

PETITIONER'S EVIDENCE

TO: WASHOE COUNTY BOARD OF EQUALIZATION

FROM: STEVEN T. POLIKALAS, ESQ.
ON BEHALF OF TARGET INVESTMENTS, LLC

PARCEL NO. 038-861-02 HEARING NO. 18-0063

DATE OF HEARING: 02/26/2018 TIME: 9:00 AM

PLACE: WASHOE COUNTY COMMISSION CHAMBERS
Washoe County Administration Complex
1001 E. Ninth Street, Building A
Reno, Nevada

THE PROPERTY: The Subject Property is comprised of 34.911 acres and or 1,520,723 square feet of vacant mixed use zoned land located near Gold Ranch Casino at 350 Gold Ranch Road, Verdi, Nevada (see attached photos). The land has no utilities and had been marketed for \$2,400,000 with multiple offers that never came to fruition due to the extensive cost of bringing utilities to the site.

THE ASSESSOR'S TAXABLE VALUE: Parcel 038-861-02 \$1,604,628.00

Total \$1,604,628.00

THE OWNER'S OPINION OF TAXABLE VALUE:

Total \$ 800,000.00

THE JUSTIFICATION FOR A REDUCTION OF TAXABLE VALUE:

The assessor's value of The Subject Property is based on comparable properties that have lower site development costs. The Subject Property is zoned Mixed Use meaning that it could potentially have residential or commercial use. Based on the cost to

develop, as established by the exhibits provided herewith, the Subject parcel simply does not have the value the Assessor or the owner once thought it did. The cost to bring 56 acre-feet of water service is roughly \$5,000,000. That amounts to \$89,285 per acre-foot. Currently Truckee Meadows Water Authority is charging \$7,500 per acre-foot. At \$89,295 per acre-foot for water, plus an an estimated \$5,000,000 the cost of bringing sewer to the site, it is simply not a feasible development project.

Additionally, a developer would be responsible for costs relating to the traffic impact of any proposed use. The traffic impact of the use could reach a cost to a developer of roughly \$8 million dollars for a redesigned on and off ramp at Gold Ranch, which NDOT most likely would require. The owner respectfully requests that the board reduce the 2018/2019 total taxable value to \$800,000 due to the discovery of excessive development costs.



DATE: August 15, 2017

TO: Pam Apuna

THRU: Scott Estes *sge*

FROM: Brooke Long *BL*

RE: 350 Gold Ranch Discovery, TMWA WO# 17-5485

SUMMARY:

TMWA can provide service to the proposed project. The estimated cost of the offsite improvements is on the order of \$5,000,000.

LOCATION:

The proposed development is located adjacent to the Gold Ranch water system in Verdi, Nevada (APN: 038-861-02). The project is outside TMWA's retail service area and will require annexation prior to water service. Portions of the proposed offsite improvements required to serve the project are in California.

DISCUSSION:

This discovery considers water service to a 200 unit residential development on a 35 acre parcel (038-861-02). The development is in Verdi NV and is in TMWA's Area 7 plan (Area Plan). Portions of the Area Plan have or are currently being constructed including a new water main extension to convey water to the West Meadows development within the east Verdi area. The water main supplying Verdi will be a temporary extension of the Mogul/Verdi Business Park tank zone, which has limited excess supply and operates at a lower pressure than the proposed future Verdi supply main.

Project Demands

The proposed project maximum day demand is 120 gpm based on 200 lots with an average lot size of 4,000 ft². This demand does not include any potable irrigation.

Project Pressure

The elevation range of the project parcel is 5008' to 5100'. If the proposed tank were located at the same elevation as the existing tank (5170'±), the maximum project service elevation would be limited to 5065'±. Project pressures would range from 45 psi to 70 psi.

Project Storage

The required project storage volume is 300,000 gallons (Table 1). A fire storage component of 180,000 gallons was assumed based on 1,500 gpm for 2 hours. The proposed water tank and tank main are located within California.

Existing Supply Capacity

TMWA is currently expanding the capacity of the Mogul booster pump station which will provide up to 150 gpm of new/excess capacity from the Mogul tank zone. This capacity will be available on a first-come, first-served basis until exhausted. After the excess Mogul Tank zone capacity is exhausted, extensive water system improvements will be required, at a significant cost to deliver additional capacity to the Verdi area (approximately \$15,000,000). Due to the high cost, TMWA will not be able to fund these improvements and collect later based on the Area Fee model; therefore, Verdi area developers will be responsible for funding the facility costs.

Offsite Facilities and Cost Opinion

It is anticipated that the West Meadows subdivision will complete an extension of the 18" Verdi Main from the Verdi Business Park to West Meadows by the end of the calendar year. Upon completion of that project, TMWA plans to extend the main from West Meadows to the Riverbelle MHP to consolidate with that small private water system. The offsite facility requirements and a planning level cost opinion for the project, assuming that the West Meadows and Riverbelle extensions are completed, are listed in Table 1 and shown in Figure 1.

Table 1: Offsite Facility Requirements and Cost Opinion

Offsite Facilities					
Description	Quantity	Unit	Unit Cost	Total Cost	Comments
Phase 1					
Area 7 Fee	120	MDD gpm	\$7,887	\$946,440	
Supply-Treatment Facility Charge	120	MDD gpm	\$4,163	\$499,560	
8" Pipeline*	9,700	LF	\$160	\$1,552,000	Aligned in US40 from Hab Dr to the Project property.
River crossing	200	LS	\$300,000	\$300,000	Open cut method assumed
Pump Station	1	LS	\$1,000,000	\$1,000,000	200 gpm at 170' TDH (approx.)
Gold Ranch Tank*	300,000	gallon	\$1.5	\$450,000	Located next to the existing Gold Ranch tank. In CA.
10" Tank Main	450	LF	\$180	\$81,000	Located in CA
Bi-directional emergency intertie	1	LS	\$175,000	\$175,000	Between TMWA and Gold Ranch Water Systems
Subtotal		\$5,004,000			

* TMWA may require the developer to oversize the offsite mains and Storage Tank. Any reimbursement mechanism for the cost to oversize would be defined within the annexation agreement.

improvements will be determined by TMWA upon receiving a specific development proposal or complete application for service and upon review and approval of a water facilities plan by the local Health Authority. Because the NAC 445A Water System regulations are subject to interpretation, TMWA and/or agents of TMWA cannot guarantee that a subsequent water facility plan will be approved by the Health Authority or that a timely review and approval of the Project will be made. The Applicant should carefully consider the financial risk associated with committing resources to their Project prior to receiving all required approvals. After submittal of a complete Application for Service, the required facilities, the cost of these facilities, which could be significant, and associated fees will be estimated and will be included as part of the Water Service Agreement necessary for the Project. All fees must be paid to TMWA prior to water being delivered to the Project.

Please contact Brooke Long at (775) 834-8292 with any questions or comments.

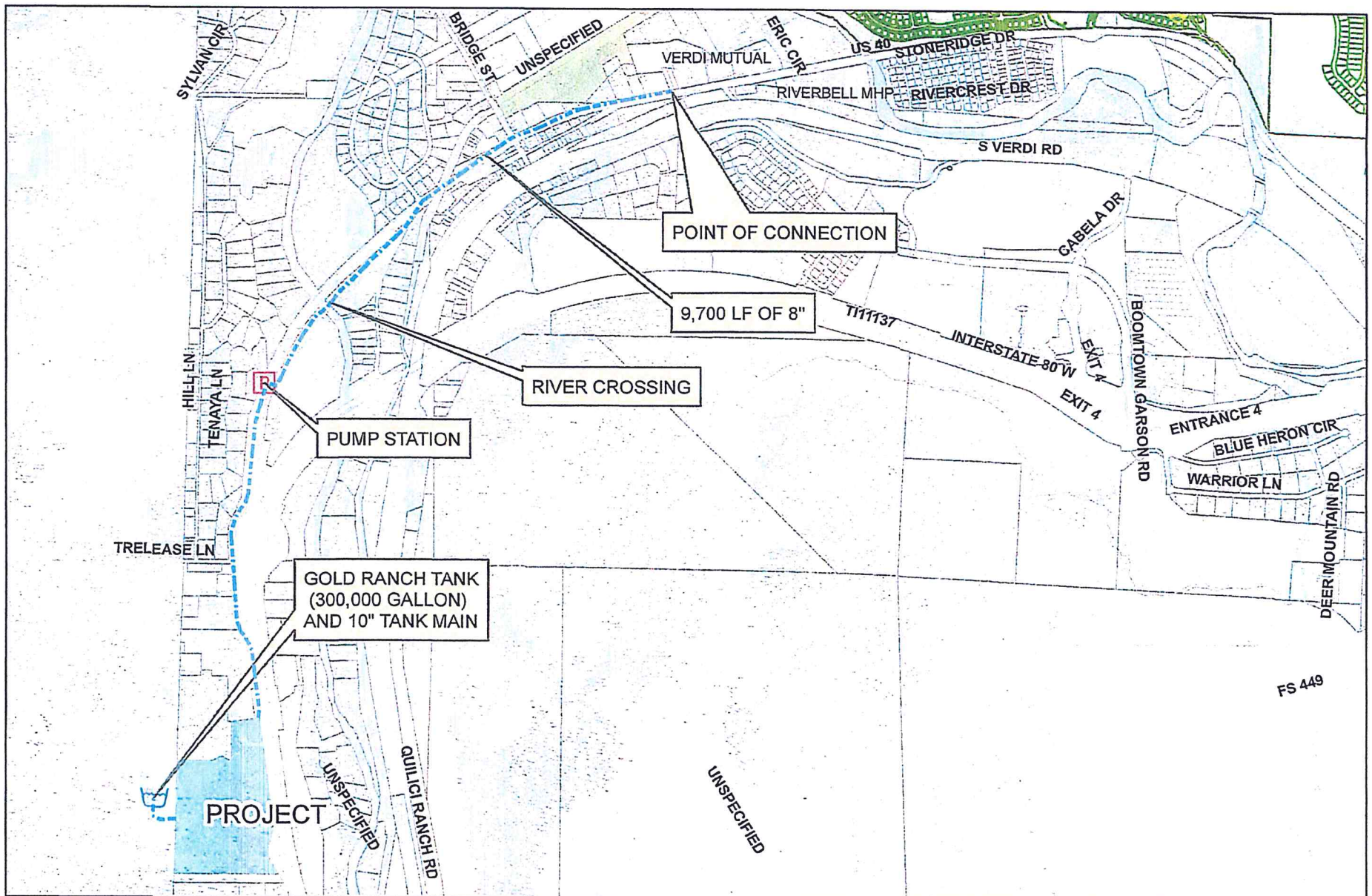


FIGURE 1: OFFSITE FACILITIES
350 GOLD RANCH_DISC