread costs over time, mitigating near-term rate increases and helping to ensure that the costs of the capital investments are recovered over the useful life of the projects.

Rates and Charges

The committee recognized that water rates and charges had not increased in over a decade, and that funding the needed capital improvements and ongoing operating and maintenance costs would require increases in rates and charges. The committee evaluated seventeen different scenarios (see Appendix D for a summary of the different scenarios) that considered alternative financing methods (i.e., pay-as-you-go vs. borrowing), the impact of grants on future capital needs and rate increases, and various ways to increase rates (e.g., increases in the monthly Service Charge vs. increases in the Tiered Rates).

The BBWD's Service Charge has remained unchanged for over a decade and was not increased when the commodity (tiered) rates were changed in 2003 through 2006. After reviewing a number of rate scenarios in which the Service Charge and Tiered Rates were increased by the same percentage, the committee then reviewed scenarios in which more of the required increase would be paid by changes in the Service Charge and the tiered rates would not increase as rapidly (even though they would also be raised). Given that much of the ten-year capital program was needed to meet the overall reliability of the system, some members believed that all users should share the burden even if they were not full-time residents. In addition, a greater emphasis on the Service Charge resulted in slightly more stable revenues as the Service Charge is not dependent on the amount of water sold.

Grants and Alternative Funding Sources

The committee discussed the use of grants and alternative funding sources to fund capital improvements. Every one million dollars of grants or other funding helps reduce the required increase to the Service Charge and Tiered Rates by 0.5 percent to 1 percent annually. In 2017, the BBWD was awarded a \$300,000 grant from the Bureau of Reclamation to fund a portion of its 10-year capital program and anticipates receiving another \$500,000 as a principal forgiveness loan from the State of Nevada's Board for Financing Water Projects. Any grant funding secured for BBWD will offset capital costs and ultimately reduce the amount of revenue needed to fund projected expenditures.

Beyond state and federal grants, the committee also evaluated the use of the Fort Mohave Valley Development Fund (Fort Mohave Fund) to fund water system improvements in Laughlin. The Fort Mohave Fund is managed by Clark County, has a balance of approximately \$8.4 million and can exclusively be used to support development and construction activities associated with a capital plan in the Fort Mohave area.

III. Recommendations

The committee spent considerable time evaluating rate model variables and the impact on water rates. As noted above, the committee evaluated 17 different rate model scenarios that consisted of a multitude of variables such as different financing methods, various ways rate increases could be implemented, and the use of alternative sources of funding. The committee members expressed concern and considered the impacts of different rate scenarios on Laughlin's residences, businesses, and the community in general. They did not simply look at impacts within their own stakeholder group, but looked at ways to distribute costs equitably across all water users in Laughlin. After careful consideration and discussion, the committee developed the following recommendations:

1. Pursue grant funding to offset the cost of the capital program and report grant activities annually.

Committee members noted that Laughlin's rural designation by the federal government would open opportunities to receive more state and federal grants in the future. The committee also recommends the BBWD provide an annual update on grant activities including grants pursued and received.

2. Fund capital costs that are not grant-funded with low interest State Revolving Fund Loans, rather than on a pay-as-you-go basis.

The committee supported the use of State Revolving Fund (SRF) loans to fund capital costs that are not grant-funded to help stabilize and mitigate near-term rate impacts to customers.

3. Do not access funds in the Fort Mohave Valley Development Fund to fund capital needs.

The committee did not recommend accessing the Fort Mohave Fund to offset the costs of the capital improvement program. Staff had provided information to the committee to show that rate impacts are reduced by 0.5 - 1 percent for every \$1 million used from the fund; however, committee members expressed their opinion that the best use of the Fort Mohave Fund was for future development projects in Laughlin.

4. Implement a 9.4 percent rate increase annually over four years. After those four years, increase both the Service Charge and Tiered Rates annually by an amount equal to the increase in the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers.

The committee reviewed rate scenarios that achieved the same revenue needs over the ten year planning period. In particular, they looked at scenarios that distributed the increases over a 4-year period followed by modest CPI-based increases, and compared that to scenarios that showed the increases spread equally over a 10-year period. Following deliberations, the committee recommended a four-year annual phased-in rate increase with subsequent increases correlated with the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers (CPI-W). As a result, the four-year phase-in increase in water rates would start on January 1, 2018 and conclude in December 2021. Beginning January 2022, increases in water rates would increase annually correlated with the CPI.

5. Send preferred scenarios to the Laughlin Town Advisory Board for review.

While committee members achieved consensus on major elements of the funding plan, including whether or not to fund capital improvements through SRF loans, secure grant funding, utilize the

Fort Mohave Fund and the size and phasing of the increase in rates and charges, the committee supported two different approaches to achieve the 9.4 percent increase.

The two variations the committee was split between were:

(1) Equal increases in the Service Charge and Tiered Rates. In this case, both the Service Charge and Tiered Rates would be increased by 9.4 percent annually, which was described as Scenario 1B, or

(2) Greater increase on the Service Charge. The committee reviewed a scenario (described as Scenario 9A) where the monthly Service Charge for 5/8-inch and 3/4-inch customers would increase by \$2 every year for four years (with customers with larger meters increasing at the same percent). This results in smaller increases to the Tiered Rates over the four-year period compared to the first option.

Committee members Sean Hammond, Danny Laughlin, Frank Pilj and Carrie Larson voiced their preference for Rate Scenario 1B, which was a 9.4 percent increase to the Service Charge and water rates. In committee discussions, committee members preferred this scenario because they felt it was a more stable increase and that it would be more favorable for residents on fixed incomes.

Committee members Kathy Ochs, Bruce Henry, Fred Doten and Deborah Murray voiced their preference for the scenario that increased the Service Charge more than the water rates (Scenario 9A). In discussions, committee members supported this scenario because they stated that it more equitably generates the revenue needed to support fixed cost system improvements and they felt it would be easier to budget. Committee member Pam Tyler, who was not present at the meeting, later voiced her support for Scenario 9A to staff.

Although committee members were split between the two scenarios, committee members on both sides expressed support for both options and noted that they would be fine with either Scenario 1B or 9A, but expressed their preference. Furthermore, when asked by the moderator on whether the committee was satisfied with the two scenarios, the committee agreed collectively that both options were favorable and that the two scenarios be forwarded to the Laughlin Town Advisory Board for review.

6. Evaluate revenue needs periodically and adjust rates accordingly if additional sources of funding are secured.

The committee's rate model assumes that \$800,000 in grant funding is secured throughout the 10-year planning window. Should additional funding be secured that offsets capital costs, the committee recommended the Board of Trustees evaluate revenue needs and adjust rates accordingly at the time. Furthermore, committee member Carrie Larson suggested that rate increases tied to the CPI-W be reviewed every five years to ensure that rates correspond with necessary capital requirements.

APPENDIX A

2017 Big Bend Water District Citizen Advisory Committee Meeting Synopses

The following provides a brief synopsis of discussion topics for each committee meeting. A summary was developed for each meeting and is available on www.bigbendwaterdistrict.com or by contacting the LVVWD.

Meeting 1 – July 12, 2017: Introduction of committee members, facilitator and key LVVWD staff. Review committee purpose, process, and principles of participation. Overview of BBWD activities and tour of the BBWD's capital improvement project sites.

Meeting 2 – July 25, 2017: Overview of the BBWD water system, capital improvement needs, and funding sources.

Meeting 3 – August 7, 2017: Discussion of the BBWD sources and uses of funds, water rates, and rate scenarios. Review rate scenarios 1A through 2B.

Meeting 4 – August 29, 2017: Review rate assumptions and sample customers. Review and discuss revenue requirements and rate scenarios 1A through 8B.

Meeting 5 – September 14, 2017: Review and discuss funding scenarios 1B, 5A, new scenario 9A and make recommendations.

APPENDIX B

Recommended Rate Models Projected Monthly Bills for Sample Customers

Scenario 1B

Model Variable	Model Input
Capital Program Funding Sources	\$800,000 grants received No other funding sources Debt issued for remainder
Phased-In Timeframe	4 Years
CPI-Indexed	Yes

Model Results:

Year of Implementation	2018	2019	2020	2021	2022 +
Increase to Water Rates	9.4%	9.4%	9.4%	9.4%	CPI
Increase to Service Charge	9.4%	9.4%	9.4%	9.4%	CPI

Customer Type	Average Consumption (in 1,000 gallons)	Current Bill	New 2018 Bill	New 2019 Bill	New 2020 Bill	New 2021 Bill
Single Family Residential	7	\$ 26.00	\$ 28.45	\$ 31.12	\$ 34.05	\$ 37.25
Multi-Family Residential	5,442	15,987.06	17,489.85	19,133.87	20,932.46	22,900.12
Elementary School	536	1,498.20	1,636.88	1,788.58	1,954.55	2,136.13
Shopping Center	299	934.00	1,014.95	1,103.50	1,200.37	1,306.35
Shopping Center (2)	483	1,371.95	1,495.85	1,631.40	1,779.69	1,941.92
Restaurant	18	56.05	61.32	67.09	73.40	80.30
Non Profit	22	76.10	83.25	91.08	99.64	109.00
Non Profit (2)	20	68.05	74.45	81.44	89.10	97.48
Gaming Resort	5,362	14,725.40	16,092.68	17,588.48	19,224.89	21,015.11
Library	118	366.65	397.92	432.12	469.54	510.48
Park	1,051	2,987.30	3,256.19	3,550.36	3,872.19	4,224.27
Small Business	50	211.70	226.54	242.77	260.54	279.98

Scenario 9A

Model Variable	Model Input
Capital Program Funding Sources	\$800,000 grants received No other funding sources Debt issued for remainder
Phased-In Timeframe	4 Years
CPI-Indexed	Yes
Emphasis on Service Charge	Hybrid Scenario - Service Charge increases higher than Tier Rates

Model Results:

Year of Implementation	2018	2019	2020	2021	2022 +
Increase to Water Rates	7.9%	8.1%	8.3%	8.5%	CPI
Increase to Service Charge	28.2%	22.0%	18.0%	15.3%	CPI

Customer Type	Average Consumption (in 1,000 gallons)	Current Bill	New 2018 Bill	New 2019 Bill	New 2020 Bill	New 2021 Bill
Single Family Residential	7	\$ 26.00	\$ 29.49	\$ 33.14	\$ 36.97	\$ 41.00
Multi-Family Residential	5,442	15,987.06	17,273.57	18,693.37	20,262.50	21,999.37
Elementary School	536	1,498.20	1,620.45	1,754.85	1,902.85	2,066.18
Shopping Center	299	934.00	1,012.95	1,098.68	1,191.99	1,293.86
Shopping Center (2)	483	1,371.95	1,478.93	1,596.86	1,727.06	1,871.06
Restaurant	18	56.05	61.99	68.34	75.15	82.47
Non Profit	22	76.10	85.50	95.40	105.85	116.94
Non Profit (2)	20	68.05	76.28	84.96	94.14	103.91
Gaming Resort	5,362	14,725.40	15,888.29	17,172.78	18,593.50	20,167.18
Library	118	366.65	395.78	427.59	462.38	500.56
Park	1,051	2,987.30	3,217.94	3,472.41	3,753.58	4,064.74
Small Business	50	211.70	228.83	247.09	266.61	287.58

APPENDIX C

Proposed Water Rates

Scenario 1B

Tiered Water Rates					
	CURRENT	2018	2019	2020	2021
Tier 1	\$ 2.70	\$ 2.95	\$ 3.23	\$ 3.53	\$ 3.86
Tier 2	3.38	3.70	4.05	4.43	4.85

Service Charge					
METER SIZE	CURRENT	2018	2019	2020	2021
5/8" & 3/4"	\$ 7.10	\$ 7.77	\$ 8.50	\$ 9.30	\$ 10.17
1"	7.45	8.15	8.92	9.76	10.68
1.5"	9.60	10.50	11.49	12.57	13.75
2"	14.05	15.37	16.81	18.39	20.12
3"	16.40	17.94	19.63	21.48	23.50
4"	22.90	25.05	27.40	29.98	32.80
6"	34.00	37.20	40.70	44.53	48.72
8"	53.80	58.86	64.39	70.44	77.06
10"	90.00	98.46	107.72	117.85	128.93
12"	150.00	164.10	179.53	196.41	214.87

Scenario 9A

Tiered Water Rates					
	CURRENT	2018	2019	2020	2021
Tier 1	\$ 2.70	\$ 2.91	\$ 3.15	\$ 3.41	\$ 3.70
Tier 2	3.38	3.65	3.95	4.28	4.64

Service Charge					
METER SIZE	CURRENT	2018	2019	2020	2021
5/8" & 3/4"	\$ 7.10	\$ 9.10	\$ 11.10	\$ 13.10	\$ 15.10
1"	7.45	9.55	11.65	13.75	15.85
1.5"	9.60	12.31	15.02	17.72	20.43
2"	14.05	18.01	21.97	25.92	29.89
3"	16.40	21.02	25.64	30.26	34.89
4"	22.90	29.36	35.82	42.27	48.74
6"	34.00	43.59	53.18	62.75	72.35
8"	53.80	68.97	84.14	99.29	114.48
10"	90.00	115.38	140.76	166.10	191.51
12"	150.00	192.30	234.61	276.84	319.20

APPENDIX D

Model Assumptions and Rate Model Scenarios

LVVWD staff developed base model assumptions and then prepared 17 rate scenarios for the committee's consideration. Scenarios were developed by staff to illustrate different financing methods, timelines for implementation and the use of additional sources of funding which included grants, principal forgiveness loans and the Fort Mohave Valley Development Fund. Scenarios regarding an increase to the Service Charge were requested by a committee member. The scenarios provided are for informational purposes and do not reflect the committee's final consensus as outlined by the recommendations.

MODEL ASSUMPTIONS

Item	Rate Model Assumption
Capital Needs	\$9.2 million (2017 dollars) over 10 years, with annual inflation at 2.2% (25-year average of CPI-W)
Operating and Maintenance	Increasing 2.2 percent annually (25-year average of CPI-W)
Payroll and Related	Increasing 3.5 percent annually (Recent trend)
Reserve Target	25% of Annual Operations & Maintenance costs in 10 years
Tiered Consumption	0.8% Account growth (Average Annual Account Growth)
Service Charge	0.8% Account growth (Average Annual Account Growth)
Sales Tax	Increasing 2.2 percent annually (25-year average of CPI-W)
System Development Charges	\$45,000 annually based on growth rate and current rate
Interest Income	Projected 0.7%
Price Elasticity	-0.34 coefficient

CONSIDERED RATE MODEL SCENARIOS

Scenario	Financing	Implementation	Addl. Funding Sources	Annual Rate Increase
Baseline	N/A	None	None	None
1A	Pay-Go	4 Years + CPI	\$0.8 million	15.2%
1B	Issue Debt	4 Years + CPI	\$0.8 million	9.4%
2A	Pay-Go	4 Years + CPI	\$5.8 million	9.2%
2B	Issue Debt	4 Years + CPI	\$5.8 million	5.7%
3A	Pay-Go	10 Years	\$0.8 million	10.2%
3B	Issue Debt	10 Years	\$0.8 million	6.8%
4A	Pay-Go	10 Years	\$5.8 million	6.6%
4B	Issue Debt	10 Years	\$5.8 million	4.4%
5A	Issue Debt	4 Years + CPI	\$0.8 million	OVERALL: 9.4% Tier: 6.1% Svc. Chg: 33.9%
5B	Issue Debt	10 Years	\$0.8 million	OVERALL: 6.8% Tier: 5.9% Svc. Chg: 13.9%
6A	Issue Debt	4 Years + CPI	\$5.8 million	OVERALL: 5.7% Tier: 4.4% Svc. Chg: 17.3%
6B	Issue Debt	10 Years	\$5.8 million	OVERALL: 4.4% Tier: 4.0% Svc. Chg: 8.0%
7A	Pay-Go	4 Years + CPI	\$3.8 million	11.6%
7B	Issue Debt	4 Years + CPI	\$3.8 million	7.1%
8A	Pay-Go	10 Years	\$3.8 million	8.1%
8B	Issue Debt	10 Years	\$3.8 million	5.3%
9A	Issue Debt	4 Years + CPI	\$0.8 million	OVERALL: 9.4% Tier: Varied Svc. Chg: Addl. \$2.00

The committee was split on which rate model to implement. As such, the committee recommended that the two scenarios be forwarded to the Laughlin Town Advisory Board for review.

APPENDIX E

10- Year Capital Program: 2018-2027

Pipeline Improvements	\$3.6 million
Emergency Well	1.1 million
Unforeseen Projects or Emergencies	1.0 million
Clearwell Deck Corrosion (Treatment Plant)	820,000
SCADA software conversion	366,000
Rialta Tank Refurbishment	350,000
Large Meter Program	280,000
Treatment Plant Programmer Computer	250,000
Foothills Tank Refurbishment	250,000
Intake VFD	200,000
Advanced Metering Infrastructure	200,000
Rialta Tank – Motor Control Center Replacement	150,000
Ozone Generator Room HVAC	150,000
Reservoir THM Mitigation System	140,000
Intake Structure CP System Replacement	110,000
Casino Drive Pumping Station MMC Replacement	100,000
Treatment Plant Process Controls Upgrade	50,000
Filter Inlet Valves	50,000
Pressure Zone Bypass	18,000
TOTAL	\$9,184,000

BIG BEND WATER DISTRICT

SERVICE RULES

Effective date of these Rules is January 1, 2018.

BIG BEND WATER DISTRICT

BOARD OF TRUSTEES

STEVE SISOLAK, CHAIR

SUSAN BRAGER, VICE CHAIR

LAWRENCE L. BROWN III

JAMES GIBSON

CHRIS GIUNCHIGLIANI

MARILYN KIRKPATRICK

LAWRENCE WEEKLY

JOHN J. ENTSMINGER, GENERAL MANAGER

The Big Bend Water District is administered and operated by the
Las Vegas Valley Water District
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

TABLE OF CONTENTS

INTRODUCTION	4
INTERPRETATION AND DEFINITIONS	5
SECTION 1 – WATER COMMITMENT	16
SECTION 2 - CONDITIONS OF SERVICE	22
SECTION 3 - CLASSES OF SERVICE	25
SECTION 4 - REQUEST FOR SERVICE	27
SECTION 5 - TERMINATION OF SERVICE	30
SECTION 6 - SERVICE CONNECTIONS	32
SECTION 7 – CHARGES, FEES AND DEPOSITS	40
SECTION 8 – TIME AND MANNER OF PAYMENT	51
SECTION 9 - INSTALLATION OF WATER FACILITIES	54
SECTION 10 - CONSERVATION	63
SECTION 11 - MISCELLANEOUS	67
APPENDIX I – RATES, FEES AND CHARGES	71
APPENDIX II – BIG BEND WATER DISTRICT BOUNDARY MAP	80
APPENDIX III – DESIGNATED DEVELOPMENTS EXCEPTIONS LIST	82
INDEX	88

BIG BEND WATER DISTRICT SERVICE RULES

INTRODUCTION

The Big Bend Water District (BBWD) is a publicly owned water utility created by the County Commission of Clark County, Nevada through enactment of Ordinance No. 848 with an effective date of May 17, 1983.

The BBWD is governed by a Board of Trustees (Board), which has jurisdiction over all its affairs and has sole responsibility for establishing rates, and rules for the use, sale and distribution of water to property within the BBWD.

The Big Bend Service Rules (Rules) provide clear and consistent direction to all customers and developers for obtaining water service as part of their assessment of economic opportunity in the Big Bend Water District Service Area. The purpose of these Rules is to define conditions governing customer service and system development and to obtain uniform and equitable treatment for all customers and developers.

Rates, and rules herein set forth supersede all those previously in force. No officer, agent, or employee of the BBWD has authority to waive, alter, or amend in any respect any part thereof or to make any agreement inconsistent herewith, except as provided herein. Rates and rules are always subject to revision by the Board of Trustees.

The Las Vegas Valley Water District General Manager will act as the *ex-officio* General Manager of the Big Bend Water District. By interlocal agreement of September 2, 2008, the Las Vegas Valley Water District shall administer, operate and maintain the water production, treatment, and distribution facilities of the BBWD.

The words "BBWD, and Big Bend Water District" are used throughout the text. Their use is predicated upon the following distinctions. "BBWD, and Big Bend Water District" refers to the Big Bend Water District, its Board of Trustees (Board), and their actions, policies, and procedures. The Las Vegas Valley Water District (LVVWD) and its employees, agents and contractors are acting in their roles under the adopted interlocal agreement of September 2, 2008. All references herein using Big Bend Water District, or BBWD, shall include the Las Vegas Valley Water District (LVVWD) acting in its role for the Big Bend Water District system.

INTERPRETATION AND DEFINITIONS

1. Abandoned Service

“Abandoned Service” shall mean a service connection documented based on actual field conditions that the service lateral was cut, capped, and left in place. If the service classified as abandoned is actually removed, the service shall be reclassified as removed in BBWD records. See “Removed Service”.

2. Actual Cost Basis

“Actual Cost Basis” shall mean the actual cost incurred to complete a service connection installation or any other service provided by the BBWD. This includes but is not limited to, all the labor and related benefits, construction material and equipment overheads. The total actual cost incurred is based on an initial payment, with either a refund to, or added payment required by the customer, upon completion of the work.

3. American Water Works Association (AWWA) Standards

“American Water Works Association (AWWA) Standards” shall mean the latest revision of the standards adopted by AWWA, Denver and available for review at the BBWD. For further information, refer to <http://www.awwa.org>

4. Applicant

“Applicant” shall mean a person applying for water service or water connection to a particular property within the BBWD service area.

5. Backflow Prevention Assembly

“Backflow Prevention Assembly” shall mean a BBWD approved assembly for the prevention of backflow from the customer’s water system to the BBWD’s water system and may include, but not be limited to, a backflow prevention device, isolation valves, test cocks, thrust restraints, a vault, connecting piping, enclosure, and other appurtenances.

For further information, refer to <http://www.leg.state.nv.us/nac/NAC445A.html>

6. Big Bend Water District, or BBWD

“Big Bend Water District” or “BBWD” shall mean the General Improvement District enabled under Chapter 318 of the Nevada Revised Statutes, as amended, and established by Clark County Ordinance 848, in effect on May 17, 1983 which acts as the owner of all assets pertaining to the development, improvement, operation and maintenance of the water system production, treatment and distribution.

7. Billing Cycle

“Billing Cycle” shall mean the period of time between bill due dates.

8. Billing Date

“Billing Date” shall be the date scheduled for rendering monthly water bills.

9. Board

“Board” means the Board of Trustees of the Big Bend Water District.

10. Bolstering

“Bolstering” shall mean looping, or increasing the length of a proposed main extension beyond that required to serve a particular development, in order to provide for the orderly development of the BBWD’s distribution system, improve water quality, and/or improve system reliability.

11. Combined Service

“Combined Service” shall mean a single service connection through which water is delivered for the dual purpose of private fire service and domestic service.

12. Commitment for Water Service

See “Water Commitment”

13. Community Use Recreational Turf Area (CURTA)

“Community Use Recreational Turf Area (CURTA)” shall mean a publicly or privately operated and maintained area designated by a governmental jurisdiction for recreation, and, therefore subject to a specific set of water and irrigation rules and schedule.

14. Construction Water

“Construction Water” shall mean metered water delivered for construction purposes, including, but not limited to, compaction and dust control.

15. Cross-connection

“Cross-connection” shall mean any actual or potential connection between the BBWD’s distribution facilities and any source or system which may potentially cause contamination, pollution, or change in water quality by any and all causes.

16. Customer

“Customer” shall mean a person who is a recipient of water service from the BBWD.

17. Deserted Service

“Deserted Service” shall mean a service connection whose existence is documented in BBWD records, but cannot be field located.

18. Developer

“Developer” shall mean any person engaged in or proposing development of property.

19. Domestic Service

“Domestic Service” shall mean a service connection through which water is obtained for all purposes exclusive of fire protection, or construction water including commercial, industrial and irrigation.

20. Emergency Operating Conditions

“Emergency Operating Conditions” shall mean a sudden or unexpected occurrence or need that requires immediate action to prevent an adverse impact upon life, health, property, or essential public services. Emergency Operating Conditions may result in service interruptions, poor water quality, and/or water shortages.

21. Emergency Service Connection

“Emergency Service Connection” shall mean a connection required to provide water to safeguard health and protect private or public property, subject to the conditions governing temporary service connections.

22. Employee

“Employee” shall mean any individual employed by the BBWD directly assigned to the BBWD, excluding independent contractors, consultants, and their employees.

23. Equivalency - $\frac{5}{8}$ ”

“Equivalency - $\frac{5}{8}$ ” shall mean the comparable number of $\frac{5}{8}$ ” meters, which equates to the meter size under discussion primarily used for fee and rate calculations.

<u>Meter Size</u>	<u>Typical $\frac{5}{8}$” Equivalency</u>
-------------------	--

$\frac{5}{8}$ ”	1.0
$\frac{3}{4}$ ”	1.5
1”	2.5
1½”	5.0
2”	8.0
3”	16.0
4”	25.0
46”	50.0
8”	80.0
10”	115.0
12”	170.0

24. Expansion or Addition

“Expansion” or “Addition” shall mean an increase in size of an existing building or other structure presently served by the BBWD and building or structure added to an existing parcel presently served by the BBWD.

25. Final Water Project Acceptance

“Final Water Project Acceptance” shall mean prior to scheduling the final inspection, the Developer shall verify the entire water project is ready for inspection. The Developer is responsible for the restoration of all existing water facilities belonging to the BBWD immediately adjacent to the approved water plans work area. The water facilities include laterals, meters, valves, collars, blow-offs, vault access cover, air vacuum air release assemblies, backflow assemblies, anode test stations, and/or chlorine/pressure monitoring stations. Final Water Project Acceptance is based on the developer building the project to approved water plan specification and passing all final BBWD inspections. A bill of Sale, transferring all approved constructed facilities shall be provided by BBWD and completed and returned by the Developer.

26. Fire Department

“Fire Department” shall mean the Clark County Fire Department, which is charged with the enforcement of the Clark County Fire Code Ordinance. For further information, refer to <http://www.clarkcountynv.gov/fire/Pages/default.aspx>.

27. Fire Hydrant Service

“Fire Hydrant Service” shall mean a service connection for public fire hydrant(s) to be located within a public right-of-way or easement. The fire hydrant shall be of a type and manufacturer approved by the entity having jurisdiction.

28. Fixture Units

“Fixture Units” shall be defined as specified in the adopted Clark County Uniform Plumbing Code, current edition. For further information, refer to <http://www.clarkcountynv.gov/building/Pages/currentcodes.aspx>

29. General Manager

“General Manager” shall mean the General Manager of the Las Vegas Valley Water District, or duly appointed representative.

30. Idler

“Idler” shall mean a length of pipe or spacer installed in lieu of a meter.

31. Illegal Service

“Illegal Service” shall mean a service connection which has been located in the field, but whose installation is not documented in BBWD records, or is in violation of the BBWD Service Rules. Illegal services include, but are not limited to, expansions of on- site systems to serve adjacent parcels.

32. Inactive Service Connection

“Inactive Service Connection” shall mean a service connection that is not in use, but is operational, installed in accordance with BBWD standards, and documented in BBWD records.

33. Interconnection

“Interconnection” shall mean any actual or potential unauthorized connection to from customer piping which will provide water to other property or permit use of water for purposes other than that for which a service connection was authorized.

34. Irrigation

“Irrigation” shall mean the application of water to the land, by artificial means, for agricultural or non-agricultural purposes.

35. Land Division

“Land Division” shall be as defined in NRS, Sections 278.471 through 278.4725.

36. Las Vegas Valley Water District or LVVWD

“Las Vegas Valley Water District” or “LVVWD” shall mean the Las Vegas Valley Water District as designated by Chapter 167, Statutes of Nevada, as well as its role as the operating agent for the BBWD.

37. Lien

“Lien” shall mean a charge upon property for the payment or discharge of a debt or duty. A proprietary interest that may be exercised over the property to which it attaches.

38. Main Extension

“Main Extension” shall mean an adjacent, parallel, or extended addition to the BBWD distribution system, consisting of a pipeline that is a nominal six (6) inches in diameter or greater, for the purpose of providing an adequate water supply. The BBWD may require an increase in the length of a main extension beyond that required to serve a particular development in order to provide for the orderly development of the BBWD's distribution system, improve water quality, and/or improve system reliability.

39. Master Meter

“Master Meter” shall mean the BBWD approved primary measuring device installed for, but owned by the BBWD, that is used for the purpose of accurately recording all consumption entering an area containing a number of customers or sub-metered services.

40. Meter

“Meter” shall mean the BBWD approved measuring device, installed for but owned by the BBWD, that is used for the purpose of accurately recording the consumption of water used by customers.

41. Meter Maintenance

“Meter Maintenance” shall mean the routine testing, calibration, repair, or replacement of BBWD water meters to ensure accuracy and compliance with the AWWA Meter Standards.

42. Multi-Family Residential

“Multi-Family Residential” shall mean all properties that are developed with more than one dwelling unit, except hotels or motels.

43. Nonstandard Connection

“Nonstandard Connection” shall mean a service connection from a main to a parcel that is not contiguous to the main to which the connection is made. A service will be considered or classified as non-standard if the parcel to be served is not adjacent to a public right-of-way, and a permanent right of access with overlapping utility easement is provided for the on-site (private) lateral. The applicant will be required to provide a written easement for the onsite (private lateral) from the owner of the property upon which the applicant’s private lateral will cross to complete the service connection.

44. Off-Site Main

“Off-Site Main” shall mean a main, regardless of size, that extends from the existing water system to a development and generally remains outside the development boundary.

45. On-Site Main

“On-Site Main” shall mean those public mains which are installed specifically to provide service to developments and are generally located within the development’s boundaries.

46. Oversized Main Extension

“Oversized Main Extension” shall mean a main larger in diameter than the minimum diameter necessary to provide a supply to a proposed development which will be capable of meeting future demands on the BBWD distribution system. The BBWD may increase the length of main extension beyond that required to serve a particular development, in order to provide for the orderly development of the distribution system, improve water quality and/or improve system reliability.

47. Parcel Map

“Parcel Map” shall be as defined in NRS, Section 278.

48. Person

“Person” shall mean a natural person, any form of business or social organization, any other non-governmental legal entity including but not limited to a partnership, trust, corporation, association or unincorporated organization, and any governmental agency or political subdivision of a government other than the BBWD.

49. Potable Water

“Potable Water” shall mean water that is treated pursuant to the federal Safe Drinking Water Act.

50. Premises

“Premises” shall mean a separate identifiable and transferable lot or parcel of real property of a legal and usable size, including the improvements. Portions having well defined boundaries such as walls, fences or hedges that prevent the common use of the property by all occupants shall, for the purpose of these Service Rules, be determined separate facilities.

51. Primary Building Permit(s)

“Primary Building Permit(s)” shall mean the permit(s) issued by Clark County for a structure, including but not limited to, the foundation, shell, and other related building components.

52. Private Fire Service

“Private Fire Service” shall mean a service connection through which water is available on private property for fire protection exclusively. Private fire service shall be equipped with a BBWD approved double check detector assembly (DCDA), or Reduced Pressure Detector Assembly (RPDA), **per NAC 445A.**

53. Private Mains

“Private Mains” shall mean a water pipeline and appurtenances not owned by the BBWD, or operated by the BBWD after completion.

54. Property Owner or Owner

“Property Owner or Owner” shall mean the owner of record of a property that is or will be receiving water service from the BBWD. The property owner shall be held financially responsible for any water consumption that occurs between the closing of one tenant’s account and the opening of another tenant’s account.

55. Public Health, Safety and Welfare

“Public Health and Welfare” shall mean any activity where the use of water is the most appropriate and practical method to abate a health or safety hazard, or where the use of water is required to reasonably meet the provisions of federal, state, or local law, or where a project approved by the General Manager is planned, or underway.

56. Public Mains

“Public Mains” are those mains which are approved, inspected, accepted, owned, operated and maintained by the Big Bend Water District.

57. Rate Schedule

“Rate Schedule” shall mean the charges and rates set forth in the current rate resolution adopted by the Big Bend Water District Board of Trustees.

58. Raw Water

“Raw Water” shall mean raw, untreated water delivered for use in irrigation and construction projects. Irrigation under this definition excludes uses of water for commercial agriculture in accordance with the 1993 United States Department of the Interior Bureau of Reclamation Boulder Canyon Project Amendatory, Supplementary, and Restating Contract with the Big Bend Water District, Nevada, for the Delivery of Colorado River Water.

59. Removed Service

“Removed Service” shall mean a service connection documented based on actual field conditions that the service lateral no longer exists. The service is classified as removed in BBWD records. If field conditions later indicate that a service classified as removed was actually abandoned, the service shall be classified as abandoned in BBWD records. See “Abandoned Service”.

60. Representative

“Representative” shall mean any individual employed by the Las Vegas Valley Water District excluding independent contractors, consultants and their employees.

61. Service Connection

“Service Connection” shall mean the connection to the main and the lateral pipe to deliver the water, and may also include, but not be limited to, a meter or battery thereof, a meter box or vault, valves, thrust restraints, detector checks, and other appurtenances from a BBWD main, to the point where the water being delivered leaves the piping owned by the BBWD in accordance with UDACS for new service installation.

62. Service Deposit

“Service Deposit” shall mean an amount deposited with the BBWD to assure payment of water bills. The deposit may be in cash or another form of security acceptable to the BBWD.

63. Single-Family Residential

“Single-Family Residential” shall mean those parcels that are developed with one dwelling unit.

64. Spacer

“Spacer” shall mean a length of perforated pipe temporarily installed in lieu of a meter or idler while facilities are under construction.

65. Standard Service Connection

“Standard Service Connection” or “permanent service connection” shall mean a service connection installed at a location contiguous to the property being served.

66. Subdivision

“Subdivision” shall, for the purposes of these Service Rules, meet all provisions of NRS Chapter 278 and shall be as defined in Section 278.320.

67. Sub-meter

“Sub-Meter” shall mean a meter that is used for the purpose of accurately recording the consumption of water used by customers served by a master meter.

68. Supplemental Service Connection

“Supplemental Service Connection” shall mean a service connection or connections to property, which is also served by another source of supply, such as a well or non-potable system. A supplemental service connection shall include an approved backflow prevention assembly.

69. Syringing

“Syringing” shall mean the process of applying small amounts of water to turf grass for the purposes of cooling it and helping it survive mid-day stress.

70. System Development Approval Charge

“System Development Approval Charge” shall mean the charge required of all applicants for service to a property where a service connection does not exist or where a service is to be enlarged or added. The charge is to be paid based on meter size.

71. Tampering

“Tampering” shall mean acts by persons which cause damage to, or alteration of, BBWD property, including but not limited to, service connections, tanks, wells, shut-off valves, hydrants, mains, meters, registers, meter reading equipment, and service locks or seals by any willful or negligent act. Such persons shall be responsible for payment of costs incurred and any and all penalties prescribed by these Service Rules and by law.

72. Temporary Riser

“Temporary Riser” shall mean a service connection of a minimum of six (6) inches attached to a blow off valve.

73. Temporary Service Connection

“Temporary Service Connection” shall mean a BBWD authorized service connection installed at a location not adjacent to the parcel served (i.e. a non-standard location), and which is subject to removal or relocation at such time as a main is constructed contiguous to the parcel.

74. Transmission Main

“Transmission Main” shall mean a main extension that transports water from the main supply or source to a distant area where the water is distributed through distribution lines. A Transmission Main is usually a larger diameter main (greater than 24”) with limited connections that ensure system reliability as well as recognize the nature of the materials used to construct large diameter pipelines.

75. Turf

“Turf” shall mean a densely planted grassy area characterized by frequent mowing and fertilization and/or watering, commonly used for lawns and playing fields. Plant species used in turf areas may include, but are not limited to, varieties of Bermuda Grass, Fescue, Zoysia, Rye, St. Augustine, or Bentgrass.

76. Uniform Design and Construction Standards for Potable Water Systems or UDACS

“Uniform Design and Construction Standards for Potable Water Systems” or “UDACS” shall mean the minimum design and construction criteria for water distribution systems, as amended, within the boundary of the BBWD. These standards are part of these Service Rules and are adopted by reference.

77. Unusual Installation Conditions

“Unusual Installation Conditions” shall mean circumstances that include, but are not limited to, the length of the lateral, type of pavement, anticipated soil or other underground conditions, and the width or travel conditions of the roadway or right-of- way and also those imposed as a result of governmental or property owner actions.

78. Water Commitment

“Water Commitment” shall mean a document pursuant to which a supplier of water acknowledges that it has assumed a legal obligation to supply water to property under development or proposed to be developed for residential, commercial or industrial purposes. The document may indicate that the obligation is subject to certain conditions precedent, including, without limitation, the payment of fees, the dedication of water rights or the construction and dedication of infrastructure.

79. Water Conservation

“Water Conservation” shall mean the controlled and systematic protection of water resources.

80. Water Facilities

“Water Facilities” shall mean, but not be limited to, water mains, fire hydrants and laterals, service connections, backflow prevention assemblies and appurtenances, from the main to the point where water being delivered leaves the piping owned by the BBWD.

81. Water Quality Mitigation Plan

“Water Quality Mitigation Plan” shall mean the documentation, administration, fee payment, and implementation of a plan for identified development infrastructures that allows for time extensions for completion and requires that established water quality standards are maintained in these systems.

SECTION 1 - WATER COMMITMENT

Before new water service connection is authorized for installation, on-site addition or on-site expansion to an existing service, a commitment for water service (hereinafter known as a 'water commitment') must be obtained from the BBWD. NAC 445A.6577 "Commitment for Water Service" means a document pursuant to which a supplier of water acknowledges that it has assumed a legal obligation to supply water to property under development or proposed to be developed for residential, commercial or industrial purposes. The document may indicate that the obligation is subject to certain conditions precedent, including, without limitation, the payment of fees, the dedication of water rights or the construction and dedication of infrastructure.

Notwithstanding the aforementioned citation and commentary, it is recognized by the Board of Trustees that the BBWD system development approval charges for designated undeveloped parcels have been deferred and not been paid. These designated developments are listed in Appendix III of these Rules. This designated development list establishes a record of and acknowledges the current unpaid fee status of these parcels. The developers, or property owners if already sold, will be required to pay the outstanding system development approval charge for a parcel prior to obtaining a building permit for the parcel. The BBWD will record a Notice with the Clark County Recorder's Office that shows a chain of title based on Assessor's Parcel Number that the system development approval charge has not been paid on the parcel. The system development approval charge will be the amount in effect at the time of payment of the charge.

This section identifies the process for obtaining a new water commitment. The BBWD water commitment process supports development, orderly system expansion, and ensures water is available for customers. Until all stages of development are complete including plan approval and installation and acceptance of proposed facilities, there are no assurances or guarantees that a commitment will be made. Compliance with these Service Rules does not create a right to water service in favor of any Developer or builder unless water is available.

Notwithstanding any provision in these Service Rules, payment of fees, or construction of water facilities at a Developer or BBWD's expense, the BBWD may deny any request for a water commitment or request for a water connection if the BBWD has an inadequate supply of water, or there are physical limitations in the system capacity to serve the proposed customer and simultaneously maintain an adequate level of service to other customers, or if public health, welfare, or safety will be compromised. However, the BBWD will regularly apprise the community of any issues related to these potential conditions. Should any of these conditions exist, new water commitments may be limited or restricted until the BBWD has determined corrective action that will restore the system to normal operating standards and conditions.

1.1 Applicability

a. Proposed Development

A developer may request a statement of water availability from BBWD in order to begin the development approval process.

b. New Domestic Service Connections

All applications for new domestic service connections must have a water commitment before the BBWD will provide water service.

c. Expansions or Additions

Any expansion or addition of buildings or structures on any parcel presently served by the BBWD will require a review of the existing water commitment from BBWD for the increased use of water. Expansions or additions to single-family residences are excluded from this requirement.

d. Increase in Meter Size for an Existing Service Connection

A new water commitment may be required for any existing service connection (except single-family residential service connections) requiring an increase in meter size and additional water use before the BBWD will provide the additional capacity.

1.2 Water Commitment Process

Recordation of a parcel map, land division map, or other map does not provide a water commitment unless the required steps outlined in this section have been completed. Water commitment will be issued according to the following process:

a. Development Approval

Any new water commitment, except those provided for in this Section will require development approval from Clark County. The BBWD will process development approvals on a first come, first served basis as the requirements of the water commitment process listed below are fulfilled, and as long as water is available to commit pursuant to these Service Rules.

b. Mapping Process - Water Commitments for all New Subdivisions, New Parcel Maps and New Land Divisions (Mapping Process) will be made upon completion of all the following items:

1. Subdivision, parcel map, or land division map approval is obtained pursuant to Chapter 278 of NRS and any other approval required from Clark County.
2. A minimum financial commitment to the project equal to \$5,000 per acre-foot of projected water use has been reached. The financial commitment must be in the form of constructed improvements, bonds, other acceptable surety, or a combination thereof. The bonds or other acceptable surety must be certified to BBWD by Clark County.

The following new improvements will be considered for satisfaction of financial commitments:

- Streets, roadways, water lines, drainage facilities, traffic improvements, or sewers
- Construction of local and regional improvements
- Site grading
- Foundation or vertical construction of buildings
- Construction and dedication of recreational or community amenities
- Any other BBWD approved physical improvements

The following improvements **will not** be considered for satisfaction of financial commitments:

- Land acquisition
 - Legal fees or representations
 - Water, sewer, or utility connection fees
 - Building or other permit fees
 - Dedication of right-of-ways or easements
 - Engineering, architectural, surveying, or other professional fees
3. The development approval(s) are issued by Clark County.
 4. All fees, charges, and deposits required by these Service Rules are paid, all BBWD agreements are executed, and the appropriate water plan approval is obtained from the BBWD.
 5. Final subdivision map, parcel map, or land division map with commitment certified by BBWD is recorded after completion of Items 1.2b, 1 through 4 above.

Water will be committed through the above process as follows:

- Single-family residential subdivision lots/units (including associated common areas), single-family residential parcel map lots, and single-family residential land division lots will receive a water commitment for the intended use unless specifically stated otherwise on map.
- Non single-family residential subdivision lots, multi-family residential parcel map lots, and multi-family residential

land division lots or master plan developments will receive a water commitment limited to one (1) acre-foot per lot, or one (1) acre-foot per acre, whatever is less. If an additional water commitment is required to complete a project, the process in effect at the time will be followed (presently Section 1.2.c below).

- Non-residential lots in a parcel map or land division will not receive a water commitment through the mapping process. They will obtain a commitment through the process identified in Section 1.2.c below or the process in effect at that time.

c. Permit Process - Water Commitments for All Projects Other than New Subdivisions, New Parcel Maps, and New Land Divisions (Permit Process)

To obtain a water commitment for any project other than new subdivisions, new parcel maps, and new land divisions, the Applicant must first obtain a conditional water commitment. A conditional water commitment may be obtained when all of the following conditions are met:

1. Primary building permit(s) and plans for off-site improvements are approved by all required agencies.
2. All off-site improvements including water facilities are constructed, or bonds or other acceptable surety are posted as required by Clark County or the BBWD.
3. The development approval(s) are issued by Clark County.
4. All fees, charges, and deposits required by these Service Rules are paid, all BBWD agreements are executed, and water plan approval is obtained from the BBWD. Fees may not be paid until 1.2c., 1 through 3 are completed.

Once the requirements listed above (1.2c., 1 through 4) are met, a conditional commitment is issued by the BBWD. The conditional commitment is tied to the primary building permit(s). If the primary building permit(s) expire, the conditional water commitment terminates at once.

The conditional water commitment will become a final water commitment after the water facilities are constructed by the Applicant and accepted by the BBWD, and the certificate of occupancy or certificate of completion is issued by Clark County.

If a development approval is issued by Clark County for a project that does not require a building permit to be issued in order for the project to be constructed, a conditional commitment may be issued based on the offsite improvement plan approval, or other beginning action such as a Notice to Proceed issued by the public entity for construction. The conditional commitment will become a final commitment when all construction is accepted as complete by all approving public entities.

1.3 Domestic Wells

A building or structure that currently receives water via a domestic well may be permitted to obtain a water commitment from the BBWD for the building or structure provided the existing well is abandoned in accordance with the requirements of the State Engineer. Development approval must be obtained if the domestic well is not required to be abandoned by the State Engineer.

1.4 Water Commitment Limitations

Water commitments cannot be traded, sold, or transferred.

1.5 Commitment Documentation

It is the Applicant's responsibility to provide proof to the BBWD of a water commitment or other documentation where required.

1.6 Unauthorized Improvement

In the event an increase in water consumption occurs due to an unauthorized improvement or addition to a parcel as identified in Section 1.1.b that has not received an additional water commitment from BBWD, the BBWD may terminate service to the parcel in accordance with Section 5 of these Service Rules.

1.7 Water Plan Review

BBWD may review water plans for new development without development approval from Clark County, or without a water commitment, however such review does not in itself give any additional consideration toward a water commitment, or any property right in water, to said new development or any other project.

1.8 Projected Water Usage

The projected water usage for any and all projects is determined solely and exclusively by the BBWD, including consideration of the density and uses of land permitted in the zoning approved for BBWD. For calculation factor information used in projected water usage analysis, go to <https://www.lvvwd.com/engineering-resources/planning/index.html>, and click on 'Water Consumption Rates'.

1.9 Removed Service Connection

Once a service connection is requested to be removed, a water commitment to the parcel via the removed service connection is automatically canceled.

1.10 Reversionary, Merger, and Resubdivision Maps

If a subdivision, parcel or land division map, or any portion thereof reverts to acreage or is merged and resubdivided, the water commitment is automatically terminated for that portion of the property that has been so reverted, merged, or resubdivided. The retention or disposition of any water facilities constructed to serve said development shall be at the BBWD's sole discretion.

1.11 System Development Approval (SDA) Charges Due Exception

It is recognized by the Board of Trustees that the BBWD system development approval charges for designated undeveloped parcels have been deferred and not been paid. These designated developments are listed in Appendix III of these Rules. This designated development list establishes a record of and acknowledges the current unpaid fee status of these parcels.

The Designated Developments and associated Assessor's Parcel Numbers in Appendix III and any future approved single family detached residential unit subdivisions comprise the known exceptions to the existing adopted Water Commitment process and required full application fee payment required as part of the water plan approval processes applicable to all types of development.

No development or lot listed in Appendix III shall be construed to have any other technical or administrative exception to any BBWD, or other approving document or agency requirement for the acceptance of the development by the BBWD, or other responsible agency.

To the extent that new single family detached residential unit subdivision, parcel maps, or land divisions are developed by developers who pay all other applicable fees, but do not desire a water commitment as described in Section 1.2 of these Rules and desire to defer payment of SDA charges, these developments will be added to Appendix III and treated in the same manner. These developments will be required to pay the nonrefundable outstanding SDA charge for a parcel prior to obtaining a building permit for the parcel. The BBWD will record a Notice with the Clark County Recorder's Office that shows a chain of title based on Assessor's Parcel Number that the SDA charge has not been paid on the parcel. All fees connected with the recording and the charge will be due in the amounts in effect at the time of payment.

SECTION 2 – CONDITIONS OF SERVICE

The BBWD will endeavor to provide its customers with a continuous and adequate supply of water within reasonable maximum and minimum pressures per UDACS. However, varying pressures will normally prevail throughout the distribution system due to changes in elevation and other factors.

The BBWD will also act to conserve water resources in a manner that reflects the goal of achieving and maintaining a sustainable community within the desert environment of Southern Nevada.

The BBWD may reject, rescind, reduce, or terminate current or proposed uses of water where such use:

- a. Is contrary to the BBWD's obligation to assure reasonable use including, but not limited to, compliance with rules for water efficiency, drought, conservation, and the use of non-potable water for irrigation
- b. May encumber or impair the BBWD's ability to maintain an adequate level of service to other customers
- c. Compromises public health and safety due to circumstances that limit the available water supply to the BBWD

The BBWD is required under various statutes and local codes to avert the waste of water. The BBWD will continue to use rates, education, regulation, and incentives to develop programs to reduce the waste of water and improve the efficiency of its use.

2.1 Pressures

- (a) Applicants for service from a main through which prevailing water pressure will either exceed or fall below normal operating limits, as defined in the UDACS, shall be responsible for installation of pressure regulators, storage tanks, or other devices as required. In accordance with the Uniform Plumbing Code, individual pressure reducing valves (PRV) are required to be installed and maintained by the owner whenever static water pressure exceeds 80 psi.
- (b) Prior to service being provided which will either exceed or fall below normal operating limits, the applicant will be required to give written acceptance to the Big Bend Water District of the high or low pressure conditions.

2.2 Interruption of Service

The BBWD will endeavor to notify customers in advance of any interruption in service due to repairs or other causes. However, the BBWD will not be liable for interruptions, shortage, and insufficiency of supply or for any loss, inconvenience, or damage occasioned thereby. In emergency conditions when notification is not practical, service may be interrupted without warning for indefinite periods of time.

2.3 Parcel Location Adjacent to Main

New applications for water service will be accepted only if not less than twenty (20) feet of useable water main meets the BBWD's pressure, flow, capacity standards, and is located adjacent to the parcel to be served. Said water main must be within a dedicated right-of-way or permanent easement granted in writing to the BBWD.

2.4 Property Not Contiguous to a Water Main

In order to obtain service to property not immediately adjacent to a water main the applicant will be required to provide for system development in accordance with the requirements of these Service Rules, or the applicant may make application for a nonstandard connection if the property meets the requirements for a nonstandard water service.

2.5 Damage to Property

The BBWD will not be liable for damage to property occasioned by water running from open or faulty piping or fixtures on the customer's property, nor shall the BBWD be liable for damage due to over watering or improper watering. Customers who request activation of service shall be responsible for damage resulting from such activation due to open or faulty piping and fixtures on the customer's property. The BBWD may, at its discretion, opt to return the water service to a shut off condition if there is indication of water running on the customer's property at the time of service activation. When this occurs, the BBWD will endeavor to leave a notice of explanation for the customer. In the event of request for same day service activation, the appropriate turn-on/shut-off fee will remain applicable.

2.6 Access to BBWD Facilities

Property owners who permit landscaping, fencing, structures, or other fixed or movable obstructions to block, prevent, hamper, or restrict free and easy access to BBWD facilities for work of any nature including meter reading, shall be liable for costs incurred in removing such items. The BBWD will mail a 60-day notice by certified mail, return receipt requested to the mailing address on file with the County of Clark's *Ex-Officio* Tax Receiver in order that the parcel owner may correct the condition. If the parcel owner fails to remove the obstruction within the sixty (60) day period, the BBWD may complete the work, at the sole cost of the parcel owner. However, in the event of an emergency, the BBWD has the right to cause the obstruction to be removed without notice to the parcel owner and all related costs are the parcel owner's responsibility. At the property owner's option, subject to BBWD's prior approval, the BBWD's facilities may be relocated by a Nevada Licensed Contractor of the property owner's choice at the sole expense of said property owner but subject to the standards and procedures of the BBWD; or the property

owner may make application for relocation by the BBWD and at that time pay a deposit towards the actual total cost to be borne by said property owner.

Failure of the property owner to comply with the above shall be just cause for terminating water service to the subject property.

For the purposes of providing service to off-site facilities, the BBWD shall use the doctrine of prescriptive easement as the basis for access to those facilities. In the case of offsite mains located on private property through no fault of the BBWD, such mains shall have non-exclusive right of access. Any construction by property owners that affects those facilities shall be allowed, subject to the removal and reinstallation of the facility to BBWD specification and approval, at the expense of the property owner(s).

Subject to BBWD prior approval, and at the property owner's option, BBWD facilities may be relocated by a Nevada Licensed Contractor of the property owner's choice at the sole expense of said property owner but subject to the standards and procedures of the BBWD. Alternatively, the property owner may make application for relocation by the BBWD and at that time pay a deposit towards the actual total cost to be borne by said property owner.

2.7 Customer's Premises

LVVWD employees shall have the temporary right of access to a customer's land during working hours or in case of emergencies for purposes related to the customer's water service, including reading meters; conducting repairs or replacement to BBWD facilities; and accessing backflow prevention assemblies, service laterals, pipelines, water meter assemblies, and/or water meter vaults. Temporary access shall be restricted to the area in which the work will be performed. This does not constitute prescriptive easements and is restricted to the terms of this section. Employees are prohibited from entering residential or nonresidential structures to engage in repair or alteration of customer piping and fixtures. Work activities which will impact a customer's property, including excavation and/or severe disturbance to landscaping, shall be coordinated with the property owner when possible.

SECTION 3 – CLASSES OF SERVICE

All services installed by or for the BBWD shall be classified as domestic, private fire, combined, construction, or supplemental for billing purposes.

3.1 Domestic Service

“Domestic service” shall mean a service connection through which water is obtained for all purposes exclusive of fire protection, or construction water including commercial, industrial and irrigation.

3.2 Private Fire Service

“Private Fire Service” shall mean a service connection through which water is available on private property for fire protection exclusively. Private fire service shall be equipped with a BBWD approved double check detector assembly (DCDA), or Reduced Principal Detector Assembly (RPDA), **per NAC 445A**

3.3 Combined Service

“Combined Service” shall mean a single service connection through which water is delivered for the dual purpose of private fire service and domestic service.

3.4 Construction Water

Construction Water shall mean metered water delivered for construction purposes including, but not limited to, compaction and dust control. Construction water is not permitted for domestic or fire suppression use.

- a. Includes permanent or non-permanent, metered connections for delivery of water for use during construction of new development, additions to existing improvements, sand and gravel operations, and other construction uses, such as grading and compaction, paving, and dust control.
- b. Construction services may not be used to avoid installation of a permanent water service connection for permanent irrigation, long-term dust suppression, domestic service, or private fire service.

Water from construction sites is prohibited from flowing continuously into public streets, pathways, roadways, and sidewalks.

- c. Raw water consumption will be charged in accordance with the adopted Construction Water rate schedule. The user shall:
 - 1. Provide a written request to the BBWD for use of raw water. The request must include the type of use and location, rate, and frequency of the proposed diversion, plus any additional information necessary for BBWD to request and obtain approval from the Bureau of Reclamation for the raw water diversion.
 - 2. Provide approved plans for raw water pumping, metering approval and transmission facilities to BBWD as well as other information deemed necessary for the application and review of the request.

3.5 Supplemental Service

Supplemental Service shall mean a service connection or connections to property that is also served by another source of supply, such as a well or non-potable system. A supplemental service connection shall include an approved backflow prevention assembly. This section shall not apply to properties that are served by a domestic well, as identified in NRS 534.

SECTION 4 – REQUEST FOR SERVICE

There are two categories of requests for service:

1. Request for service through an existing service connection
2. Application for a new service connection

The BBWD will require any person requesting service to demonstrate that a water commitment exists, to sign appropriate application forms provided by the BBWD, and to pay all required fees, charges, and deposits.

Notwithstanding any provision in these Service Rules, payment of fees, or construction of water facilities at a Developer or BBWD's expense, the BBWD may deny any request for a water commitment or request for a water connection. Such denial will be based on an inadequate amount of water, physical limitations in the system capacity to serve the proposed customer and simultaneously maintain an adequate level of service to other customers, or where public health, welfare, or safety will be compromised.

4.1 System Development Approval for New Water Connection

No connection shall be made to a main unless a written application has been submitted by the property owner or agent on forms provided by the BBWD. The applicant shall provide any and all information, including sizing and location of the service lateral and meter, a description of the development, and plumbing plans. Applications shall be accompanied by payment of the system development connection charge, any required meter installation charge, and/or deposit. Each application shall be for service to a particular parcel of property. The legal address and parcel number of the property to be served shall accompany any application for service to the property.

4.2 Service Through an Existing Service Connection

Customers requesting service through existing service connections must provide information as required by the BBWD. Such information shall include, but not be limited to, full name and valid identification information in conformance with Nevada Revised Statutes (as amended). Any other person or party requesting to share financial responsibility (and/or account credit history if a spouse or co-owner) for an account must also provide their full name and valid identification information in conformance with Nevada Revised Statutes (as amended). The customer shall provide any other information, which will assist the BBWD in properly locating the service connection, including a description of the development, documentation of installation approval, the use of water and plumbing plans of the private facilities if required.

Any costs incurred by the BBWD to bring a service connection to BBWD standards are the responsibility of the property owner. Physical evidence of a service, including the installation of an approved backflow prevention assembly, if required, adjacent to property does not necessarily mean the service is available for use without additional fees or charges.

The BBWD may permit persons to conduct business with the BBWD, including requests for water service turn-on and shut-off, over the telephone provided that the person has established credit with the BBWD, is the property owner, or is indicated in BBWD

records as authorized by the customer to transact business on their behalf. The BBWD may also permit persons to conduct business with the BBWD, including requests for water service turn on and shut off, via facsimile transmission or through other electronic transmittal methods.

4.3 Relocation of Service

A service connection may be relocated on an existing parcel, however, it may not be moved to a new parcel. Service connection relocations are subject to the requirements of these Service Rules.

4.4 Inaccurate/Insufficient/Incorrect Information

In the event information provided by the Applicant is found to be inaccurate, insufficient, or incorrect after work has commenced or service has been turned on, the Applicant will pay any and all costs and/or fees, charges, and deposits necessary to effect corrective action and Service Rule compliance. The above will also apply in instances of onsite changes necessitating corrective action or modification to the service connection.

4.5 Refusal of Service

Service through existing or new service connections may be refused if:

- a. There is no water commitment to the parcel
- b. The account of the Applicant at the same or other location is delinquent
- c. The purpose of the Applicant, in the opinion of the BBWD, is to circumvent discontinuance of service in another name because of non-payment of bills or other infraction of these Service Rules
- d. The purpose of the Applicant, in the opinion of the BBWD, is to circumvent payment of outstanding charges for service discontinuance for delinquency in another customer's name or other infraction of these Service Rules.
- e. The requirements of these Service Rules are not fulfilled by the Applicant.

4.6 Reapplication for Disconnected Service

The customer shall be required to pay the total amount due and other incurred costs before service shall be reinstated, including but not limited to, disconnection and reconnection charges, delinquent processing fee, returned check fee, deposits due, service charge, and consumption fees unpaid. The BBWD may, at its option, require payment of additional deposits before service is reconnected.

It shall be the responsibility of the customer to inform the cashier that the service has been disconnected for "delinquent status" and that reconnection is desired.

In the event a service is disconnected for illegal or unauthorized use or connection, the property owner will be responsible for reestablishing service for the remaining duration

of ownership. Before service is reinstated, the property owner shall be required to pay all applicable fees, charges and costs, including, but not limited to, disconnection and reconnection charges, cut lock fees, damage to metering/measuring device(s), deposits due, service charge and unpaid consumption fees.

4.7 Deserted Service Connection

Applicants who apply for activation of a service that has been classified in BBWD records as “Deserted” will be required to make application for a new service connection. The water commitment for the service shall not expire, but the property owner is required to pay all installation charges, including the application fee and inspection fee (for services installed by a private contractor), to replace the service. In the event a property owner or Applicant, at their expense, can locate a service classified as “deserted”, the service must be brought to BBWD standards at the owner(s) or Applicant’s expense, and an application fee paid before it is reactivated.

SECTION 5 – TERMINATION OF SERVICE

5.1 Customer's Request

Customers desiring to terminate service shall notify the BBWD and provide a mailing address to which the closing bill will be mailed. Failure to notify the BBWD of termination of service shall not relieve the customer of responsibility for payment of any existing billings, or any other changes prior to notifying the BBWD. If the terminating customer is a tenant, party or entity other than the property owner, the property owner will then be held financially responsible for any water consumption that occurs at the property from the date of the termination of said tenant's service to the date of activation of the subsequent tenant's service.

5.2 Cause

Service may be discontinued after notice of intent to disconnect and an opportunity for a hearing for any of the following causes:

- (a) Nonpayment of water bills by specified due date;
- (b) Noncompliance with all or part of the BBWD rules;
- (c) Waste of water;
- (d) Damage to property;
- (e) Actual or potential cross-connection;
- (f) Obstructing access to BBWD facilities;
- (g) Illegal connection;
- (h) Interconnection;
- (i) Tampering with meters, seals, or equipment.

5.3 Notice of Termination

The BBWD shall endeavor to notify the customer prior to terminating or discontinuing a service. The BBWD, however reserves the right to terminate or discontinue a service without notice for tampering, or if continuing the service represents a health hazard or will result in property damage. In the event the service termination may result in a financial impact to the owner to reestablish service, the BBWD will endeavor to also notify the property owner prior to the service termination or disconnection.

5.4 Bankruptcy Actions

In bankruptcy proceedings, the BBWD will make demand for adequate assurance of payment as authorized pursuant to Chapter 11 of the United States Code Section 366.

5.5 Service may be discontinued without notice for the following causes:

- (a) Damage to public property.
- (b) Unauthorized connection.

The customer has the right to seek adjustment of charges as outlined in Section 7.

SECTION 6 – SERVICE CONNECTIONS

6.1 General Provisions and Conditions

It is the intention of these Service Rules that all water delivered through a service connection will be metered and billed. The use of idlers and spacers to deliver water is prohibited. Connection charges and payment for all water used from the time of initial service installation shall be the responsibility of the Applicant. In addition, the installation of a backflow prevention assembly may be required.

The BBWD, reserves the right to determine the size of the service connection to be installed. The minimum lateral pipe size shall be one (1) inch. For new service connections greater than one (1) inch, the lateral pipe shall be the same size as the meter. No service connection shall be approved of a size larger than can be supplied by the main without adversely affecting service to other customers.

The minimum sizing standard for meters will be five-eighths ($\frac{5}{8}$ ") inch.

In the event an existing main is determined to be inadequate to meet the requirements of an Applicant and a main extension will provide for those requirements, provisions of these Service Rules applying to main extensions will be followed.

Whenever two mains are available from which service can be provided, the BBWD shall, at its option, determine which main will be made available for that service connection.

Plans acceptable to the BBWD are required for all service connections except individual residential service connections under two (2) inches in diameter to be installed by BBWD. Water plans shall be prepared by a Nevada Registered Professional Engineer for review by the BBWD for conformance to BBWD construction standards, as stipulated in Section 9. However, the review is neither an indication that a property right in water is or will be granted, nor shall evidence of review be construed as a preference for obtaining a commitment. It is the Applicant's responsibility to obtain development approval along with other commitment requirements specified in these Service Rules.

In the event the authority having jurisdiction over the right-of-way within which the service connection will be installed requires a permit for such installation, the BBWD will make application for such permit for work to be performed by the BBWD and for water facilities installed by a private contractor that are located within Nevada Department of Transportation right-of-way. Any fees or charges associated with such application will be borne by the Applicant. Should such permit not be issued to the BBWD by the authority having jurisdiction the Applicant shall be so notified in writing. The Applicant may then make application for such permit to the authority having jurisdiction, or may request the return of all fees, charges, and deposits paid. If the Applicant chooses the latter option, the BBWD shall not be required to provide service. If the Applicant is unable to obtain the required permit, the BBWD has no obligation to provide service and shall return all fees, charges, and deposits paid.

6.2 Location

Service connections shall be installed at nominal right angles to a main. The point of connection shall not be within a street intersection nor shall any portion of the service

connection be within the paved intersection. The meter location shall be directly adjacent to the parcel being served within the public right-of-way. In the event street right-of-way is not available, the BBWD may approve installation within an easement or alley adjacent to or on the parcel to be served. The service connection shall comply with the current UDACS. All meters shall be located outside of areas where access by BBWD personnel for operation and maintenance may be restricted.

In alleys or easements, meters shall be located at a point as close as practicable to the parcel line adjacent to the main. All meters shall be located outside of driveways and other areas where access by BBWD personnel for operation and maintenance may be restricted.

The meter vault shall be located outside of travel lanes and driveways and shall be protected from vehicular traffic, as determined by the BBWD. If the Applicant feels extraordinary conditions exist that would prevent compliance with this requirement, they may submit to the BBWD a written request for a waiver of this requirement at the time the water plan is submitted for review.

6.3 Composition

Specifications for materials, appurtenances, and construction techniques for service connections are determined and approved solely by BBWD. For further information, refer to <https://www.lvvwd.com/apps/approved-products/index.cfm>.

A standard service connection shall be comprised of a service lateral from the point of connection to the main, to and including a meter or battery thereof, and meter box or vault.

6.4 Installation

The property owner shall be responsible for payment to the BBWD of all applicable fees, charges, and deposits in effect at the time the application is made. Service connections may be installed by the BBWD. Service connections installed by the Applicant shall comply with the requirements of these Service Rules.

(a) $\frac{5}{8}$ " through 2" meters

Service connections include meters be installed by a properly licensed contractor in the State of Nevada, subject to inspection and acceptance by the BBWD and in accordance with the UDACS. Tapping of a main will be permitted only in the presence of a representative of the BBWD. The BBWD will provide meters according to the current rate schedule.

(b) Meters larger than 2"

Service connections including meters shall be installed by a properly licensed contractor in the State of Nevada, subject to inspection and acceptance by the BBWD, and in accordance with UDACS. Tapping of a main will be permitted only in the presence of a representative of the BBWD.

(c) The BBWD may install service installations and will assess the charges provided in the current rate schedule.

6.5 Ownership

Service connections, including laterals, boxes, meters and other appurtenances shall be dedicated to the BBWD, which will be responsible for the maintenance and repair of such facilities, subject to any agreements covering the installation of such facilities. All pipe and fittings on the customer's side of the meter shall be the responsibility of the property owner. Guarantees and warranties shall apply to all facilities dedicated to the Big Bend Water District according to the UDACS.

6.6 Private Fire Service

Private fire service shall be equipped with a BBWD approved double check detector assembly (DCDA), or a Reduced Pressure Detector Assembly (RPDA), per NAC 445A and such service use is restricted to standby fire protection and mandatory testing.

6.7 Combined Service

Combined service shall be equipped with a meter of a type approved by the BBWD.

6.8 Temporary Service

The BBWD may authorize a temporary service connection when the applicant's property is not adjacent to a water main. As a condition to installation of a temporary service, the applicant is required to submit construction plans and a data sheet for a main extension, and construction must commence within ninety (90) days. If construction stops for ninety (90) days, then the project will be considered abandoned, and the BBWD will disconnect the temporary service.

6.9 Emergency Service

Emergency service shall be authorized for limited periods of time when the usual source of supply fails or is declared to be potentially harmful or in other circumstances that endanger health and property. Connections may be provided, at the discretion of the BBWD, to a fire hydrant or any available outlet from BBWD facilities and shall conform to the requirements of these Service Rules. The applicant shall pay all installation costs, applicable fees, charges, bills, and deposits and shall make application for a main extension in accordance with these Service Rules.

All emergency services shall be limited to a maximum of sixty calendar days. Should the need for the emergency service extend beyond sixty (60) calendar days, the Applicant shall apply to the BBWD for a time extension. The emergency service may be extended by the General Manager until such time as the application can be brought to a regularly scheduled meeting of the Board.

In the event that the emergency service will provide water to multiple users, a deposit shall be submitted that shall include an amount for an estimated thirty (30) calendar days of consumption including service charges for each unit of property to be served. A single monthly bill shall be issued to the Applicant, who will be responsible for payment.

6.10 Non-Standard Service

Non-Standard service may be authorized when, in the opinion of the BBWD, a main extension will never be necessary for orderly development of the system, fire protection, service to other property, or other reasons. On-site piping from the meter or shut-off valve to the customer shall not be located within a public thoroughfare. A copy of the recorded easement to the BBWD over private property for the service lateral shall be provided to the BBWD.

6.11 Metering Requirements for New Developments

- a. It is the intent of the BBWD to separately meter all services for each dwelling unit, public, quasi-public, commercial, and/or industrial occupancy. Inter-connection(s) are not allowed that include, but are not limited to, expansion of on-site systems to serve adjacent parcels. However, the BBWD retains the right to determine the quality, quantity, type, size, and location of all such metered services and appurtenances.
- b. Each lot or parcel shall have a minimum of one (1) metered service. If, in the opinion of the BBWD, a single meter for all service is the most practical installation for BBWD access, operations, and maintenance, one (1) properly sized meter may be installed to serve the entire development. The BBWD shall make the final determination of a properly sized meter.
- c. In the event a parcel is divided into more than one (1) lot after water service is obtained from the BBWD, it is the property owner's responsibility to obtain additional water commitments and services for the additional lots from the BBWD prior to the parcel division. Inter-connection(s) that include, but are not limited, to the expansion of on-site systems to serve adjacent parcels are not allowed.

Commercial developments, created through the subdivision or parcel map process, with Conditions Covenants and Restrictions that include property management payment of communal services, may be exempted from this requirement provided adequate documentation is provided to support this arrangement. BBWD will not prorate water bills between customers.

6.12 Metering Requirements for Conversion of Developments

- (a) All existing developments which were developed in accordance with the provisions of any applicable zoning ordinance enacted pursuant to law that are to be converted from rental occupancies to occupancies for the transfer of titles in an occupancy and open space may retain the existing metered water service without modification except when such service is required to be modified in the interest of the public health, safety and welfare. The BBWD may authorize the retention of the existing metered services, with or without modifications for cause.
- (b) Any request for BBWD authorization to retain existing metered services must be made in writing. Upon receipt of written requests submitted, the Board, or designated authority, will review the request, confer with the requesting party, and return a decision as to the authorization.

6.13 Meter Maintenance

BBWD water meters are routinely serviced and maintained during normal business hours. This procedure will cause a total shut down of the services located on a site. Customers can avoid this interruption in service by providing a bypass valve and piping, per UDACS.

6.14 Installation of BBWD Facilities by a Developer

Subject to the provisions of applicable sections of these service rules, the following shall apply to the installation of all facilities which are to be owned and operated by the BBWD.

- (a) The developer shall pay to the BBWD, prior to issuance of plan approvals, all applicable fees, deposits and charges in accordance with the rate schedule then in effect.
- (b) All water facilities to be owned by the BBWD shall be located within public rights-of-way or BBWD approved easements. Water meters shall be located outside of travel lanes and driveways and shall be protected from vehicular traffic, as determined by the BBWD in accordance with the UDACS and the approved materials list.
- (c) The BBWD shall have inspected and approved the installation of the water service facilities before a meter is set or service is provided other than water for construction purposes.
- (d) Fire hydrants to be connected to a BBWD main shall be approved by the BBWD and the Fire Department prior to installation. The installations will be inspected and approved by the BBWD.
- (e) Fire hydrants located out of the right-of-way or easement shall be owned and maintained by the property owner.

6.15 Installation of Hydrants

Fire hydrants shall be installed in accordance with the Clark County Uniform Fire Code and UDACS.

6.16 Cross-Connection Control (Backflow Prevention)

The BBWD's Cross-Connection Control (Backflow Prevention) program for service protection is conducted pursuant to Nevada Administrative Code (NAC) 445A.67185-67255, as amended.

Backflow prevention assemblies for service protection approved and installed after the effective date of these rules will be owned, tested and maintained by the BBWD and in accordance with NAC 445A67185. For those assemblies owned by the BBWD, maintenance and testing will be done annually by the BBWD, supported by the payment of a backflow service charge, per Section 7.

For those properties retaining ownership of backflow assemblies, annual testing and maintenance will be done by an authorized, certified cross-connection control tester. BBWD will send a letter in advance of the annual testing date, notifying the property of its responsibilities and obligations of complete testing.

The results of each test for each assembly, and a record of any repairs must be forwarded by the tester to the BBWD for recordkeeping purposes. Failure to properly conduct scheduled annual testing, and needed repair of assemblies within 30 days of the annual test date, will result in the service being shut off until the BBWD assumes control of the assembly, along with a permanent, written easement, per UDACS.

For assembly owners that want to turn over assembly serving their properties, the BBWD will accept the device at no cost to the owner, subject to the following requirements. That each assembly be unencumbered of any lien or debt, that the assembly be working properly, based on testing by a certified cross-connection control tester within ten days of change of ownership, and that the property owner conveys a permanent, unencumbered easement to the BBWD for access, testing, maintenance, and replacement of the assembly, per UDACS. Once the assembly is accepted by the BBWD, all work will be done annually by the BBWD, supported by the payment of a backflow service charge, per Section 7.

The BBWD may require access to properties of customers currently receiving water service to conduct a cross-connection control survey pursuant to NAC 445A.67185. The purpose of this survey is to establish the extent of protection required for the BBWD's water system based on an evaluation of how a customer uses water on a site. Examples of on-site uses requiring protection include, but are not limited to, laundries, businesses that mix and process chemicals and water, potable and/or non-potable irrigation systems, and fire services. Water from a customer's service may, under certain conditions, be drawn into the public water supply through the meter (through a backflow condition such as back siphonage or backpressure). If there are existing or potential cross-connections with non-potable fluids on a customer's property, the water drawn into the public water supply may be contaminated and therefore compromise the BBWD's supply. The installation of a BBWD approved backflow prevention assembly adjacent to the meter may be required based on the results of the survey and the identification of existing or potential cross-connections within the property. Such installations may also be required pursuant to NAC 445A.67195-6721.

The BBWD may determine that there is the potential for contamination of the BBWD's distribution system from an existing service(s) due to processes on a customer's property. This requirement may be made in the absence of a cross-connection control survey pursuant to the conditions specified in NAC 445A.67195 through 67215 inclusive. At that time, the BBWD may install a backflow prevention assembly at its expense. If a customer requests a larger assembly, the cost of that equipment and installation will be borne by the customer. The customer must provide an easement to the BBWD for this work unless one of approved dimensions already exists.

If the customer objects to the requirement for backflow prevention assembly installation, he shall, at his own expense, obtain a cross-connection control survey from a Certified Cross-Connection Control Specialist. If the survey finds no need for backflow prevention, the requirement by the BBWD shall be deferred at that time. The BBWD may require the customer to obtain, at his own expense, a similar BBWD approved cross-connection control survey not more frequently than annually to validate that the deferral is still appropriate. An approved copy of the results of the survey shall be provided to the BBWD, which will determine the need for an assembly. Failure to provide such a survey shall be cause for the BBWD to require the immediate installation of a backflow prevention assembly as required by NAC 445A.67195 through 67215 inclusive. The customer shall pay all expenses required for this installation.

A BBWD approved backflow prevention assembly adjacent to the meter will be required at applicant's expense for all new services to commercial and industrial facilities, all new fire services, all new potable and/or non-potable irrigation services, all services for parcels with multiple services, for the relocation or upgrade of existing services, or when on-site work occurs to any facility which would otherwise qualify for installation of a backflow prevention assembly pursuant to NAC 445A.67195.

The backflow prevention assembly may be installed by a properly licensed contractor, however, the installation shall be approved, inspected, and the assembly tested to BBWD Standards before the service is activated.

Installations of backflow prevention assemblies larger than 2" by the customer/applicant shall be accomplished in accordance with Section 9 of these Rules. An easement shall be provided to the BBWD for the construction, operation, and maintenance of all backflow assemblies larger than 2".

Backflow prevention assemblies 2" and smaller may be installed by a licensed Nevada contractor provided the Property Owner first obtains a permit from the BBWD. A permit for the installation and inspection shall be obtained by the owner/developer for all assemblies 2" and smaller. Failure to provide the BBWD access to the assemblies shall be grounds for termination of water service.

An approved backflow prevention assembly appropriate to the degree of hazard shall be installed at the point of delivery to an existing customer's water system as a prerequisite of continued service:

- a. Whenever entry to all portions of the premises is not readily accessible for inspection purposes, making it impracticable or impossible to ascertain whether or not cross-connections exist or as required by NAC 445A.67195.
- b. Whenever an emergency turn off is necessary, as determined by the degree of hazard.

Customers will be notified by mail when a survey or other action (such as a public works or BBWD project related to existing service removal and relocation, or service adjustment) has revealed that an existing service has been identified as requiring installation of a new or upgraded backflow prevention assembly. The customer shall be

required to have the backflow prevention assembly installed in a manner acceptable to the BBWD within 120 days from the date of the notification. If, after the 120-day period elapses should the backflow prevention assembly not be installed, the BBWD shall notify the customer of their failure to meet these requirements. If the customer has not completed the installation of the backflow prevention assembly nor responded to the BBWD 30 days following the notification (150 days elapsed time from initial notification) a second notification shall be made to the customer. If, after 30 days have elapsed (180 days elapsed time from the date of first notification) and the backflow prevention assembly is not installed, the service to the customer's account may be terminated. The BBWD may elect to install the appropriate assembly at the expense of the customer. Upon completion of installation of the backflow prevention assembly, the BBWD may restore service.

If the customer so requests, the BBWD shall take the necessary actions to have the backflow prevention assembly installed. If a customer qualifies due to a Public Works or BBWD project that requires an existing service removal and relocation, or service adjustment, and the installation of a backflow prevention assembly, it shall be installed at the expense of the BBWD. Any requests for a larger service will result in the customer being charged the full cost of the assembly.

Once a customer requests installation by the BBWD, the 120-day installation period shall be considered as having been satisfied. The BBWD may make arrangements for the installation by a contractor, or may do the installation using BBWD work forces. The application shall be considered to have been received by the BBWD when the customer presents an appropriate application for installation along with a properly executed easement and/or license document and delivers payment in the amount estimated by the BBWD as set forth in Section 7 for the installation work. Following completion of the work, the BBWD shall either refund to the customer overpayments or shall invoice the customer for the additional monies required.

In some locations where physical constraints may preclude the installation of backflow protection on individual services, the BBWD may choose to install a properly sized backflow prevention assembly on a portion of the distribution system to protect other customers in the vicinity. In this situation, the BBWD shall make all arrangements for the backflow prevention assembly installation. At the completion of the installation, the cost of the installation will be prorated to the parcels requiring protection based on the equivalency sizes of the services involved. Those service users will then be billed a monthly service charge equal to the amount charged for a backflow prevention assembly equal in size to their installed service. The BBWD will notify the customer in advance of installation should this situation arise.

6.17 Installation of Hydrants

The BBWD may install a fire hydrant for single-family residentially zoned lots with fire department approval when the owner of the lot applies for domestic service and pays all applicable fees, charges and deposits, which must include the cost of the fire hydrant and installation.

SECTION 7 – CHARGES, FEES, AND DEPOSITS

Deposits and charges set forth in these Service Rules shall be at the rates established in the rate schedule contained in the Big Bend Water District rate resolution as adopted by the Big Bend Water District Board of Trustees. All bills, charges, fees, and deposits must be paid to the BBWD prior to approval of water plans for construction, or prior to commencement of any scheduling of construction activity for services to be installed by the BBWD.

7.1 Abandonment of Service

In the event that a service connection is permanently deactivated, the meter and other salvageable materials will be removed by the BBWD without credit to the property owner.

7.2 Addition of Service

System development approval charges are payable in advance of the installation of additional services. Payments for additional services shall be the responsibility of the legal owner of the property. If services are added without prior notification and payment to the BBWD, the owner will be subject to penalty in accordance with the BBWD rate schedule, up to disconnection of service.

7.3 Backflow Prevention Assembly Service Charge

All customers having backflow prevention assemblies dedicated to the BBWD shall be required to pay service charges for each backflow prevention assembly required by the BBWD. This charge shall be in addition to other service charges. (See Appendix I A.1)

7.4 Combined Service

The service charge will be determined by applying the domestic service charge to the smaller meter and the private fire protection service charge to the larger meter. The consumption through both meters will be added together and billed at the appropriate domestic service rate (Appendix I A.10) based on thresholds for the smaller meter. Charges for combined services include, but are not limited to, those on the combined service table. (See Appendix I A.2)

7.5 Connection Charges

A connection is defined as a service connection or main extension connected to an existing main. A connection shall not include an emergency service connection, interim/construction water service or temporary service connection. Any connection charges based on a meter size will be based on the smaller (domestic) meter for combined services. When required, installation charges shall be in accordance with the approved rate schedule in effect at time of application and payable in advance. (See Appendix I A.3)

Whenever a parcel of property within the boundaries of an Assessment District is excluded from participation by reason of ownership by a public tax-exempt agency, or other cause, such property, should it later require a connection, shall not be permitted to obtain service from a main constructed as part of the Assessment District until the amount of the assessment is paid and a water commitment obtained in accordance with Section 1 of these Service Rules.

a. "Application Fee" All applicants for water service will be required to pay in full a non-refundable fee(s), at the time water plans are submitted for review, or at the time application for service is made if water plans are not required. (See Appendix I A.3.a)

An "Application Fee" is charged for Fireline(s) without domestic meter installation. (See Appendix I A.3.a)

An "Application Fee" is charged for a water plan with public fire hydrant(s), which include a temporary fire hydrant or temporary riser, without domestic meter installation. (See Appendix I A.3.a)

Staff review fee. There will be a charge for of each revision to applications and plans that constitute a change to documents, fees, or services. (See Appendix I A.3.a)

b. "Frontage Connection Charges" shall apply to all connections through which water will be delivered from an existing main to particular parcels of property that are adjacent to the right-of-way or easement wherein that main is located. If additional connections will not be required for subsequent phases, the frontage connection charge for projects with multiple phases is due for all remaining phases at the time the initial connection is approved. The applicable frontage connection charges shall be the amount specified in the rate schedule. (See Appendix I A.3.b)

Frontage connection charges shall not apply to the connection of a parcel to a particular main if that main was installed as a main extension to serve that parcel. Frontage connection charges shall apply to parcels within Assessment District when the connection is made to a main that was not installed as a part of an Assessment District for which the parcel was assessed.

Upon application for a connection to a parcel not presently having a connection, frontage connection charges shall apply to the side of the parcel where the connection is to be made. Upon application for an additional connection to a parcel where the connection is to be made to a side of the parcel not presently having a connection, frontage connection charges shall apply to that side of the parcel. Upon applications for connections to more than one side of a parcel presently not having a connection, frontage connection charges shall apply to each side of that parcel where a connection is to be made. Relocation of, or additional connections on, the same side of the parcel shall be exempt from frontage connection charges. Non-standard service connections shall be assessed the minimum frontage connection charge when the main providing water is not directly adjacent to the property.

If more than one main is available with sufficient pressure and capacity to which a connection may be made, and the Applicant requests a connection to a specific main, but the BBWD elects to require the connection be made to another main, the frontage connection charge shall be the lesser of the charge for the main preferred by the Applicant or the main to which the connection was actually made.

c. "Inspection Fee" All inspection fees are due and payable prior to plan approval.

Services with required backflow will pay an additional fee per service. After- hours inspection fee shall be the overtime cost of the inspection. All other inspections occurring after the time limitation established in 9.1.d and not related to above services description shall be the straight time cost of the inspection plus a roundtrip fee. (See Appendix I A.3.c)

A fee minimum will be charged for accumulated site inspections for any project that is cancelled in accordance with Section 8 of these Service Rules. The balance of Inspection fees will be refunded as part of the cancellation process. (See Appendix I A.3.c)

d. "Oversizing Charge" The oversizing charge is paid in full as part of the plan application and approval process and is applicable for all new service connections within the BBWD Service Area. (See Appendix I A.3.d)

e. Service Connection – Installation. When required, installation charges shall be in accordance with the approved rate schedule in effect at time of application and payable in advance. All appropriate service connection installation charges shall be paid in full by water plan approval. (See Appendix I A.3.e)

If unusual installation conditions exist, the applicant will be advised of the terms and conditions that must be met before an application for service will be accepted. In circumstances under which the BBWD anticipates unusual installation conditions, the applicant shall pay a deposit established by the BBWD. A refund or billing will be made when the job is completed and actual cost determined by the BBWD. Unusual installation conditions shall exist when, in the opinion of the BBWD, the installation is to be made under conditions that would result in unusual or significant departure from the basic installation charges set forth in the rate schedule.

f. Service Connection – Re-Activation. Upon receipt of application, a deserted or inactive service may be activated provided the Applicant pays any costs required to locate the service and upgrade it to current BBWD standards. If the service cannot be located, it will be classified as abandoned or removed. If a service is located but found to be non-functional, the service may be classified as abandoned or removed. Also see Section 5. (See Appendix I A.3.f)

g. Service Connection – Relocation. An existing service connection may be relocated on the same parcel, with the approval of the BBWD, however, it may not be moved to a new parcel. A relocated service connection shall be installed pursuant to the same Service Rules and applicable rate schedules as a new service connection, except that no application fee or System Development Charge shall be applied. Frontage Connection Charges will not apply if the connection is to the same side of the parcel. The new service connection will be installed under the same conditions as a normal installation as specified by the UDACS. Meter installation charges may also apply. (See Appendix I A.3.e)

h. Service Connection – Removal. In the event that a service connection is to be permanently deactivated, the owner of the parcel must sign a removal order form provided by the BBWD. The meter and other salvageable materials may be removed by the BBWD on an actual cost basis, without credit to the property owner, or by a private contractor in accordance with the requirements of Section 9. Any water commitment associated with a removed service shall terminate, except as provided

in Section 1. In the event a service will be relocated or the size of service changed, the service removal may be done either by the BBWD on an actual cost basis, or by a private contractor in accordance with the requirements of Section 10.

i. Service Connection – Size Increase. An existing service connection may be enlarged with the approval of the BBWD, provided a water commitment is obtained in accordance with Section 1 of these Service Rules for the additional capacity requested. An enlarged service connection shall be installed pursuant to the current Service Rules and applicable rate schedules. If the new service connection is not on the same side of the property as the abandoned or removed service, frontage connection charges will apply. (See Appendix I A.3.b) System Development Charges shall apply to increases in meter sizes. The amount of the charge will be the difference between the System Development Charge for the new service connection and the System Development Charge applicable to the existing service connection. (See Appendix I A.11)

7.6 Construction Water and Other Approved Uses.

a. Metered Construction Water and Other Approved Uses. Water taken through public fire hydrants except for firefighting purposes will be metered. The following fees and charges shall apply to water delivered through a metered fire hydrant for construction or other approved uses. Connection to or use of public fire hydrants is prohibited unless a special permit is issued by the BBWD. A BBWD-owned hydrant valve and meter must be used. The applicant shall pay a use permit fee prior to issuance. The BBWD will require installation of a hydrant meter, and the applicant will be required to pay appropriate deposits. The hydrant meter will be subject to a daily service charge. Upon discontinuance of service, a refund may be made of the difference between the damage deposit amount and charges, after allowance for salvaged materials. The full deposit amount may be retained towards a future hydrant meter deposit. Applicants for connections to or use of fire hydrants shall designate the period of time and purposes for which water is to be used. The BBWD may discontinue the supply and remove its equipment at the expiration of the period so designated or if the supply is used for any purpose other than designated by applicant. The supply is subject to limitations as to rate of flow and time of use. (See Appendix I A.4)

One (1) working day notice is required to set fire hydrant meters and requests must be received before 4:00 p.m. Requests received after 4:00 p.m. for next day service and requests for same day meter installation before 4:00 p.m. that day may be accommodated with payment of an additional fee.

The Applicant is responsible for providing any required backflow protection required by BBWD. The BBWD requires hydrant valves and meters when using hydrants that have not been accepted for public use and maintenance.

The BBWD may install all equipment necessary, but in no instance will water be used until an installation is approved. In the event that a connection is made to a fire hydrant without authority to do so, the user shall be required to pay appropriate charges for unauthorized use of service for each day of use prior to issuance of the permit in accordance with the current Big Bend Water District rate schedule. In lieu of a fire hydrant meter for taking construction water, the construction water may be taken through the service connection which is intended to serve the parcel, or it may be taken through any other metered method approved by the BBWD which assures that all water utilized during the construction period is metered. The construction period shall be considered to have ended when the BBWD is

notified by the applicant and the BBWD has made a final meter reading for billing purposes. The BBWD will then discontinue (shut off) the service, unless it has received an application for service to that location.

Except for emergency service connections that may be established by the BBWD for a limited time as described in Section 6, water service from a fire hydrant for domestic purposes is prohibited.

b. **Non-Metered Construction Water.** Water used in the disinfection of newly constructed public water mains does not have to be metered. Flushing of the mains shall only be done in the presence of a BBWD representative.

c. **Raw, untreated water for Construction or Any Other Purpose.** Raw, untreated water delivered for use during construction or any other purpose will be charged at the following rates:

- a) Monthly Service Charge equals 100 percent of the potable rate.
- b) Water Usage Rates equals 50 percent of the potable rate.
- c) Delivery Charge equals 100 percent of cost to deliver raw water and maintain any equipment or assets required to deliver raw water.

7.7 Daily Service Charge

Domestic service customers will be billed a service charge based on meter size. When computer modifications are complete, domestic service customers will be billed a daily service charge based on meter size multiplied by the number of days in the billing period. (See Appendix I A.5)

A Service Charge shall be billed to all active water service accounts regardless of the amount of water usage. Conversion to "Daily Service Charge" effective after computer modifications are complete. (See Appendix I A.5)

7.8 Damage to or Tampering with BBWD Property

Persons causing damage to, or tampering with, BBWD property, including but not limited to, service connections shut-off valves, hydrants, meters, and mains by any willful or negligent act shall be responsible for payment of costs incurred and any and all penalties prescribed by the Service Rules, or law. (See Appendix A.6)

7.9 Deposits

a. **Assure Payment of Bills – Security Deposits** The BBWD, may require security deposits from new customers who have not established credit with the BBWD, or from customers whose accounts are consistently delinquent, or in any situation where the BBWD has cause to believe that a deposit is required to assure payment. The base deposit will be in an amount set in the Deposits and Charges. Security deposits will not be required from customers who have established credit by paying bills on time for twelve consecutive months at another location serviced by the BBWD. When a previous customer applies for service and a deposit is required, the BBWD will review the customer's water usage on their previous account and calculate the highest three months' usage during the most recent twelve-month period. The customer will be charged the base deposit amount or the total

billing for their highest three months' usage, whichever is greater. The BBWD may establish standard deposits for various service sizes and types. (See Appendix I A.8)

b. Construction Deposits – Estimated Costs. When the BBWD is requested to perform work and there is no fixed charge, the applicant shall deposit an amount established by the BBWD, in addition to system development connection charges and other applicable fees and charges prior to commencement of work on the installation. A refund or billing will be made when the job is completed and actual cost determined. (See Appendix I A.8)

c. Interest on Deposits. Except as provided to assure payment of bills, any cash deposit(s) or other payment(s) paid to the BBWD will not accrue interest.

d. Public Agency Deposit Requirements. In lieu of cash deposits, or sureties, purchase orders may be accepted from public agencies.

7.10 Delinquencies & Deficiencies

a. Deficiency Fee - The BBWD will assess a fee per service, per day, for each inspected deficiency not corrected by the developer, until the deficiency is corrected. This charge shall be assessed against parcels where a tenant has occupied the premise without the service being inspected, approved and accepted by the BBWD or without a Certificate of Occupancy issued by Clark County. (See Appendix I A.7)

b. Late Fees – Delinquent Accounts. If payment of a water bill is not received by the BBWD prior to the due date as stated on the bill there shall be added to the next succeeding bill a charge in accordance with the Big Bend Water District Deposits and Charges.

Effective after computer modifications are complete, change to: If payment of a water bill is not received by the BBWD prior to the due date as stated on the bill, the account shall be charged, on the next succeeding bill, four percent (4%) of all amounts in arrears. Governmental agencies shall be exempt. (See Appendix I A.7)

c. Liens. The BBWD may cause a Notice of Lien to be recorded at any time after a bill has become delinquent, pursuant to NRS 318. The BBWD shall cause a Release of Lien to be recorded after it has received payment of the amount for which the lien was claimed, which shall include the cost of recording the Notice of Lien and Release of Lien plus a service charge as set in the Deposits and Charges.

The BBWD may file a lien against a parcel when reasonable collection efforts have proven unsuccessful. If a lien is filed against a parcel, the lien balance will include a per parcel lien processing fee. Liens will be released promptly after notification and verification of payment in cash for the lien balance in full. Payments by cashier's check or personal check may result in a delay of filing the release of lien for up to thirty days for verification from the issuing bank. Credit card payments will not be accepted. Subsequent water service to the parcel will only be activated or restored in the name of the property owner and service fees and/or deposit requirements will apply. (See Appendix I A.7)

d. Processing Charge. A delinquent processing charge of 5% of arrears, not subject to compounding. (See Appendix I A.7)

e. Re-connection Charge for Delinquent Accounts. If a service is processed for shut-off for non-payment of bills, payment arrangements, deposits, or other violation of these Service Rules, the customer shall pay a delinquent processing charge plus the rate specified in

Appendix I A.7 of these Service Rules for any actual or potential water use each month that water service would have been available since the delinquency occurred. Before the service will be reactivated, the customer must pay the total amount due including any assessed security deposits, and related delinquent processing and restoration fees. The BBWD may, at its sole and exclusive discretion, make arrangements for other than a single full payment. Should the customer reactivate the service or tamper without consent of the BBWD, an additional charge will be made for each such occurrence. Service shall be considered processed for shut-off as of the date immediately following the due date of the bill or payment arrangement. In addition to the fee, the BBWD may determine that a shut-off valve is to be installed at the expense of the property owner in accordance with these Service Rules. (See Appendix I A.7)

f. Re-establish Service Fee. Upon receipt of application, a deserted or inactive service may be activated provided the Applicant pays any costs required to locate the service and upgrade it to current BBWD standards. If the service cannot be located, it will be classified as abandoned or removed. If a service is located but found to be non-functional, the service may be classified as abandoned or removed. Also see Section 5.

7.11 Emergency Service

Emergency service may be provided by a connection to a fire hydrant or to an existing main. All emergency services which are connected to fire hydrants shall conform to requirements of these Rules and shall be limited to a maximum 30 days. In the event that the emergency service will provide water to multiple users, a deposit shall be submitted that shall include, in addition to the quantity charge, an amount for the estimated 30 days of consumption including service charges for each unit of property to be served. A single monthly bill shall be issued to the applicant who will be responsible for payment. Metered water service shall be in accordance with the rate schedule.

7.12 Illegal Service Connection

A service connection that is located in the field, but whose existence is not documented in BBWD records will be considered as a new service. All fees, charges, and deposits required by the BBWD must be paid before the account is established in the BBWD's system. In the event an illegal service is discovered and a water commitment is required by the BBWD and is not obtained, or the fees, charges, and deposits are not paid, the BBWD may physically remove the service connection at the parcel owner's expense. Any service connection that is in violation of these Service Rules will be considered an illegal service connection and be subject to all of the conditions and restrictions as listed above.

7.13 Illegal Use of Water

Prosecution for Illegal Use of Water; Interference with BBWD. Any person who shall wrongfully and maliciously appropriate or use any BBWD water, damages or interferes with BBWD property, or wrongfully and maliciously interferes with any officer, agent, or employee of the BBWD in the proper discharge of their duties shall be guilty of a misdemeanor and shall be fined in any sum not exceeding \$1,000 or imprisonment not to exceed six months in the county jail or by both such fine and imprisonment; provided further, that the BBWD damaged by any such act may also bring a civil action for damages sustained by any such act, and in such proceeding the prevailing party shall also be entitled to attorney's fees and costs of court.

7.14 Locked Service

If a lock installed on a service connection to restrict use of water is removed by anyone other than an authorized BBWD employee, the customer or developer shall be charged padlock replacement costs for the damaged standard lock, or the damaged specialty lock, in addition to any other charges and fees. (See Appendix I A.6)

7.15 Meters (See Appendix I A.9)

a. Automated Metering Infrastructures (AMI) Equipment. The customer or owner of record may be charged for replacement of a damaged AMI device.

b. Meter Credits. If meters obtained from the BBWD for the purpose of being installed by a private contractor during construction of a development are returned before the project has received final acceptance from the BBWD, the following credit will be made:

- a) Undamaged meters – 100% of original developer cost
- b) Damaged meters – 30% of original developer cost

After computer modifications are complete, change to: Unused and undamaged meters, with original receipt(s) - 100% of original developer cost.

c. Meter Installation. When it is discovered that water is being taken through an unmetered service, or the meter is damaged, or the meter is not operating properly, or the wrong size meter was installed, and the water plan approval required that the meter be set by the developer, the BBWD will install the meter and charge an installation charge. The cost of the original meter issued to the developer will be refunded if that meter has not been used or damaged and is returned to the BBWD. If the development is under warranty for its water facilities, the Developer can replace the meter at his expense.

d. Meter Size Change. Existing meters which are of a size less than the diameter of the service lateral may be replaced with a larger size not to exceed the size of the service lateral. Applicants for replacement meters shall pay the application fee for the new meter, the meter charge, and other charges as established by the rate schedule. There will be a meter charge for the increase in meter size. System Development Charges shall apply to increases in meter sizes. A water commitment in accordance with Section 1 of these Service Rules must be obtained before a meter may be increased in size.

Meters sized two (2) inches and less may be replaced with a smaller size meter upon request of the property owner and with BBWD approval. The cost to reduce the meter size shall be the application fee for the new meter, the cost of the new meter, plus all other applicable fees and charges. Applicants for replacement of meters greater than two (2) inches with a smaller size shall pay all costs incurred.

e. Meter Testing Fee. A customer who is serviced by a meter 2" and smaller and who has requested that the meter be removed for accuracy testing and replaced with another, shall be assessed a fee. The fee will be waived if the overall accuracy of the meter as tested is outside the defined acceptable parameters as established by the AWWA.

7.16 Private Fire Service

Private fire service connections shall be assessed a monthly stand-by charge based upon the size of the water line, equal to the monthly service charge for the equivalent meter size. (See Appendix I A.9 & Appendix I A.10)

The fireline consumption charge will be the Tier Two rate for all usage including unauthorized usage and mandatory testing. Water is to be used solely for extinguishing fires. The BBWD reserves the right to estimate and bill all fireline consumption

The fireline consumption charge will be the Tier Two rate for all usage including unauthorized usage and mandatory testing. Water is to be used solely for extinguishing fires. The BBWD reserves the right to estimate and bill all fireline consumption.

When it is found that a private fire service is being used for unauthorized purposes other than standby fire protection or mandatory testing, the BBWD reserves the right to calculate and bill the customer for all private fire protection water consumption based on the service size and duration of consumption. For such unauthorized use, consumption shall be billed at the Tier Two rate and a multiplier may be applied as follows:

<u>Fire Line Size</u>	<u>Multiple</u>
≤ 2"	1
3"	12
4"	21
6"	47
8"	80
10"	127
12"	167

Failure to discontinue the unauthorized use will be cause for shut-off, and/or prosecution as prescribed by law.

7.17 Public Fire Hydrants

Credit Privilege for Hydrant Permits. The privilege of credit for hydrant permits may be granted to contractors licensed in Nevada and requests for same may be made by phone, provided that:

- a. The privilege is not abused.
- b. Payment for each hydrant permit is received by BBWD as part of the payment for the first water bill issued for such permit.

7.18 Supplemental Commodity Charge

A supplemental commodity charge will be computed and assessed for all non-residential customers having a supplemental service connection.

The BBWD will annually, based on the prior calendar year, determine the customer's peak month (June through September) and compute the ratio of peak month over average monthly usage (i.e., peak month usage divided by average monthly usage = peaking ratio). This ratio will be divided by the BBWD's peak month ratio (peak month usage divided by average monthly usage = system peaking ratio) and if the resulting factor is greater than one (1), the factor will be multiplied by the commodity rate in effect for the upcoming months of June through September (See Appendix I A.12). If the supplemental customer's peak to average usage is less than the BBWD's peak to average usage, the average of the previous three (3)

years peak to average usage shall be used as the factor.

The resulting rate will be the commodity charge for water usage for the subsequent months of June through September. This rate will be applicable to all successors or assigns of the customer for the calendar year.

7.19 System Development Approval Charges (SDA) (See Appendix I A.11)

A System Development Approval Charge(s) (SDA) will be collected in full, in addition to all other fees, charges and payments due as part of the water plan application and review process, prior to plan approval for all new, added or enlarged service(s) connections to a parcel(s). An exception has been granted for single family detached unit subdivisions approved after the effective date of these Rules. For those developers who wish to utilize this exception, these parcels will be added to Appendix III at the time of approval and treated in the same manner. For all single family detached residential unit subdivision developments, the SDA will be required to be paid prior to obtaining a building permit for each parcel. This incremental SDA payment applies to no other plan approval type.

In the event a credit occurs for the amount due as a result of an application for service replacement(s), a credit will be calculated at the time of application based on the existing SDA for that affected service. In the event a credit exceeds the existing SDA, no refund will be made. No refund(s) will be made, nor will a credit be provided to future development on the subject parcel. Credits for services are not transferable to another parcel.

Notwithstanding the foregoing, the Board of Trustees recognizes that the SDA for designated parcels has been deferred and not been paid. There are designated lots that also contain construction defects. These designated developments are listed in Appendix III of these Rules. This designated development list establishes a record of and acknowledges the current unpaid SDA status and/or construction defects for these parcels.

To the extent that new single family detached residential unit subdivision, parcel maps, or land divisions are developed by developers who pay all other applicable fees but do not desire a water commitment as described in Section 1.2 of these Rules and desire to defer payment of SDA charges, these developments will be added to Appendix III and are treated in the same manner. These developments will be required to pay the outstanding nonrefundable SDA charge, prior to obtaining a building permit for a parcel. The BBWD will record a Notice with the Clark County Recorder's Office that shows a chain of title based on Assessor's Parcel Number that the charge has not been paid on the parcel. All fees connected with the Notice will be due to the BBWD in the amounts in effect at the time of payment.

7.20 Tier Consumption Rate Charges (See Appendix I A.12)

Consumption will be rounded to the appropriate whole consumption (1,000 gallons) to determine the billing period's rate blocks. Consumption within the billing period will be billed at the appropriate rate block as shown in Appendix I A.12.

7.21 Turn-On/Shut Off Fees (see Appendix I A.13)

a. Turn on. An existing water service will be turned on without charge, provided that the requested effective date for service activation or restoration is at least one business day after an application is accepted or, in the case of service interrupted for delinquency, sufficient payment has been received as required by the BBWD.

Same Day Service Activation Charge. Same-day service turn-on or restoration may be provided for a fee. Requests received after normal business hours, or on weekends, or during a holiday for same day service turn on or restoration will be assessed a fee, provided that the BBWD can respond to the customer's request.

b. Shutoff. An existing water service will be shut off without charge, provided that the requested effective date for service shut off is at least one business day after the request for discontinuance of service is received.

Same Day Service Shut Off Charge. Same day shut off service may be provided for a fee, for requests received prior to the close of the business day. Requests for same day or future shut off will not be accepted if received after normal business hours, on weekends, or on holidays.

Service Shut Off for non-payment or other violation. If service is shut off for non-payment or other violation of these Rules, before service will be reactivated, the customer must pay all past due charges and the appropriate Activation Charge at the office of the Big Bend Water District. The BBWD may accept arrangements for partial payments totaling the full amount. Should the customer reactivate or tamper with the service, without consent of the BBWD, an additional charge will be made for each occurrence in accordance with the rate schedule.

c. Turn-Off at Main Charge. Should it become necessary to enforce discontinuance of service by shutoff at the main, a charge will be made based on actual cost to discontinue that service.

SECTION 8 – TIME AND MANNER OF PAYMENT

8.1 Bills Due When Presented

Meters will be read or estimated monthly, and a bill will be issued to the customer for each connection to facilities for usage, and related fees and charges. All bills shall be due and payable upon receipt. Failure to receive a bill does not relieve a customer of liability for payment. When current bills are not paid by the due date as shown on the bill, they are subject to the assessment of late charges, and will be considered delinquent. Service may then be discontinued if not paid by the disconnection date as identified in the succeeding bill statement. The BBWD may, with notice and at its sole and exclusive discretion, make arrangements to extend this payment deadline, allow the customer to pay the unpaid balance amount in installments, or record a lien against the property. Failure to remit valid payment in compliance with arrangements made may result in service discontinuance without notice.

8.2 Failure to Receive a Bill

Failure to receive a bill does not relieve a customer of liability.

8.3 Proration of Service Charges – Minimum Bill

If any opening or closing bill is for a period shorter than the regular billing period, the service charge and monthly flat rate charges for private fire and combined service shall be reduced in the same proportion as the actual period of use is reduced from the regular billing period.

8.4 Commercial Subdivisions

In the event a commercial subdivision does not have individual meters to each parcel, the BBWD is not responsible for dividing water use amongst the commercial subdivision occupants. If there is a need for individual meters to each property, it is the owner/Applicant responsibility to obtain approval for installation of additional water facilities and pay all fees in accordance with these Service Rules.

8.5 Estimated Bills

If a meter cannot be read because of obstructions or other causes, an estimate shall be made of the quantity of water used and a bill rendered for the estimated quantity. The next succeeding bill which is based upon actual meter reading will reflect the difference between prior estimates and actual consumption. If a meter is found to be non-operable, consumption shall be estimated and billed.

8.6 Basis for Billing

All services shall be billed in accordance with the adopted rate schedule. This rate shall apply to all lots commencing at the time the service is installed and shall apply for each month of the year. Except as provided in Section 7, customers are responsible for payment for all water recorded as having passed through a meter regardless of whether such water was put to beneficial uses.

8.7 Collection Stations

For the convenience of its customers, the BBWD may designate and authorize others to serve as agents for the collection of water bills. Bills may be paid at the office of the Big Bend Water District located at 1520 Thomas Edison Drive, Laughlin, Nevada, 89029, or at a location established for such purpose within the BBWD.

8.8 Payments Not Honored By Financial Institutions

Remittance(s) presented in payment of bills that are not honored and are returned by any financial institution shall be treated as though no payment had been made and service may be discontinued without notice.

Accounts with the BBWD that are paid by checks or electronic presentment, which are not honored by any financial institution, shall be charged a "returned payment fee" in addition to any other applicable fees and charges. Redemption of returned payments, as well as any additional fees and/or charges assessed, may be required to be by cash or equivalent at the discretion of the BBWD.

Remittance for amounts due on accounts with the BBWD that have recorded three (3) payments not honored and returned by any financial institution within a twelve (12) month period shall be required to be by cash or equivalent, at the discretion of the BBWD, for six (6) consecutive months.

Customers who submit a payment not honored by any financial institution for payment for a water account in a shut-off status must pay the total amount and charges due plus any assessed security deposits, related delinquent processing or restoration fees in cash.

8.9 Multiple Water Bills

For the purpose of computing charges, each parcel of property will be considered separately, and readings of multiple meters may be combined where a battery of meters has been installed in lieu of one meter for the BBWD's convenience. In such cases, charges will be computed as if the water used had been measured through a single meter.

8.10 Billing Errors

Correction of billing errors shall be made on a future bill, but in no case will the BBWD make corrections retroactively for a period of more than 36 months.

8.11 Billing Adjustments

The BBWD, at its discretion and for purposes of account dispute resolution, may offer a customer an adjustment only after a thorough investigation conducted by the District has concluded no reasonable or viable explanation for the contested usage or situation. The basis for, calculation and/or application of said adjustment will also be at the BBWD's discretion.

SECTION 9 – INSTALLATION OF WATER FACILITIES

9.1 General Conditions for the Installation of BBWD Water Facilities

a. Applicability

Any work on BBWD facilities, including but not limited to, the installation of new service connections, water main, backflow prevention assemblies and associated appurtenances (water facilities); and relocation or removal of existing facilities not installed by BBWD, shall comply with the requirements of this section. All work shall be submitted for review, required bills, deposits, fees and charges paid, and approved in writing by the BBWD, prior to the time the work is started.

A main extension shall be required whenever 20' of useable main is not directly adjacent to the proposed development requiring water service, or when the adjacent main cannot meet the needs of the proposed development.

b. Responsibility for Cost

Applicant shall pay all costs for provision of said facilities that shall include design and other appurtenant costs, as well as construction costs. Such facilities shall conform with the rules, regulations, and design requirements of the BBWD.

c. Construction Plans

All water plans submitted for review shall conform to the UDACS, latest edition, as amended. Water plans shall all include, at a minimum the following:

1. Copy of the recorded subdivision map, parcel map, or any other map if applicable
2. Two (2) sets of detailed water plans (24" X 36") at a scale not to exceed 1" = 60'
3. A completed data sheet as provided by the BBWD
4. The required application fees as specified in Appendix I
5. Development approval or water commitment

Water plans that meet the requirements of Items 1 through 4 above but do not have a development approval or water commitment may be accepted for review, but the acceptance and review does not in itself give any additional consideration toward a commitment or any property right in water to said new development or other project.

Such plans shall be prepared by a Registered Professional Engineer duly registered in the State of Nevada, shall clearly indicate the size and location of mains and appurtenances, including all lateral pipe and fire hydrants and shall also indicate size and location of all other existing and proposed utilities. Water plans shall designate boundaries of the Applicant's property that will be served by

the proposed main extension. Proof of right-of-way and/or easement must also be provided.

The BBWD will review the water plan and return one (1) set of plans to the Applicant indicating any necessary revisions. The Applicant shall prepare and submit to the BBWD a set of reproducible mylar water plans conforming with the revisions that shall be considered the master water plan after approval by the BBWD. Upon execution of the appropriate agreements by the Applicant and payment of applicable charges, fees, and deposits and after approval of other governmental agencies as may be necessary and any other requirements, the water plan shall be approved and released for construction purposes.

d. Time Limitations

Approval by the BBWD for any main extension shall be valid for a limited time. In the event that construction of the mains covered by any plan approved after the effective date of these Rules is not started within one (1) year from the date of approval, or as designated in the construction agreement, the project shall be assumed to have been abandoned, and any subsequent proposal for reactivation shall be treated as a new project, including fulfilling all water commitment requirements in effect as the time the project is reactivated. The same shall apply when active construction work is discontinued for one (1) year.

All water facility construction must be completed within two (2) years from the date of plan approval. If work is not completed in the two (2) year period, the Developer may request a time extension, however, an additional inspection fee is required. If the work will not be completed in the next six (6) months, the Developer shall also post a bond or cash deposit with the BBWD to assure completion in one (1) year, or the project may be canceled.

In the event the project received a water commitment pursuant to Section 1.2b or 1.2c of these Service Rules, the BBWD may, at its discretion, invoke the performance bond for the installation of the water facilities rather than canceling the project.

e. Construction, Abandonment, Cessation, and Cancellation

In the event of abandonment or cessation of construction, prepaid installation fees and other charges and deposits shall be refunded, or used by the BBWD to pursue completion of all or part of the project, as determined by the BBWD.

If a project receives a water commitment under the provisions of Section 1.2b. of these Service Rules, and the water plans are subsequently proposed for cancellation, all prepaid installation fees and other charges and deposits shall be retained by the BBWD until the water commitment is terminated, the project is reverted to acreage, and the Developer requests in writing the fees be returned to him. If the project will require a new approval of the water plan, any retained fees shall be applied to any increased fees required at the time a water plan is reapproved.

If a project receives a water commitment under the provisions of Section 1.2c. of these Service Rules, and the water plans are subsequently proposed for cancellation. prior to the installation of water facilities, all prepaid installation fees and other charges and deposits shall be retained by the BBWD until the water commitment is terminated, the building permit is terminated or expires, and the Developer requests in writing the fees be returned to him. If the project will require a new approval of the water plan, any retained fees shall be applied to any increased fees required at the time a water plan is reapproved.

If funds are not available to complete the work, the BBWD may complete the work on an actual cost basis and bill the Developer. Subsequent projects submitted for approval shall be held until invoices for uncompleted work are paid.

To assure BBWD recognition of an assignment from one Developer to another, an assignment form provided by the BBWD shall be completed, and a fully executed duplicate original returned to BBWD.

f. Compliance With Specifications

Main extensions, service connections, and appurtenances shall be constructed by a contractor properly licensed by the State of Nevada to conform with all BBWD specifications, standards, and procedures that are in effect at the time the water plans receive BBWD approval. In addition to all such specifications, standards, and procedures, the following requirements shall be met:

1. All new water facilities shall be disinfected and tested to the satisfaction of the BBWD before connecting the new mains to existing mains, unless otherwise permitted by the BBWD
2. Connections to existing mains shall be made only when authorized by the BBWD and then only in the presence of an authorized representative of the BBWD, at times specified by the BBWD
3. Existing mains shall not be taken out of service for the purpose of making new connections when other options such as wet taps are feasible. Mains may only be taken out of service with the specific approval of the BBWD

g. Construction Inspection

The BBWD shall inspect the installation of the service connection and backflow prevention assemblies from construction commencement through final water project acceptance. The BBWD reserves the right to terminate service if the work does not comply with BBWD requirements. The BBWD will not provide domestic water service to an identified permanent structure(s) until all water facilities related to that structure(s), as shown on the approved water plans, have been accepted by the BBWD.

h. Meter Installation

For meters two (2) inch and smaller, the developer shall obtain from BBWD and install the meter(s). For meters larger than 2", the Applicant shall provide a meter that meets BBWD specifications.

Meters obtained from BBWD stock will be acquired in accordance with procedures adopted and approved by the General Manager. The meter shall be installed before any water is drawn through the service connection.

No meter shall be installed until a successful pressure test and water sample have been verified by the BBWD.

i. Payment for Water

Payment for all water used from the time of initial meter installation shall be the responsibility of the applicant and will be charged at the commodity rate set forth in the Rates Section herein. After computer modifications are complete, the BBWD reserves the right to audit meter installation. The BBWD reserves the right to start service at its discretion upon verification of meter installation, occupancy, or irrigation. Upon verification, monthly billing will be based on the rate for Metered Construction Water.

The (Developer) Applicant shall remain responsible for correction of all deficiencies and shall remain liable for bill payment for all metered water used and associated deficiency fees, regardless of whether subject facilities are in use by a subsequent developer, domestic, or commercial customer until said defects are corrected by the Applicant and are accepted by the BBWD.

j. Guarantee

Materials and workmanship shall be guaranteed free of defect for a period of one year from date of acceptance by the BBWD. Upon receipt of notice from the BBWD, the Developer shall immediately cause any defect to be corrected, or shall reimburse the BBWD for the cost of correction. Any corrective actions shall themselves be warranted for a one-year period.

k. Location

1. Main extensions and appurtenances shall be located within a dedicated right-of-way or private streets thirty feet (30') in width or greater, dedicated for utility purposes provided adequate clearances are available for operation, maintenance, and repair of the water facilities.
2. If dedicated rights-of-way or a private street dedicated for utility purposes is not available, the Applicant may petition the BBWD and upon BBWD approval, a main extension and appurtenances may be located within

easement grants to the BBWD not less than thirty (30) feet in width, or as the BBWD may specify.

3. All rights-of-way, private streets, and/or easements shall be shown on the water plans. These plans shall be provided to the BBWD prior to the approval of water plans and must provide adequate clearances for the safe operation, maintenance, and repair of the water facilities. The BBWD, reserves the right to determine the location of a main extension and appurtenances.

l. Easements

1. No buildings, structures, or trees will be placed upon, over, or under any BBWD easement, now or hereafter, except that an easement can be improved and used for street road or driveway purposes and for other utilities, insofar as such use does not interfere with the operation and maintenance of the BBWD's facilities within the easement.
2. Should the BBWD act to repair any BBWD facilities within the easement, the BBWD is not responsible for repair or reconstruction of any property located within the easement.
3. Should any of the BBWD's facilities within an easement be required to be relocated or repaired as a result of changes in grade or other construction within the easement, the property owner will bear the full cost of such relocation or repair, unless the changes in grade or other construction were done by third parties with the written consent of the BBWD, as agent for the BBWD.

m. Size of Mains

A main extension shall be of sufficient size to provide an adequate water supply to the development (subdivision, commercial, industrial, or single residential property).

The minimum size of any main to be constructed as a part of the BBWD distribution system shall be eight (8) inches in diameter except in certain locations where the BBWD may allow mains 6 inches in diameter. A Developer installing water mains will be required to install these minimum size mains at their sole expense.

n. Fire Hydrants

Fire hydrant installations shall conform with design and location requirements of the Clark County Uniform Fire Code and UDACS.

o. Use of Facilities

A main extension constructed for a development shall not be considered as reserved for service to that development exclusively. Extensions of and connections to such mains for other development may be permitted when, in the opinion of the BBWD, such connections will not substantially affect service to the original development.

p. Conveyance of Title

Upon satisfactory completion of construction and acceptance of the facilities by the BBWD, the Developer shall deliver a valid Bill of Sale conveying unencumbered title to the facilities to the BBWD.

q. Construction by Private Contractor or BBWD

Construction work shall be performed by a contractor properly licensed by the State of Nevada and selected by the Applicant. Proof of licensing may be required. In certain circumstances when, in the opinion of the BBWD, the extent of work to be performed is minor and can be accomplished efficiently and economically by BBWD forces, the Applicant shall deposit an amount determined by the BBWD. Upon completion of construction, the difference between the estimated and actual costs will be either billed or refunded.

r. Refund of Frontage Connection Charges

The Developer will receive frontage connection charges collected by the BBWD for connections to the main extension installed by the Developer under the provisions of a main extension agreement specifically providing for the refund of frontage connection charges. The potential refunds paid to the Developer shall be limited to the fees collected by the BBWD up to ten years from the effective date of the agreement. Any refund for a connection to the main extension shall be made following the date the main and/or services are inspected and accepted by the BBWD, and an unencumbered signed Bill of Sale is provided by the Developer.

At the sole discretion of the BBWD, transmission mains may have limited connections made to them. Conditions limiting these connections include ensuring system reliability and the nature of the materials used to construct large diameter pipelines. Due to these conditions, parallel mains may be required to be constructed in order to serve adjacent developments.

9.2 Oversized Main Extension

a. Applicability

An oversized main extension is a main larger in diameter than the minimum diameter necessary to provide a supply to a proposed development, which will be

capable of meeting future demands on the BBWD's distribution system. The BBWD may increase the length of an oversized main extension beyond that required to serve a particular development, in order to provide for the orderly development of the BBWD's distribution system, improve water quality and/or improve system reliability.

Oversized mains, which may include provisions for bolstering, may be approved within standard developer construction agreements, or by Board approved agreements. The construction timeline covered under the standard development agreement is the same as that for development construction, per Section 9.1.

b. Identification of Mains

The BBWD shall indicate and identify on water plans submitted for a proposed development both the standard and oversized diameters of pipelines to be constructed.

c. Approval by Board

A proposal for oversizing of a main extension shall be submitted to the Board for those projects with BBWD participation. If the oversizing of the main extension is approved by the Board, the Developer must execute required agreements and satisfy all other requirements within one (1) year from the date of Board approval, unless otherwise stated in the Board agreement, or the Board's action shall be void.

d. Refunding for Oversizing

The BBWD shall refund, without interest, to the Developer for the cost of oversizing the main extension as specified in the agreement(s) within 45 calendar days following acceptance by the BBWD and delivery of an unencumbered Bill of Sale.

In the event water mains are oversized to a diameter greater than 42 inches in diameter, the BBWD will refund the cost for that portion of the oversized main extension greater than 42 inches in diameter, separate from the oversized portion less than 42 inches in diameter. The cost of oversizing that portion of the water main in excess of 42 inches in diameter will be refunded by the BBWD, as specified in the agreement(s) within forty-five (45) calendar days following acceptance by the BBWD and delivery of an unencumbered bill of sale.

An oversized main extension is required to be bid as a public works project in accordance with Nevada Revised Statutes as amended whenever the pipe size is greater than 42 inches

e. Cost Allowance

Reimbursement by the BBWD for the oversizing of a main extension shall be based on the difference in cost allowance between the oversized main installed and the main required by the Developer, multiplied by the horizontal lineal feet of main actually installed. Cost allowances per lineal foot for various diameters are as follows:

<u>Diameter</u>	<u>Cost allowance per Lineal Foot</u>
< 8"	\$0
8"	29
10"	35
12"	42
16"	64
20"	90
24"	116
30"	182
36"	201
42"	220
> 42"	Based on competitive bids

At the developer's option, the reimbursement amount may be based on actual construction costs if an open, competitive bid process, in accordance with Nevada Revised Statutes, as amended, is completed for an oversized main.

f. Alternate Method of Payment

The Board may, in lieu of a lump sum payment of the BBWD's portion of the construction cost, arrange with the Developer or customer for an alternate method of payment.

g. Special Requirements

For an oversized main extension twenty inches or larger in diameter, the BBWD may add special requirements in addition to those specified in this section.

9.3 Bolstering

Bolstering may be required by the BBWD as a condition of the development approval process.

The BBWD shall refund to the Developer, without interest, the cost of bolstering the main extension(s) as specified in the agreement(s) within forty-five (45) calendar days following acceptance by the BBWD and delivery of an unencumbered Bill of Sale

9.4 Assessment BBWD Improvements

Property owners may petition the BBWD for formulation of an assessment for the purpose of providing a water supply system or for improving an existing system which is inadequate. Proceedings for petition and formulation of the assessment will be pursuant to Chapter 318, Nevada Revised Statutes.

9.5 Water Quality Mitigation

Any of the water facilities installed, disinfected and tested to the satisfaction of the BBWD, and connected to existing BBWD facilities, must maintain established water quality standards throughout the installed system. For projects that have installed facilities not yet accepted by the BBWD for ownership by Big Bend Water District, but are not nearing completion in a timely manner, the BBWD may contact the developer and require a Water Quality Mitigation Plan (WQ Plan). Such plan shall be negotiated between the BBWD and the developer to the satisfaction of the BBWD. Such WQ Plan shall be implemented and maintained by the developer with all approved charges, water and sewer rates, fees, and charges paid for solely by the developer.

SECTION 10 – CONSERVATION

10.1 Introduction

Conservation is required per the 1993 BBWD Water Delivery Contract Amendment. The voluntary conservation restrictions in this Section are designed to give the community a means to develop the best measures for the BBWD environment over a period of time. Conservation involves no real infrastructure challenges or significant capital costs, yet it effectively provides an additional resource by freeing up water that was previously consumed inefficiently or wasted. In this sense, it is one of the cheapest sources of water available to the community. It is also a resource over which we have almost complete control, because future availability depends more on our own efforts and less on influences outside the community.

The BBWD, as a member agency of the Southern Nevada Water Authority (SNWA), is committed to continued water efficiency gains. The SNWA's Conservation Plan outlines programs and initiatives to reduce Southern Nevada's use of Colorado River supplies, which includes a mix of pricing, regulation, incentives and education.

In addition to the voluntary conservation restrictions provided in this Section, additional conservation measures may be defined as deemed necessary by government jurisdictions or the BBWD to enhance Laughlin's water efficiency.

10.2 Water Waste

As a condition of service, customers of the BBWD must use water delivered through the BBWD's system in a manner that promotes efficiency and avoids waste.

In the event of a conflict between the BBWD Service Rules and other applicable ordinances or regulations, the most stringent will prevail.

A. Water waste shall include:

1. Allowing water provided by BBWD to flow or spray off the property.
2. Failure to correct a malfunctioning device or supply line, where the customer or their agent has known of the problem for more than 48 hours.
3. Non-compliance with regulations regarding washing of vehicles, equipment, driveways, parking lots, sidewalks, streets or other surfaces or objects.
4. Discharging swimming pool or spa water drainage off the property where discharge into a public sanitary sewer is available.
5. Using spray irrigation (sprinklers) between the hours of 11:00 a.m. and 7:00 p.m. from May 1st through August 31 each year.
6. Using spray irrigation (sprinklers) and non-spray irrigation (drip emitters) in excess of the seasonal water guide outlined in Section 10.5

10.3 Exemptions

Exemptions to various provisions of this section are outlined in the Water Use Exemptions table. The following exemptions shall apply.

Hand watering	Time of Day	Exempt
	Seasonal Watering Guide	Exempt
	Flow or Spray Off Property	Not Exempt
New Landscape ¹	Time of Day	Exempt 30 days
	Seasonal Watering Guide	Exempt 30 days
	Flow or Spray Off Property	Not Exempt
Supervised Testing	Time of Day	Exempt
	Seasonal Watering Guide	Exempt
	Flow or Spray Off Property	Exempt
Public Health and Welfare	Time of Day	Exempt
	Seasonal Watering Guide	Exempt
	Flow or Spray Off Property	Exempt
Residential Car Washing	Time of Day	Exempt
	Seasonal Watering Guide	Exempt
	Flow or Spray Off Property	Exempt for 5 Minutes
Non-Spray Irrigation	Time of Day	Exempt
	Seasonal Watering Guide	Not Exempt
	Flow or Spray Off Property	Not Exempt

Irrigation of Commercial Nursery Stock	Time of Day	Exempt
	Seasonal Watering Guide	Exempt
	Flow or Spray Off Property	Not Exempt
Syringing	Time of Day	Exempt
	Seasonal Watering Guide	Exempt
	Flow or Spray Off Property	Not Exempt
Overseeding ^{1,2}	Time of Day	Exempt 30 Days
	Seasonal Watering Guide	Exempt 30 Days
	Flow or Spray Off Property	Not Exempt

¹Customer must contact BBWD prior to change in irrigation schedule. Must be in compliance with all applicable codes and conservation restrictions.

²Exemption limited to one 30-day period per calendar year. No cool season grass plantings May – August.

10.4 Compliance with Water Efficiency and Conservation Codes

For compliance information on water efficiency and landscape codes, refer, to https://library.municode.com/nv/clark_county/codes/code_of_ordinances. Search for Title 24, or Title 30.

10.5 Conservation Restrictions**a. Irrigation Restrictions for Properties**

1. Between May 1st and August 31st of each calendar year, it shall be considered water waste to spray irrigate outdoor vegetation between the hours of 11:00 a.m. and 7:00 p.m.
2. It shall be considered water waste to irrigate outdoor vegetation at variance with the following Seasonal Watering Guide, unless the property is designated as a Community Use Recreational Turf Area.

Winter November – February	One Day Per Week
Spring March – April	3 Days per Week
Summer May- August	Any Day
Fall September - October	3 Days per Week

SECTION 11 – MISCELLANEOUS

11.1 BBWD Boundaries

The BBWD boundaries, as established by Ordinance No. 848, are depicted on Appendix II.

11.2 Service Area

The service area of the District is that area within the District boundary as established by County Ordinance.

11.3 Special Conditions

In the event that conditions arise which are not specifically covered by these Rules, the Board of Trustees may take whatever action, including establishing rates and charges which, in their discretion, is warranted.

11.4 Effective Date

These Rules shall become effective on the date specified by the Board in its motion for adoption.

11.5 Interpretation and Application

Except for the provisions put forth in Section 1, Water Commitment, the General Manager shall have discretion in the interpretation and application of these Service Rules. This discretion shall be exercised to maintain equity among users with full documentation that will accomplish the intent of the rules, policies, and procedures of the BBWD and protect the public health, safety, and welfare.

11.6 Water Use Limitations

In the event of water shortages, emergency conditions, or inability of the delivery system to provide adequate volumes of water the General Manager shall have the authority to limit water usage. Any actions taken by the General Manager pursuant to this section shall be reviewed by the Board at its next regularly scheduled meeting in complete compliance with Chapter 241 of NRS. The BBWD, may enforce any action taken under these sections by any legal means, including disconnection of a customer's water service.

11.7 Expansion of Facilities - BBWD Financing

As the need arises, as determined solely by the BBWD, the BBWD will construct major facilities required to provide an adequate water supply, including wells, transmission mains, reservoirs, and pumping stations from proceeds of General Obligation Bond sales. As BBWD funds are available, the Board may direct the BBWD to construct main extensions and other improvements that are required to improve or reinforce the distribution system.

11.8 Customer's Premises

BBWD employees shall have the right to access to customer's property at all reasonable hours for any purpose related to the furnishing of service and protection of water quality. Except where specifically authorized for purpose of conservation, employees are prohibited from entering upon customer's premises to engage in repair or alteration of customer piping and fixtures.

11.9 Continuity

Adoption of these rules shall not be construed as a waiver of any right or obligation under any prior agreement, contract, or commitment.

11.10 Administrative Appeal**a. Administrative Appeal Process**

An Applicant or customer who is aggrieved by a denial of any water service request may appeal that decision within ten (10) days from written notice of the denial by the BBWD. Written notice of appeal shall be served upon the General Manager, who shall conduct a review of the grounds alleged for appeal. Upon receipt of the General Manager's decision, the aggrieved party has 10 days to appeal that decision to the Board.

b. Rules of Administrative Appeal

1. Any notice given in accordance with this Section shall commence to run on the day following the mailing of the decision addressed to the Applicant or customer at the address used by such person on their application.
2. The burden of proof is on the party appealing the decision.
3. All notices of appeal shall clearly identify the matter appealed and as concisely as possible, state the argument for reversal of the decision appealed from.
4. Review by the General Manager shall be conducted and completed within 30-days of the receipt of the written notice of appeal.
5. Not later than 30-days from the date of notice of appeal from the action of the General Manager, the Board shall set the date for the public hearing at a regular meeting of the Board, within not less than 30-days.
6. The Board may reverse the final decision of the General Manager if it is:
 - a. In violation of constitutional, statutory, or Big Bend Service Rules rights.
 - b. Clearly erroneous in view of the reliable probative and substantial evidence of the hearing
 - c. Arbitrary or capricious or characterized by abuse of direction

c. Hearing Procedure

The following procedures shall apply to Administrative Appeals heard before the Board:

1. The proceedings shall be reported either stenographically or by a phonographic reporter
2. Oral evidence shall be taken only upon oath or affirmation
3. Every party to a hearing shall have the right to:
 - a. Call and examine witnesses
 - b. Introduce exhibits relevant to the issues of the case
 - c. Cross-examine opposing witnesses on any matter relevant to the case, even though the matter was not covered in a direct examination
 - d. Offer rebuttal evidence
4. The hearing is not conducted according to technical rules relating to evidence and witnesses. Any relevant evidence may be admitted and may be sufficient in itself to support a finding if it is the sort of evidence that responsible persons are accustomed to rely on during the conduct of serious affairs, regardless of common law or statutory rule that might make improper the admission of such evidence over objection in an action in a court of law.
5. The Board may take official notice of any generally accepted information or technical or scientific matter, any other fact that may be judicially noticed by the courts of this state and the content of any BBWD record or official report. Parties shall be informed of any information, matters or facts so noticed, and shall be given a reasonable opportunity to refute such information, matters, or facts.

11.11 Business Impact Statement Appeals

A petition authorized by NRS Chapter 237 shall be filed with the General Manager or their designee. The petition must meet the requirements as set forth in NRS Chapter 237 and will be reviewed by the General Manager within sixty days (60) from receipt. The petition will be scheduled for Board review at the first meeting following the review process.

APPENDIX I

RATES, FEES AND CHARGES

A.1 Backflow Prevention Assembly Service Charge (See Section 7.3)

Assembly Size	Backflow Monthly Service Charge	Backflow Daily* Service Charge
3/4"	\$1.37	\$0.0449
1"	\$2.28	\$0.0749
1 1/2"	\$4.56	\$0.1498
2"	\$7.29	\$0.2397
3"	\$14.58	\$0.4793
4"	\$22.78	\$0.7489
6"	\$45.56	\$1.4979
8"	\$72.90	\$2.3966
10"	\$104.79	\$3.4451

*Daily Backflow Service Charge effective after computer modifications are complete.

A.2 Combined Service (See Section 7.4)

Meter Size	Fire		2018 Domestic Charges**		2018 Total	
	Monthly	Daily*	Monthly	Daily*	Monthly	Daily*
4" x 1 1/2"	\$22.90	\$0.7529	\$10.50	\$0.3452	\$33.40	\$1.0981
4" x 2"	\$22.90	\$0.7529	\$15.37	\$0.5053	\$38.27	\$1.2582
6" x 1 1/2"	\$34.00	\$1.1178	\$10.50	\$0.3452	\$44.50	\$1.4630
6" x 2"	\$34.00	\$1.1178	\$15.37	\$0.5053	\$49.37	\$1.6231
8" x 2"	\$53.80	\$1.7688	\$15.37	\$0.5053	\$69.17	\$2.2741
10" x 2"	\$90.00	\$2.9589	\$15.37	\$0.5053	\$105.37	\$3.4642
6" x 3"	\$34.00	\$1.1178	\$17.94	\$0.5898	\$51.94	\$1.7076
8" x 4"	\$53.80	\$1.7688	\$25.05	\$0.8236	\$78.85	\$2.5924
10" x 6"	\$90.00	\$2.9589	\$37.20	\$1.2230	\$127.20	\$4.1819

*Daily Service Charge effective after computer modifications are complete.

** The Domestic Charges will increase in future years in accordance with the Daily Service Charge schedule in section A.5.

A.3 Connection Charges (See Section 7.5)

a. Application Fees

Meter Size	Application Fee Per Meter Size
5/8"	\$140
3/4"	\$210
1"	\$350
1 1/2"	\$700
2"	\$1,120
3"	\$2,100
4"	\$3,500
6"	\$7,000
8"	\$11,200

Meter Size	Application Fee Per Meter Size
10"	\$16,100
12"	\$23,800
Fireline without domestic meter installation	\$750
Water Plan w/Public Fire Hydrant	\$500
Staff Review Fee	\$75

b. Frontage Connection Charges

Per linear foot per side of adjacent right-of-way	\$17
Any parcel having less than 70 feet of chargeable frontage	\$1,190

Refund Frontage connection charges

The total of potential refunds made for connections on either side of the main extension for the development shall not exceed \$17 per linear foot per side of adjacent right-of-way to a maximum of \$34 per linear foot of installed main.

c. Inspection Fee

Service	Fee Per Service
a. Domestic Services 2" or less	\$ 185
b. Domestic Services greater than 2" and Combined Services	\$ 1,000
c. Firelines	\$ 550
d. Public Fire Hydrant (without domestic service)	\$ 350
e. Backflow Prevention Assembly (Retrofit Only)	No Charge
f. Services with Required Backflow	\$ 85
g. All other inspections after time limitation (Roundtrip fee)	\$ 120
h. Cancelled Projects accumulated site inspection fee	\$ 185

d. Oversizing Charge

Meter Size	Charge Per Meter Size
5/8"	\$250
3/4"	\$380
1"	\$630
1 1/2"	\$1,250
2"	\$2,000
3"	\$3,750
4"	\$6,250
6"	\$12,500
8"	\$20,000
10"	\$28,750
12"	\$42,500

e. Service Connection- Installation

Standard ¹ Meter Size	Complete ² Service	Service Excluding Meter	Meter ³ Only	Advanced ⁴ Metering Infrastructures Device (AMI)	Backflow ⁵ Prevention
5/8" X 3/4"	\$1,341	\$1,177	\$60	\$104	\$840
3/4"	\$1,351	\$1,177	\$70	\$104	\$840
1"	\$1,381	\$1,177	\$100	\$104	\$840
1½"	\$1,621	\$1,267	\$250	\$104	\$1,120
2"	\$2,795	\$2,391	\$300	\$104	\$1,180
Over 2"	Actual Cost	BBWD approved meter supplied and installed by applicant.			
Residential Fire Service (RFS)					
3/4"	\$1,431	\$1,177	\$150	\$104	\$840
1"	\$1,476	\$1,177	\$195	\$104	\$840
1 ½"	\$1,651	\$1,267	\$280	\$104	\$1,120
2"	\$2,870	\$2,391	\$375	\$104	\$1,180

¹"Standard" is a positive displacement meter.

²Price effective upon installation of full service only. Price includes \$104 for AMI device for BBWD installed services, unless AMI already exists.

³Price includes encoder register. An AMI is required for all new or replacement services. A BBWD approved RFS meter is required for all single-family residences with fire sprinkler systems. Price for RFS meter does not include required tailpiece assembly that is not available through the BBWD. Price is basis for applicant charges.

⁴An automated meter reading device that sends and receives signals, and stores and sends data for billing and consumption of water.

⁵Devices required under NAC 445A.67185-67255, as amended, will be installed at the added rate shown above, or on an actual cost basis as determined by a contract approved by the BBWD.

f. Service Connection- Re-Activation

Applicant pays any costs required to locate the service and upgrade it to current BBWD standards.

A.4 Construction Water and Other Approved Uses (See Section 7.6)

a. Consumption:

Tier One

\$2.70/1000 gallons

b. Metered Construction Water and Other Approved Uses Fees

Same Day Hydrant Meter Installation	\$70
Meter Permit Fee	\$90
Refundable Damage Deposit	\$200
Refundable Backflow Damage Deposit	\$500
Per Day Service Charge	\$2
Mobile Meter Permit Annual Fee (Pro-rated)	\$300
Mobile Meter Deposit	Replacement Cost
Delinquent Processing Fee	\$20

Raw, Untreated Water for Construction or Any Other Purpose

Raw, untreated water delivered for use during construction or any other purpose will be charged at the following rates:

- d) Monthly Service Charge equals 100 percent of the potable rate.
- e) Water Usage Rates equals 50 percent of the potable rate.
- f) Delivery Charge equals 100 percent of cost to deliver raw water and maintain any equipment or assets required to deliver raw water.

A.5 Daily Service Charge (See Section 7.7)

Meter Size	Service Charge*							
	Effective 01/01/2018		Effective 01/01/2019		Effective 01/01/2020		Effective 01/01/2021	
	Monthly	Daily**	Monthly	Daily**	Monthly	Daily**	Monthly	Daily**
5/8"	\$7.77	\$0.2555	\$8.50	\$0.2795	\$9.30	\$0.3058	\$10.17	\$0.3344
3/4"	\$7.77	\$0.2555	\$8.50	\$0.2795	\$9.30	\$0.3058	\$10.17	\$0.3344
1"	\$8.15	\$0.2679	\$8.92	\$0.2933	\$9.76	\$0.3209	\$10.68	\$0.3511
1 1/2"	\$10.50	\$0.3452	\$11.49	\$0.3778	\$12.57	\$0.4133	\$13.75	\$0.4521
2"	\$15.37	\$0.5053	\$16.81	\$0.5527	\$18.39	\$0.6046	\$20.12	\$0.6615
3"	\$17.94	\$0.5898	\$19.63	\$0.6454	\$21.48	\$0.7062	\$23.50	\$0.7726
4"	\$25.05	\$0.8236	\$27.40	\$0.9008	\$29.98	\$0.9856	\$32.80	\$1.0784
6"	\$37.20	\$1.2230	\$40.70	\$1.3381	\$44.53	\$1.4640	\$48.72	\$1.6018
8"	\$58.86	\$1.9351	\$64.39	\$2.1169	\$70.44	\$2.3158	\$77.06	\$2.5335
10"	\$98.46	\$3.2370	\$107.72	\$3.5415	\$117.85	\$3.8745	\$128.93	\$4.2388
12"	\$164.10	\$5.3951	\$179.53	\$5.9024	\$196.41	\$6.4573	\$214.87	\$7.0642

* Beginning January 1, 2022, the Service Charge will be adjusted annually on January 1. The rates will be set in accordance with the annual increase of September the previous year, per the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

**Effective after computer modifications are complete.

A.6 Damage to or Tampering with BBWD Property (See Section 7.8)

Damage and Tampering	All Costs Incurred
Locked Service (Simple Lock)	\$20
Locked Service Complex (Birdcage) Lock	\$120
Automated Meter Reading Equipment	\$124

A.7 Delinquencies & Deficiencies (See Section 7.10)

Deficiency Fee – Per Service Per Day	\$2.00
Lien Processing Fee	\$200
Delinquent Processing Charge	5% of arrears*
Re-connection charge delinquent account	\$20 per occurrence
Re-establish Service Fee	\$100
Re-establish Service Deposit (Restricted Use)	\$1800
Payments not honored by financial institutions	\$15

*A charge of 4% will be effective after computer modifications are complete.

A.8 Deposits (See Section 7.8)

Security Deposit	\$100 equivalent to the charge for the highest 3 months during the last 12 months, whichever is greater but no more than \$300.
	After computer modifications are complete, the BBWD will require greater of an amount proximate to, but not less than two and one half (2.5) times the highest monthly bill as assessed during a twelve-month period or the standard deposit amount as established for various service types and sizes.
Construction Deposit	Estimated Cost

A.9 Meters (See Section 7.15)

Meter Credit (meter unused/undamaged)	100%
Meter Credit (damaged)	30%
Meter Size	Installation Charge
1" or smaller	\$165
1½"	\$275
2"	\$600
AMR Replacement Fee	\$124
Meter Testing Fee	\$75

A.10 Private Fire Service (See Section 7.16)

Meter Size	Monthly Service Charge	Daily Service Charge*
5/8"	\$7.10	\$0.2334
3/4"	\$7.10	\$0.2334
1"	\$7.45	\$0.2449
1 1/2"	\$9.60	\$0.3156
2"	\$14.05	\$0.4619
3"	\$16.40	\$0.5392
4"	\$22.90	\$0.7529
6"	\$34.00	\$1.1178
8"	\$53.80	\$1.7688
10"	\$90.00	\$2.9589
12"	\$150.00	\$4.9315
Hydrant	\$14.05	\$0.4619
*Effective after computer modifications are complete.		

Billed at the Tier Two rate and a multiplier may be applied as follows:

Fire Line Size	Multiple
≤ 2"	1
3"	12
4"	21
6"	47
8"	80
10"	127
12"	167

A.11 System Development Approval Charges (SDA) (See Section 7.19)

Meter Size	SDA Amount
5/8"	\$2,050
3/4"	\$3,075
1"	\$5,125
1 1/2"	\$10,250
2"	\$16,400
3"	\$32,800
4"	\$51,250
6"	\$102,500
8"	\$164,000
10"	\$235,750
12"	\$348,500

A.12 Tier Consumption Rate Charges (See Section 7.20)

Water Usage Rates Schedule

Monthly Conservation Consumption Amount (Gallons):

Meter Size	Monthly Non-Residential	Monthly Residential
5/8"	40,000	15,000
3/4"	40,000	15,000
1"	90,000	60,000
1 1/2"	180,000	120,000
2"	900,000	150,000
3"	1,800,000	300,000
4"	2,200,000	400,000
6"	3,500,000	
8"	4,600,000	
10"	7,400,000	
12"	11,000,000	

Consumption Thresholds for Metered Water

Meter Size	Tier	Average Daily Use (Gallons)	
		Non Residential	Residential
5/8"	1	First 1,333	First 500
	2	Over 1,333	Over 500
3/4"	1	First 1,333	First 500
	2	Over 1,333	Over 500
1"	1	First 3,000	First 2,000
	2	Over 3,000	Over 2,000
1 1/2"	1	First 6,000	First 4,000
	2	Over 6,000	Over 4,000
2"	1	First 30,000	First 5,000
	2	Over 30,000	Over 5,000
3"	1	First 60,000	First 10,000
	2	Over 60,000	Over 10,000
4"	1	First 73,333	First 13,333
	2	Over 73,333	Over 13,333
6"	1	First 116,666	
	2	Over 116,666	
8"	1	First 153,333	
	2	Over 153,333	
10"	1	First 246,666	

	2	Over 246,666	
12"	1	First 366,666	
	2	Over 366,666	

Consumption Charges for Metered Water

Tier	Metered Rate per 1,000 gallons*			
	Effective 01/01/2018	Effective 01/01/2019	Effective 01/01/2020	Effective 01/01/2021
Tier 1	\$2.95	\$3.23	\$3.53	\$3.86
Tier 2	\$3.70	\$4.05	\$4.43	\$4.85

* Beginning January 1, 2022, the Metered Rates will be adjusted annually on January 1. The rates will be set in accordance with the annual increase of September the previous year, per the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

A.13 Turn-On/Shut Off Fees (See Section 7.21)

Same Day Fee	\$15
After Hours/Holidays	\$70
Turn-Off Main	Cost to discontinue service

APPENDIX II

BIG BEND WATER DISTRICT
BOUNDARY MAP

APPENDIX III

**SYSTEM DEVELOPMENT APPROVAL CHARGE
SYSTEM DEFICIENCIES
DESIGNATED DEVELOPMENTS EXCEPTIONS LIST**

Notwithstanding the foregoing paragraphs, it is recognized by the Board of Trustees that the BBWD SDA charges for designated undeveloped parcels have been deferred and not been paid. These designated developments are listed in Appendix III of these Rules. This designated development list establishes a record of and acknowledges the current unpaid SDA status of these parcels.

No development or lot listed herein shall be construed to have any other technical or administrative exception to any BBWD, or other approving document or agency requirement for the acceptance of the development by the BBWD, or other responsible agency.

To the extent that new single family detached residential unit subdivision, parcel maps, or land divisions are developed by developers who pay all other applicable fees, but do not desire a water commitment as described in Section 1.2 of these Rules and desire to defer payment of SDA charges, these developments will be added to Appendix III and treated in the same manner. These developments will be required to pay the nonrefundable outstanding SDA charge for a parcel prior to obtaining a building permit for the parcel. The BBWD will record a Notice with the Clark County Recorder's Office that shows a chain of title based on Assessor's Parcel Number that the SDA charge has not been paid on the parcel. All fees connected with the recording and the SDA charge will be due in the amounts in effect at the time of payment.

Potential SDA Charge Exceptions

The following is a list of parcels created under the SDA Charge Exception, Section 1.11, following the effective date of the amended Service Rules, July 1, 2010.

DESIGNATED DEVELOPMENTS

KNOWN AS OF 11/21/2017

Bilbray Ranch Cove East

APN Numbers

26421213035	26421213053*	26421213068	26421213007*	26421213021
26421213036	26421213054*	26421213069*	26421213008	26421213022
26421213037	26421213055*	26421213070	26421213009	26421213023
26421213038	26421213056*	26421213071*	26421213010	26421213024
26421213039	26421213057	26421213072	26421213011	26421213025
26421213040	26421213058	26421213073*	26421213012*	26421213026
26421213041*	26421213059	26421213074*	26421213013*	26421213027*
26421213042	26421213060	26421213075*	26421213014	26421213028*
26421213043*	26421213061	26421213076*	26421213015*	26421213029*
26421213044*	26421213062	26421213077	26421213016*	26421213030*
26421213045	26421213063*	26421213082**	26421213017	26421213031*
26421213049	26421213064	26421213083**	26421213018*	26421213032
26421213050	26421213065	26421213084	26421213019*	26421213033
26421213051	26421213066	26421213085**	26421213020	26421213034
26421213052	26421213067	26421213002**		

Unmarked - Lots with SDA that must be paid prior to issuance of a County building permit.

* - Lots with SDA owed and construction deficiencies that must have these deficiencies corrected, inspected, accepted by the BBWD and SDA paid prior to issuance of a County building permit.

** - Lots with construction deficiencies that must have these deficiencies corrected, inspected, accepted by the BBWD prior to issuance of a County building permit.

Bilbray Ranch Cove West

APN Numbers

26421212001	26421212014	26421212026	26421212042**	26421319005
26421212002*	26421212015*	26421212027	26421212043**	26421319006
26421212003**	26421212016*	26421212028	26421212046**	26421319007*
26421212004**	26421212017*	26421212029	26421212048**	26421319008
26421212005**	26421212018	26421212030	26421212049**	26421319009*
26421212006	26421212019	26421212031**	26421212050**	26421319010
26421212007	26421212020	26421212036	26421212051**	26421319011
26421212009	26421212021*	26421212037*	26421319001*	26421319012
26421212010*	26421212022	26421212038	26421319002*	26421319013**
26421212011	26421212023*	26421212039	26421319003	26421319014**
26421212012	26421212024*	26421212040	26421319004*	26421319016**
26421212013	26421212025*	26421212041*		

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** - Lots with construction deficiencies that must have these deficiencies corrected, inspected, accepted by the BBWD Prior to issuance of a County building permit.

Bilbray Ranch Estates

APN Numbers

26421110001	26421110018*	26421110044	26421110060	26421210007
26421110002	26421110020**	26421110045	26421110061	26421210008
26421110003	26421110021**	26421110046	26421110062	26421210009
26421110004	26421110026**	26421110047	26421110063*	26421210010
26421110005	26421110027**	26421110048	26421110064	26421210011
26421110006*	26421110028**	26421110049	26421110065*	26421210012
26421110007*	26421110029**	26421110050	26421110066	26421210013*
26421110008*	26421110034**	26421110051	26421110067	26421210014*
26421110009	26421110035**	26421110052	26421110068	26421210015
26421110010	26421110037	26421110053	26421110069*	26421210016*
26421110011	26421110038*	26421110054	26421110070	26421210017*
26421110012*	26421110039	26421110055	26421110071	26421210018*
26421110013	26421110040	26421110056	26421110072*	26421210019
26421110014*	26421110041*	26421110057	26421210004*	26421210020
26421110015*	26421110042	26421110058*	26421210005*	26421210021
26421110016	26421110043	26421110059	26421210006*	26421210022
26421110017*				

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Bilbray Ranch Manor

APN Numbers

26421111001**	26421111018*	26421111038**
26421111003**	26421111019	26421111039**
26421111004	26421111020	26421111041**
26421111005	26421111021*	26421111042**
26421111006	26421111022*	26421111043**
26421111007	26421111023**	26421111044*
26421111008*	26421111025**	26421111045
26421111009	26421111028**	26421111046
26421111010	26421111029**	26421111047
26421111011	26421111031	26421111048
26421111012	26421111032*	26421111049
26421111013*	26421111033	26421111050*
26421111016*	26421111034**	26421111051*
26421111017*	26421111036**	

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** - Lots with construction deficiencies that must have these deficiencies corrected, inspected, accepted by the BBWD prior to issuance of a County building permit.

Bilbray Ranch Square

APN Numbers

26421214001	26421214027*	26421214056	26421320022	26421320059**
26421214002	26421214028	26421214057*	26421320023	26421320060**
26421214003	26421214029	26421320001*	26421320024	26421320061**
26421214004	26421214030	26421320002*	26421320025	26421320067
26421214005	26421214031	26421320003	26421320026	26421320068*
26421214009**	26421214032*	26421320004	26421320027*	26421320069
26421214010	26421214033	26421320005	26421320028	26421320070
26421214011	26421214034	26421320006*	26421320029	26421320071
26421214012	26421214035	26421320007	26421320030	26421320072
26421214013	26421214036*	26421320008	26421320031	26421320073
26421214014*	26421214037	26421320009	26421320032	26421320074
26421214015	26421214038**	26421320010*	26421320033	26421320075*
26421214016*	26421214045**	26421320011*	26421320034	26421320076*
26421214017	26421214046	26421320012*	26421320035	26421320077*
26421214018*	26421214047	26421320013	26421320036*	26421320078
26421214019	26421214048	26421320014	26421320037*	26421320079
26421214020	26421214049	26421320015*	26421320038	26421320080
26421214021*	26421214050*	26421320016	26421320040**	26421320081
26421214022	26421214051	26421320017*	26421320042**	26421320082*
26421214023	26421214052	26421320018*	26421320043**	26421320083**
26421214024*	26421214053	26421320019	26421320051**	26421320084**
26421214025*	26421214054*	26421320020*	26421320053**	26421320040**
26421214026	26421214055	26421320021*	26421320055**	

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Laughlin Estates II

APN Numbers

26428212001	26428212003	26428212005	26428212008	26428311004
26428212002	26428212004	26428212006	26428311001	26428311005
26428212011	26428311007	26428212007	26428311002	26428311009

El Mirage Estates, Unit 1

APN Numbers

26421415008	26428114003
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Cottage Court, Ph I, Unit 1

APN Numbers

26428317001	26428317017	26428414012	26428713015	26428811012
26428317002	26428414001	26428414014	26428811001	26428811013
26428317005	26428414002	26428414015	26428811002	26428811014
26428317006	26428414003	26428713001	26428811003	26428811015
26428317007	26428414004	26428713002	26428811004	26428811018
26428317008	26428414005	26428713006	26428811005	26428811019
26428317009	26428414007	26428713007	26428811006	26428811020
26428317013	26428414008	26428713008	26428811007	26428811021
26428317014	26428414009	26428713009	26428811008	
26428317015	26428414010	26428713013	26428811009	
26428317016	26428414011	26428713014	26428811010	

Cottage Court, Ph I, Unit 2

APN Numbers

26428711005	26428711006
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Cottage Court, Ph I, Unit 3

APN Numbers

26428712001	26428712004	26428712007	26428712010	26428712013
26428712002	26428712005	26428712008	26428712011	26428712014
26428712003	26428712006	26428712009	26428712012	

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