

When Recorded Please
Return To:

Minden-Gardnerville Sanitation
District
P.O. Box 568
Minden, Nevada 89423

CONTRACT FOR PROVIDING SEWER SERVICE

This Agreement is made on this 13th. day of June, 2000,
between DONALD O. AND PHYLLIS A. ASHURST, Grantors and Co-Trustees
under P & D Family Trust Agreement dated July 9, 1998 (hereinafter referred to as
"OWNER"), and the MINDEN-GARDNERVILLE SANITATION DISTRICT, a
governmental body organized under the laws of the State of Nevada (hereinafter
referred to as "DISTRICT").

WITNESSETH:

WHEREAS, the OWNER has real property situate within the County of
Douglas, State of Nevada, specifically described as follows:

All that real property situate in the County of Douglas, State of
Nevada, described as follows:

Parcel 1:

A portion of the Northeast one-quarter (NE1/4) of the Southeast
one-quarter (SE1/4) of Section 10, Township 12 North, Range
20 East, M.D.B.&M., more particularly described as follows:

BEGINNING at a point at the Northeasterly corner of the parcel
on the Westerly right-of-way line of U.S. Highway 395, said

0494166

BK0600PG3319

point being South 45°32' East, a distance of 200.00 feet from the Southeast corner of the Phil S. McAdam property as the same is described and recorded in Book Z, Page 463, Douglas County Records; said point being further described as bearing South 4°13'65" West, a distance of 3623.26 feet from the section corner common to Sections 2, 3, 10, and 11, Township 12 North, Range 20 East; thence South 45°32' East along the said Westerly highway right-of-way line a distance of 151.00 feet to a point; then South 44°28' West, a distance of 130.00 feet to a point; thence North 45°32' West a distance of 151.00 to a point; thence North 44°28' East, a distance of 130.00 feet to THE POINT OF BEGINNING, containing .45 acre more or less.

APN 1220-10-701-006

Parcel 2:

All that real property situate in the County of Douglas, State of Nevada, described as follows:

Being a portion of the Northeast quarter of the Southeast quarter of Section 10, Township 12 North, Range 20 East, M.D.B.&M., further described as:

COMMENCING at a point on the Southwesterly U.S. Highway 395 right-of-way line, which bears South 45°32' East, a distance of 200.20 feet from the Southeast corner of the Phil S. McAdam property as the same is described in Deed recorded in Book Z of Deeds, Page 463, Douglas County, Nevada, Records, THE TRUE POINT OF BEGINNING;

thence South 44°28' West, a distance of 130.00 feet;
thence South 45°32' East, a distance of 326.10 feet;
thence North 44°28' East, a distance of 128.98 feet to a point on the Southwesterly right-of-way line of U.S. Highway 395;

thence Northwesterly along the said Southwesterly right-of-way line to the POINT OF BEGINNING.

EXCEPTING THEREFROM the parcel conveyed to Jan R. Thran and Yvonne F. Thran by Deed recorded March 15, 1960, in Book 1 of Official Records of Douglas County, Nevada, Page 575, as Document No. 15719. The exception being more fully described as follows:

0494166

BK0600PG3320

BEGINNING at a point at the Northeasterly corner of the parcel on the Westerly right-of-way line of U.S. Highway 395, said point being South 45°32' East, a distance of 200.00 feet from the Southeast corner of the Phil S. McAdam property as the same is described and recorded in Book Z, Page 463, Douglas County Records; said point being further described as bearing South 4°13'55" West, a distance of 3,523.26 feet from the section corner common to Sections 2, 3, 10, and 11, Township 12 North, Range 20 East;

thence South 45°32' East along the said Westerly Highway right-of-way line, a distance of 151.00 feet to a point;

thence South 44°28' West, a distance of 1230.00 feet to a point;

thence North 45°32' West, a distance of 151.00 to a point;

thence North 44°28' East, a distance of 130.00 feet to the POINT OF BEGINNING.

Containing .52 acre more or less.
APN 1220.10-701-007

WHEREAS, the OWNER is desirous of obtaining sewer capacity and sewer service from the DISTRICT;

WHEREAS, the DISTRICT is willing to provide such sewer capacity and sewer service to the OWNER;

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

SECTION ONE

In consideration of being able to deposit OWNER's sewage in the DISTRICT's sewer system, the OWNER agrees to pay the following fees:

a. An application fee in the sum of ONE THOUSAND DOLLARS (\$1,000.00) has already been paid. This fee will be applied against the DISTRICT's expenses for review of OWNER's plans. Any balance remaining will be refunded to OWNER, but in the event the DISTRICT's expenses for review of an application exceed the fee, the OWNER will pay to the DISTRICT the additional expense.

b. An acreage fee totaling FIVE HUNDRED EIGHTY-TWO DOLLARS (\$582.00) which represents payment for the applicable acreage fee of SIX HUNDRED DOLLARS (\$600.00) per acre for 0.97 acres. Such amount is due and payable when this Agreement is returned to the DISTRICT fully executed by the OWNER. Payment must accompany the written Agreement. The receipt of this fee is acknowledged by the DISTRICT.

c. A capacity fee totaling SEVEN THOUSAND DOLLARS (\$7,000.00) represents payment for the applicable capacity fee of \$3,500 per unit for two (2) units of capacity. The capacity fee will be paid by the OWNER, in full, on or before the earliest of the following dates: (1) within nine (9) months from the date the DISTRICT allows the capacity; (2) prior to the issuance of a connection permit; or (3) before the DISTRICT approves and/or signs any final subdivision parcel map. The above described capacity fee is subject to revision, and the amount of the fee shall be the comparable rate within the DISTRICT for each Equivalent Dwelling Unit at the time of allocation. All capacity not used with two (2) years of the date of

allocation of the sewer capacity will be forfeited to the DISTRICT without any recourse or refund to OWNER.

d. A connection fee is due and payable at the time connection is made. This fee is subject to revision, and the amount of the fee shall be the comparable rate within the DISTRICT for each Equivalent Dwelling Unit at the time of connection. Such connection fee is presently Two Hundred Seventy-Five Dollars (\$275.00) per Equivalent Dwelling Unit for residential connection and Three Hundred Dollars (\$300.00) for commercial connection.

e. A monthly fee will be due and payable and will be the same as customers using sewage facilities within the DISTRICT for a comparable use but adjusted to account for the loss of the tax revenues. Billing will be on a quarterly basis and shall commence immediately after this Agreement is returned to the DISTRICT fully executed by OWNER.

f. Payments pursuant to Paragraph (e) above will become due and payable at the DISTRICT's office on or before the tenth (10th) day after the statement has been mailed. A basic penalty for non-payment of charges not paid when due of ten percent (10%) for the first month's delinquency shall be charged. In addition, a penalty of one and one-half percent (1-1/2%) per month for non-payment of the charges and basic penalty shall be imposed on the first day of the calendar month following the due date. Additional 1-1/2% penalties shall be charged for each additional month the account is in arrears.

SECTION TWO

OWNER agrees to construct all facilities in accordance with the DISTRICT's applicable rules, regulations and ordinances OWNER will give the DISTRICT five (5) days' notice prior to commencing construction.

SECTION THREE

All sewers shall be designed and constructed at the OWNER's expense, and the sewers shall be dedicated to the DISTRICT upon completion and approval by the DISTRICT. All sewers designed and constructed shall meet the requirements of the DISTRICT's applicable ordinances and its Sewage Master Plan. Upon dedication, the DISTRICT shall maintain the sewers at the DISTRICT's expense.

SECTION FOUR

OWNER agrees to grant to the DISTRICT a twenty (20) foot wide easement in all locations wherein the sewers are located. The easement shall be in substantially the form as the copy of the unexecuted Right of Way Grant attached hereto as Schedule A. OWNER agrees to properly execute all necessary and proper documents to carry out the requirements of the easement. OWNER also covenants, promises, warrants and agrees that OWNER shall never grant or allow any person or entity other than the DISTRICT to acquire any license, easement, grant, right of use, or any type of permit, or right of way through, across, or upon

OWNER's property for any purpose relating to the transport or deposit of sewage to or from any destination.

SECTION FIVE

The terms of this Agreement shall be deemed to be a covenant which runs with the land and shall be binding upon the heirs, devisees and assigns of the OWNER. A copy of this Agreement shall be recorded in order that subsequent parties will be bound by the terms of this Agreement.

SECTION SIX

When the DISTRICT desires an area being contracted with to be annexed or when an area being contracted with becomes contiguous to the DISTRICT's boundaries, the OWNER will annex its property and will pay all applicable fees based on the difference between the amount the OWNER has paid at the time of entering into the contract for service and the fees which are then currently being charged for annexation.

SECTION SEVEN

In the event that the DISTRICT is legally unable to provide services or is prevented from further providing the same, this Agreement shall terminate and the DISTRICT shall have no further obligation to serve the OWNER, his heirs, devisees or assigns.

SECTION EIGHT

This Agreement shall inure to the benefit of and be binding upon the executors, administrators, assigns and successors of the respective parties.

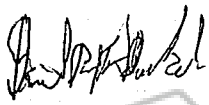
SECTION NINE

OWNER shall have only sixty (60) days from the date this contract is delivered to OWNER, inclusive of any and all mailing time, to return the signed contract to the DISTRICT accepting all of the terms and conditions of the contract without making any changes or modifications thereto. Should the contract not be returned within the sixty (60) day period, the offer to contract shall be revoked and OWNER must then reapply.

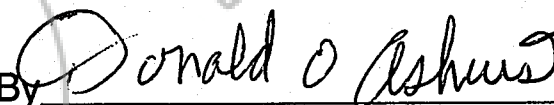
EXECUTED at Minden, Nevada, on the date first above written.

DISTRICT

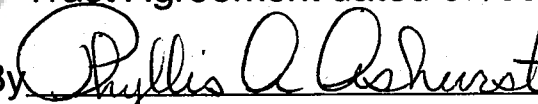
OWNER

By: 

DANIEL R. HELLWINKEL
Chairman, Board of Trustees
Minden-Gardnerville Sanitation District

By: 

Donald O. Ashurst, Grantor and
Co-Trustee under P & D Family
Trust Agreement dated 07/09/98

By: 

Phyllis A. Ashurst, Grantor and
Co-Trustee under P&D Family
Trust Agreement dated 07/09/98

0494166

BK0600PG3326.

ACKNOWLEDGEMENTS

STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)

This instrument was acknowledged before me, a Notary Public, on the 9th day of June, 2000, by Donald O. Ashurst, Grantor and Co-Trustee under P & D Family Trust Agreement dated July 9, 1998.

PAT RAE WALLACE
Notary Public, State of Nevada
Appointment No 98-49035-5
My Appt. Expires Oct 15, 2002

By Pat Rae Wallace
Notary Public

STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)


This instrument was acknowledged before me, a Notary Public, on the 9th day of June, 2000, by Phyllis A. Ashurst, Grantor and Co-Trustee under P & D Family Trust Agreement dated July 9, 1998.

PAT RAE WALLACE
Notary Public, State of Nevada
Appointment No. 98-49035-5
My Appt. Expires Oct 15, 2002

By Pat Rae Wallace
Notary Public

STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)

This instrument was acknowledged before me, a Notary Public, on the 13th. day of June, 2000, by DANIEL R. HELLWINKEL.

 **BONNIE D. FETTIC**
Notary Public - Nevada
Douglas County
92-1897-5
My Appointment Expires August 26, 2000

By Bonnie D Feticc
Notary Public

0494166
BK0600PG3327

COPY

REQUESTED BY

MSD

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2000 JUN 15 PM 1:38

LINDA SLATER
RECORDER

\$16.00 PAID *[Signature]* DEPUTY

0494166

BK0600PG3328