RULES AND REGULATIONS OF THE LOS MOLINOS COMMUNITY SERVICES DISTRICT

THE BOARD OF DIRECTORS OF THE LOS MOLINOS COMMUNITY SERVICES DISTRICT ADOPTED BY BOARD RESOLUTION 2014-50 AS FOLLOWS:

SECTION 1. GENERAL PROVISIONS

1.01 Rules and Regulations

The following rules and regulations respecting provision of water and connections to the water supply, storage and distribution facilities of District are hereby adopted, and all actions in respect thereto shall be performed as herein required and not otherwise.

1.02Purpose

The purpose of this Resolution is to adopt the rules and regulations regarding the use of water services provided by the water supply, storage and distribution facilities of Los Molinos Community Services District.

1.03 Short Title

These Rules and Regulations shall be known and may be cited as "LMCSD Customer Rules and Regulations".

1.04 Words and Phrases

For the purpose of these Rules and Regulations, all words used herein in the present tense shall include the future; all words in theplural number shall include the singular number; all words in the singular number shall include the plural number; and all words in the masculine shall include the feminine.

1.05 Pressure Conditions

All applicants for service connections or water service shall be required to accept such conditions of pressure and service as are provided by the distribution system at the location of their service connection and to hold the District harmless for any damages arising out of low pressure or high pressure water service conditions or from any interruptions in service.

1.06 Interruptions in Service

The District shall not be liable for damage that may result from an interruption in service from a cause beyond the control of the District. Temporary shutdowns may be made to make improvements and repairs. Whenever possible all customers affected will be notified prior to making such shutdowns. The District will not be liable for interruption, shortage, pressure increase or loss, insufficiency of supply, or for any loss or damage occasioned thereby, if caused by accident, act of God, fire, strikes, riots, war, or any other cause not within its control.

SECTION 2. DEFINITIONS. For the purpose of these Rules and Regulations, the following terms shall have the meaning given.

<u>Applicant</u> - the person making application for water service or a water installation and shall be the owner of premises to be served by the water facilities for which the installation is requested or his authorized agent.

<u>Board of Directors</u> - The Board of Directors of the Los Molinos Community Services District; also referred to herein as "the Board."

<u>Dwelling</u> - any structure used for human habitation or a place of business, recreation or other purposes containing water facilities.

<u>Dwelling Unit</u>- a suite of one or more rooms which is occupied or intended to be occupied by one familydoing its own cooking.

<u>Cost</u> - the cost of labor, materials transportation, supervision, engineering, inspection and all other necessary overhead expenses.

County - the County of Tehama, State of California.

Customer - the property owner or his tenants, agents, employees, contractors or licensees.

<u>District</u> – the Los Molinos Community Services District, its directors, officers, staff or authorized representatives.

<u>General Manager</u> – the General Manager of the Los Molinos Community Services District <u>Meter Box</u> - a plastic or cement utility box owned by the District and is used to house and protect the water meter and meter shut-off valve.

<u>Meter Shut-Off Valve</u> - the valve on the District's side of a water meter used to shut and lock off water service to a premise.

<u>Person</u> - any individual, firm, company, partnership, association, and private, public or municipal corporation, the United States of America, the State of California, public districts, and all political subdivisions and governmental agencies thereof.

<u>Premises</u> - a property and the improvements thereon.

<u>Property</u> - a parcel of real estate or portions thereof, which is determined by the District to be a single user entity for purposes of receiving, using or paying for water service.

<u>Property Owner</u> - the person in whose name the legal title to the property appears by deed duly recorded in the County Recorder's Office, or the person or entity in possession of the property or buildings under claim of, or exercising acts of ownership over same for himself, or as executor, administrator, guardian, or trustee of the owner.

<u>Regular Water Service</u> - water and facilities provided for normal domestic and commercial purposes on a permanent basis.

<u>Service Connection</u> - the pipe and appurtenant facilities such as the meter shut-off valve, meter and meter box, all used to extend water service from a distribution main to premises. Where services are divided at the curb or property line to serve several customers, each such branch service shall be deemed a separate service.

<u>Tenant</u> – any customer who does not have legal title to the premises occupied, that is, renter, lessee, agent, concessionaire, etc. and occupies the premises with the permission of the property owner.

Owner-Tenant Billing Agreement – this Agreement allows the District to mail billing statements for water and other charges to the tenant while confirming the owner's ultimate responsibility to pay all bills, fees and charges, should the tenant fail or refuse to do so.

SECTION 3. GENERAL USE REGULATIONS

3.01 Service Connections

The District provides regular water service to each Customer via a water service connection to the premisesof the Customer. <u>Each dwelling on a premise shallhave a separate service connection</u>. Each service connection shall be meteredand have a meter shut-off valve. Multiple service connections may be provided to premises with multiple dwellings. A Customer shall use water provided by a service connection only on the immediate property where the service connection is located and <u>any further distribution and usage of water to adjacent properties is prohibited</u>.

3.02 District Ownership of Service Connections

All facilities such as meter boxes installed by the District on the Customer property for the purpose of rendering water service shall continue to be owned by the District and may be maintained, repaired, or replaced by the District without consent or interference of the owner or occupant of the premises.

3.03 Access to Property

The District's authorized and identified employees shall have access to the Customer's premises at all reasonable times for the purpose of reading meters, inspecting, testing, repairing, removing, exchanging or otherwise giving necessary attention to all equipment belonging to the District. No persons shall place or permit the placement of any object in a manner that will interfere with the free access to equipment belonging to the District. Whenever meter reading is not feasible due to access obstruction, the Customer will be subject to and charged an Obstruction Fee of \$50 for each occurrence. The District may also discontinue the service if admittance to property is refused or access is impeded.

3.04 Damage to District Facilities

The Customer shall use reasonable care in the protection of the District's facilities. The Customer shall be liable for any damage to the District water service facilities when suchdamage is from causes originating on the premises by an act of the Customer. The Customer shall reimburse the District for any such damage promptly on presentation of a bill.

3.05 Tampering with District Facilities

No one, except an authorized employee or representative of the District performing their official duties, shall at any time in any manner operate the valves of the District's water system, or interfere with meters, shut off valves and padlocks, fire hydrants, or other parts of the water system.

3.06 Damage fromLeaking Pipes and Fixtures

The District's responsibility ends at the water meter. The District will in no case be liable for damages occasioned by water running from open or faulty fixtures, or from broken or damaged pipes beyond the meter. If a house or property is vacant when water service turn on is requested, the District will endeavor to ascertain if water is running on the inside of the building. If such is found to be the case, the water will be shut off immediately and the owner notified.

3.07 Water Used Without Making Application

A person taking possession of premises and using water from an active service connection, without having made application to the District for water service, shall be held liable for the

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water delivered from the date of the last recorded meter reading, and if the meter is found inoperative, the quantity consumed since the last recorded meter reading will be estimated by the District. If proper application for water services is not made upon notification to do so by the District, and if accumulated bills for service are not paid immediately, the service may be discontinued by the District without further notice.

3.08 Unauthorized Water Use

No person or entity shall take or use water from any of the District's facilities without District authorization.

3.09 Water Waste

No Customer shall knowingly permit leaks or waste of water. Where water is wastefully or negligently used on a Customer's premises, the District may discontinue the service if such conditions are not corrected within five (5) days after giving the Customer written notice.

SECTION 4. WATER SERVICE APPLICATION

4.01 Water Service Application

Water service for individual premises can be changed to a new owner or tenant by filling out and signing an application form provided by the District. The application is a written request by the owner, or the owner and tenant, if applicable, for service and does not bind the Applicant to a period of service nor does it bind the District to provide service, except under reasonable conditions and upon approval by the General Manager. The Applicant/Applicants must provide the requested information on the application form as well as a valid picture identification card and documents to verify ownership.

4.02 Unbiased Service

The District provides water service without bias or discrimination. The identification of race and ethnicity on the application form is used by the District's lending agency as a means of monitoring compliance with Federal anti-discrimination laws.

4.03 Owner Responsibility for Charges and Fees

The property owner of the premises shall in all cases be ultimately liable for charges and fees for services rendered to the premises. If a property owner intends to rent his/her premises, the owner and tenant will jointly submit a Water Service Application. If the owner prefers the tenant receive the monthly billing statement, then the owner and tenant must complete the District's Owner-Tenant Billing Agreement form confirming the owner's responsibility for all unpaid charges and granting permission to send the monthly statement to the tenant. The District will send the property owner a copy of any discontinuance notices sent to the tenant. If a tenant does not pay their account in full within 30 days of vacating the premises, the balance will be transferred to the property owner's account.

4.04 Granting Service

The District will grant water service to an Applicant for a property only if all assessments, fees, charges, delinquent water bills, and penalties due and charged to or against the property have been paid in full.

SECTION 5- RATES AND FEES

5.01 Water Rates

The District charges a base rate per service connection of \$14 per monthfor water usage up to 1,100 cubic feet (8,228 gallons), and a commodity charge of \$0.50 per cubic foot for usage between 1,100-1,400 cubic feet (8,228-10,472 gallons), and \$0.75 per cubic feet for water usage above 1,400 cubic feet (10,472 gallons). The Board of Directors for the District is responsible for setting water rates that provide value to Customers as well as provide for the fiscal soundness of the District. The Board of Directors will review water rates periodically and, if necessary, adopt changes to water rates in accordance with California law.

5.02 Late Payment Fees

If an account becomes delinquent, the District will charge the Customer a 10% Late Payment Penalty. Any accounts delinquent over one month are additionally charged 1% per month interest on all delinquent balances.

5.03 Rejected Payment Fees

If a Customer's payment/check is rejected for any reason, the District will notify the Customer and expect the Customer to resolve the problem byimmediately repaying the bill and reimbursing the District for any bank charges incurred by the District for the rejected payment. If the Customer does not immediately do so (within three business days from bank notification to the District), the District will charge the Customer a \$20 Rejected Payment Fee to be paid in addition to bill repayment and reimbursement of bank fees.

5.04 Service Call Fee

If a Customer requests a non-emergency service call during normal working hours (Weekdays 7am-4pm) or if District personnel must visit a premises regarding delinquency or other Customer issue, the Customer will be charged a \$15 Service Call Fee.

5.05 Emergency Service Call Fee

If a Customer requests an emergency service call at times other than during normal working hours (Weekdays 7am-4pm) to turn service off or on, the Customer will be charged a \$50 Emergency Service Call Fee.

5.06 Turn-Off/Turn-On Fee

If the District is forced to disconnect a Customer's water service in order to collect payment or resolve an issue with the Customer, the Customer will be charged a \$30 Turn-Off/Turn-On Fee when service is disconnected. This fee represents the fees for the service calls required for disconnection per notification and restoration later when payment is made or issue resolved.

5.07 Ownership Transfer Fee

A \$50 Ownership Transfer fee is charged for water service applications involving changes in property ownership. Normally, the title company involved in a property sale will contact the District and this fee is applied as one of the closing costs of the property sale. The fee is a non-refundable charge for account set up and shall not be considered a deposit. See District Policy #3125 for further details regarding Ownership Transfer Fee.

5.08 Vacant Service Fee

When a residential or commercial property receiving water service becomes temporarily vacant, the property owner will be charged a Vacant Service Fee of \$14 monthly whether water is used

or not. This Fee represents the Customer's contribution to the ongoing District costs of maintaining water service availability.

SECTION 6. CUSTOMER BILLING AND PAYMENT

6.01 Billing on a Monthly Basis

The District measures all water usage and calculates water bills for each Customer on a monthly basis. Any water use measured through the meter shall be paid for by the Customer requesting service whether said use was beneficial to the Customer or not. Water bills are mailed to Customers at the beginning of each month. Water bills are due and payable upon receipt and shall become delinquent if not paid by the first working day of the following month. It is the Customer's responsibility to ensure that payment is received by the District office in a timely manner. Non-receipt of a bill shall not relieve the Customer of any obligation to the District. The District will prorate initial and final bills which may be for billing periods of less than a full month.

6.02 Non-Registering Meters

If a meter is found to be not registering, the charges for service shall be based on the estimated consumption, such estimates shall be made from previous consumption for a comparable period, or by such other method as is determined by the District, and its decision shall be final.

SECTION 7. SERVICE DISCONTINUANCE/DISCONNECTION

Residential service will be discontinued for nonpayment when the charges have been delinquent for a least 60 days. Water bills are due and payable upon receipt and shall become delinquent if not paid by the first working day of the following month.

7.001 <u>Late Penalty</u> When an account becomes delinquent a Penalty of 10% of the unpaid balance is assessed to the account.

7.002 <u>Interest on Unpaid Balance</u> Once an account becomes delinquent and a 10% Penalty has been assessed, an interest charge of 1% will be assessed on the unpaid balance on the first day of each month following until paid.

7.01 First Notice of Delinquency

When an account becomes delinquent, the District will send the Customer a "First Notice of Delinquency" which states that: 1) A Late Penalty of 10% has been assessed to the account, and 2) A \$5 charge for postage and handling, to cover the costs of sending out the written notice, has been assessed. 3) The date water service will be discontinued if the bill and all fees are not paid in full, or prior arrangements have not been made.

7.011Second Notice of Delinquency

No less than 7 business days before discontinuance of a residential service, a second notice will be mailed to the customer advising the customer of the proposed service discontinuance date. If the mailing address and the address of the property to which water service is provided are different, a separate notice will be mailed to the service address and addressed as "Occupant". The District assumes no responsibility for contact information that has not been kept up to date by the customer. This notice will include information listed below:

- The customers' name and address,
- The amount of delinquency.

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- The date by which payment or arrangement is required in order to avoid discontinuance
- of residential service,
- A copy of this policy, and
- A telephone number for residential customers to contact in order to discuss option for averting discontinuation of residential service for non-payment.

The Customer will be assessed \$5 for postage and handling to cover the costs of sending out the written notice.

7.012 Third Notice of Delinquency A 48-Hour notice in the form of a yellow door hanger will be posted in a conspicuous place at the residence. If the customer fails to make payment on the delinquency after 60 days or fails to comply with any alternative or deferred payment plan entered into by the customer, A "48-Hour Notice" charge in the amount of \$10.00 will be assess to each customer receiving said notice.

7.013

7.02 Service Disconnection

All delinquent water and associated fees must be received by the District no later than 10:00a.m. on the date specified in both the second and third notices of delinquency to be assured that water service will not be discontinued. Shut-offs will occur each month on the Wednesday following the 3rd of the month. The District will shut off water service at the meter and lock the meter box. A RED disconnection notice will be posted in a conspicuous place at the residence during lockout. A \$15 fee will be assessed to the Customer to recover district cost. The District will schedule service disconnection during District office hours in order to provide the Customer the opportunity to make last minute payment or issue resolution to avoid actual disconnection of water service.

7.021 Special Conditions The District shall not discontinue residential service for nonpayment if <u>all</u> of these conditions are met:

- a. The customer, or tenant of the customer, submits to the District the certification of a primary care provider, as the term is defined in subparagraph (A) of paragraph (1) of the subdivision (b) of Section 14088 of the Welfare and Institutions Code, that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident or the premises where residential service is provided.
- b. The customer demonstrated that he or she is financially unable to pay for residential service within the District's normal billing cycle. The customer shall be deemed financially unable to pay for residential service within the District's normal billing cycle if any member of the customer's household is a current recipient of CalWORKS, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants and Children, or the customer declares that the household's annual income is less than 200 % of the federal poverty level.
- c. The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment, as written in payment arrangements (Payment Arrangements)

7.022 Payment Arrangements

The District offers payment arrangements to all customers with residential service. Contact with the District is necessary to request a plan for deferred, or alternative payment arrangements.

You may request amortization of unpaid charges by,making arrangements with LMCSD for payments, at the District's option over a period not to exceed twelve months. If the District agrees to accept monthly payments for the past due water account, each monthly payment shall be due and payable on or before the due date of your most recent water billing. This payment shall be in addition to your regular monthly water account payment. All amounts received will first be credited to the amounts due on the most recent water bill and then to past due amounts. Your failure to pay the District, when due, any payments agreed to be paid for past due water accounts shall give the District cause to terminate your water services upon notice of no sooner than 5 business days.

PAYMENT ARRANGEMENTS MUST BE MADE WITH THE DISTRICT PRIOR TO THE PROPOSED SHUTOFF DATE. The District office is located at 25162 Josephine Street, Los Molinos, CA 96055. Phone number (530)384-2737. Your service will not be discontinued while a dispute is pending.

7.023 Discontinuation of Residential Service in Landlord-Tenant Situations: This section applies if there is a landlord-tenant relationship between the residential occupants and the owner, manager, or operator of the dwelling.

- a. Where the District furnishes individually metered residential service to residential occupants of a detached single-family dwelling, or a multiunit residential structure, and the owner, manager, or operator of the dwelling, is the customer of record, the District will make a Good Faith Effort to inform the residential occupants, by means of Written Notice, when the account is in arrears and thatservice will be terminated. Notice will be provided at least 10 calendar days prior to termination. The Written Notice shall further explain that they have the right to become a customer, to whom the serviced will then be billed, without being required to pay any amount which may be due on the existing delinquent account.
- b. If service is terminated, the tenant may elect to establish a service subject to the terms and conditions of service, meets the requirements of law and the District's Rules & Regulations. In order for the amount due on the delinquent account to be waived, the District requires that the applicant verify who the delinquent account customer of record is, or was, the landlord, manager, or agent of the dwelling. Verifications may include, but are not limited to, a lease or rental agreement, rent receipts, a government document indicating the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.

7.04 Restoration of Service

The District will restore water service that has been shut off due to non-payment or other reasons, when the District receives payment for all outstanding charges and fees or payment arrangements that have been made, or an issue has been fully resolved to the satisfaction of the District. The District will endeavor to restore service as soon as practicable, but shall at least restore service before the end of the regular working day following the day of the payment. An additional \$15 fee will be assessed to restore service during normal business hours. After hours service restoration will require on-call personnel to return to the District and the customer will be assessed an additional \$50 fee. An adult must be present when the water service is restored.

7.05Authorization for Continuance of Service for Delinquent Accounts

The General Manager may authorize continuation of service to a delinquent account if financial arrangements satisfactory to the District have been established.

7.06 Service Charges for Violations

If water service is discontinued for violation of any of the District's rules, regulations, resolutions or ordinances, service shall not be re-instituted until the violations have been corrected and all applicable service charges and fees as provided for herein paid.

7.07 Complaint Procedures for Disconnection

Service disconnection for non-payment of bills or for violation of any of the District's rules, regulations, ordinances or resolutions is subject to the complaint procedures specified in Section 9 of these Rules and Regulations.

SECTION8. ENFORCEMENT OF PAYMENT

8.01 Service Discontinuance

The principle and first method used by the District to collect delinquent payments is by discontinuing service as described in Section 7 of these Rules and Regulations. Should this method be unsuccessful, other methods of collecting debt are civil actions and/or liens against the property as briefly described in 8.02 & 8.03below.

8.02Civil Action

Any amount due is a debt to the District, and any person firm or corporation failing, neglecting or refusing to pay this debt may be subject to a civil action for the amount due in a court of competent jurisdiction. All District costs associated with debt collection, collection fees, attorney fees, and court costs will be charged to the party with unpaid debt.

8.03 Lien againstProperty for Non-Payment

Any unpaid debt will be deemed a lien against the real property to which service is rendered as specified herein and in the California Water Code Section 31701.5 et seq. Such liens may be collected as charges against the tax rolls as described in following subparagraphs.

- a. **Report of Delinquent and Unpaid Charges** A report of delinquent and unpaid charges for water service which have been delinquent for thirty (60) days or more on July 1st of each year shall be prepared by the General Manager and submitted to the Board of Directors for consideration as tax liens. The unpaid delinquent charges listed in said report for each parcel of property shall be fixed at the amount listed in said report.
- b. **Adoption and Filing of Report** The Secretary shall file with the County Auditor of the County of Tehama, in the time and manner specified by the County Auditor, a copy of such written report with a statement endorsed thereon over the signature of the Secretary, that such a report has been adopted and approved by the Board of Directors and that the County Auditor shall enter the amount of such charges against the respective lots or parcels of land as they appear on the current Tehama County assessment roll.
- c. Collection of Delinquent and Unpaid Charges The County Auditor shall include the amount of charges on bills for taxes levied against their respective lots and parcels of land and thereafter, the amount of such unpaid and delinquent charges shall be collected at the

same time and in the same manner by the same person as, together with and not separately from the general taxes, if any, for the District or the County of Tehama, and shall be delinquent at the same time and thereafter be subject to the same delinquency penalties.

SECTION 9. CUSTOMER COMPLAINTS AND DISPUTED BILLS

9.01 Water Service Complaints

Should a Customer have a problem with quality or pressure of their water service, he/she should report the problem to the District office (384-2737) so that it may be investigated and remedied.

9.02 Disputed Bills

The Customer has a right to initiate a complaint or request an investigation regarding the accuracy of water charges on any bill tendered by the District. Up to five calendar days prior to the bill becoming delinquent, the Customer can make such a complaint in writing and deliver it to the District office along with all evidence and data the Customer wishes to be considered by the District. The General Manager shall review the complaint and render a decision as to the accuracy of the water charges.

Water service may not be terminated until the investigation is completed and the Customer has been notified of the District's decision. If water charges are determined to be incorrect, a corrected bill will be provided and the revised charges will be due within 10 calendar days after the date of bill for revised charges. If the water charges are determined to be correct, the water charges are due and payable at the time the decision of the General Manager is rendered.

If the decision of the General Manager is not to the satisfaction of the Customer, the Customer may request in writing a hearing before the Board of Directors at the next regular meeting. The request must be submitted in writing to the District at least five calendar days prior to the next regular meeting of the Board.

9.03 Meter Testing Requests

All meters are factory-tested prior to installation. AnyCustomer may request that his/her meter be examined and tested to see if it is correctly recording water delivered through it. The meter testing request shall be made on a form furnished by the District and signed by the Customer. If the meter test finds the meter is registering within 3% accuracy, the Customer shall pay the cost of the test to the District. If the meter is found to not be measuring within the 3% accuracy, the District will pay for the test and will repair or replace the meter.

SECTION 10. FIRE HYDRANTS

10.01 Fire Hydrant Use

Fire hydrants are for use only by the District and by organized fire protection agencies. Other parties desiring to use water from fire hydrants for any purpose must obtain permission from the General Manager and shall operate the hydrant according to the instructions issued by the General Manager.

10.02 Unauthorized Use of Fire Hydrants

Tampering with any fire hydrant or the unauthorized use of water there from, or for any other purpose, is a misdemeanor, punishable by law. The District specifically prohibits the operation of the valve of any fire hydrant other than by the use of a spanner wrench designed for this purpose.

10.3 Fire Hydrant Damage

When any person, company, or agency is determined to be the responsible party that has caused damage of a fire hydrant or blow off valve, the District may charge that party with all costs necessary to repair the damages and the cost of water loss.

SECTION 11. PRIVATE FIRE PROTECTION SYSTEMS

11.01 Fire Protection Systems

Current building codes require fire sprinkler protection systems in new commercial and residential structures. These fire protection systems shall be separate isolated systems from the potable water systems on the premises and shall be supplied water via a separate fire service connection to the District's water main system. There shall be no connection between the fire protection system and any other water distribution system on the premises.

11.02 Fire Service Application

An application for fire protection service is required on forms provided by the District, and signed by the legal owner of the subject property. The private fire protection system must be for the sole and exclusive benefit and use of the Applicant and must be located entirely within Applicant's property. The Applicant assumes full responsibility for all maintenance and repair of the said system from the property side of the water meter.

11.03 Fire Service Connection Cost

The fire service connection from the distribution main to the customer's premises, including the detector check valve or other suitable and equivalent device, shut-off valve and valve box will be installed by the District. The Applicant shall pay the total actual installation costs of the fire service connection which, when operational, will become the property of the District.

11.04 Fire Protection System and Fire Service Connection Design

The type and location of the private fire protection system must be approved by the responsible fire protection agency. Applicants for new fire service connections are required to install, maintain and annually test a backflow prevention device on the premises to prevent backflow from the fire protection system to the District's water supply. The backflow prevention devise with the bypass meter shall be furnished by the applicant and installed in compliance with the District's Standard Specifications. See Section 12 of these Rules and Regulations for further requirements concerning these devices. The size and design of the service connection, backflow prevention devise, check valve, and cold water fire service type meter shall be subject to approval by the District and shall comply with all applicable ISO and fire department standards and requirements.

Section 11.05 Water Use in Fire Protection Services

There shall be no water used through the fire protection service except to extinguish fires and for testing the firefighting equipment. Any unauthorized consumption recorded on the meter of the backflow prevention device will be charged at double the regular service rates. Regular water usage rates will be charged for water used to extinguish accidental fires where such fires

have been reported to a duly authorized fire protection agency or during routine testing and inspection. If water is used from a private fire service in violation of these regulations, the District may pursue charges against the Customer for unauthorized water use.

Section 11.06 Monthly Fire Service Fee

If no water usage is recorded during the monthly meter reading, the Customer will be charged a monthly Fire Service Fee of \$10 for the availability of pressured water for the fire protection system.

Section 11.07 Water Pressure and Supply

The District assumes no responsibility for loss or damage due to lack of water or pressure, either high or low, andmerely agrees to furnish such quantities and pressures as are available in its general distribution system. Waterservice is subject to shutdowns and variations as noted in Sections 1.05 and 1.06 of these Rules and Regulations.

SECTION 12. BACKFLOW PROTECTION

12.1 Backflow Prevention Devices

A Customer is required to install a backflow protection device on their premises at their own cost if the Customer's water system is or can be readily cross-connected to a second source of water of unknown or untested quality, such as a private well. Backflow prevention devices are also required on private fire protection systems. These devices prevent the backflow of water of unknown quality from the Customer's premises into the District's community water supply. Backflow Prevention Devices are designed to prevent such backflows under all conditions and their proper specification, installation, inspection, testing, and maintenance are essential to the protection of the District's water supply.

12.2 Annual Device Testing

Customers are responsible for Backflow Protection Devices and their annual testing. However, it is in the District's interest to ensure annual testing is performed to approved standards. Therefore, the District has a program for sharing the cost of annual testing with the Customer and arranging to have the annual device testing done by a certified testing contractor. The District pays for half of the cost and charges of the Customer Backflow Test Fee. If Customers do not wish to participate in the cost sharing program, they may opt out in writing and provide certified evidence to the District annually that their backflow device has been tested and is working properly.

12.3 Backflow Protection Violations

The District will immediately disconnect service to a Customer in the following situations.

- 1. A Customer interferes with District personnel inspecting private premises for plumbed cross-connections or other actual or potential backflow hazards,
- 2. Any premises or Customer are found not to be in compliance with approved backflow prevention and cross-connection control conditions of service and established practices.
- 3. Detection of an imminent sanitary threat to the District water supply due to an actual or potential backflow situation on any Customer premises.

SECTION 13. SERVICE CONNECTIONSThe following is the Service Connection Policy previously adopted by the LMCSD Board of Directors.

SEE LMCSD "SERVICE CONNECTION POLICY" ADOPTED AUGUST 5, 2013, BOARD RESOLUTION 2013-48

SERVICE CONNECTION POLICY

Adopted by Board Action <u>August 5, 2013</u> Resolution No. <u>2013-48</u>

CONNECTION POLICY This policy applies to all new water Service Connections, both residential and commercial, and to upgrades of existing Service Connections. It does not apply to the connection of Private Fire Protection Systems which is covered under separate policy.

PURPOSE This policy provides the process and applicable charges in accordance with state laws for all new and upgraded water Service Connections.

Service Connection-Section 1 – Definitions

District means Los Molinos Community Service District (LMCSD)

<u>General Manager</u> – the General Manager of the Los Molinos Community Services District

Property - a deeded parcel of real estate as shown on an assessor's parcel map.

<u>Property Owner</u> - the person in whose name the legal title to the Property appears by deed duly recorded in the CountyRecorder's Office

<u>Service Connection</u> - the pipe and appurtenant facilities such as the meter shut-off valve, meter and meter box, all used to extend potable water service from a distribution main to a Property.

Service Connection-Section 2 - Applying for a New Service Connection

If a Property Owner desires to have a new water service installed on a Property, the Property Owner can apply by letter for a new Service Connection. If the requested connection is not a standard 5/8 inch meter residential connection, then the application should also provide drawings of the requested installation. The General Manager and District Engineer (if needed) will perform a technical review of the application. If the District has the capacity to supply water for the requested application and the application satisfies the technical requirements of the District, the General Manager will approve the request and provide an approval letter to the Property Owner.

Service Connection-Section 3 - Service Connection Cost

There are two separate costs that the Property Owner must pay associated with a new Service Connection. These two separate costs, which are described below, are the Connection Fee and Capacity Charge.

A. Connection Fee

The Connection Fee is the actual cost of the materials and labor to install the Service Connection. When a requested new Service Connection is approved, the District provides the

Property Owner with an estimated Connection Fee based on the estimated cost of installing the desired Service Connection on the specific Property. The Property Owner must pay the estimated Connection Fee prior to the start of work. If, after completion of work, the actual installation costs exceed the estimated Connection Fee, then the Property Owner must pay the difference before the District will turn on water service. If, after the completion of work, the actual installation costs are less than the estimated Connection Fee, the District will reimburse the difference to the Property Owner and turn on water service.

B. Capacity Charge

The Capacity Charge is a charge to a new connector, which represents the new connector's contribution to the cost of the existing water distribution system to which they are connecting. The calculation of the Capacity Charge is designed to have new connectors pay a contribution which is similar in today dollars to the equivalent Capacity Charge of \$2,396 paid by the District's original customers. The \$2,396 paid for a 5/8" metered connection in 1995 is adjusted for time using the US Bureau of Labor Statistics Consumer Price Index (CPI) calculator at the time of application, then adjusted for meter size (i.e., potential added capacity usage) using the below meter size factor. Therefore, the calculated Capacity Charge equals \$2,396 multiplied by the CPI adjustment multiplied by the meter size factor.

Meter Size	<u>Factor</u>
5/8"	1.0
3/4"	1.67
1"	2.33
1 1/2"	3.33
2"	5.33

A Property Owner must pay the calculated Capacity Charge for a connection on any Property on which the Property Owner has not or is not paying a District assessment. The following subparagraphs apply to a Property on which the Property Owner has already paid or is paying a District assessment.

- (1) If there is no existing connection and the Property Owner requests a 5/8" metered connection, the Property Owner is not required to pay a Capacity Charge.
- (2) If there is no existing connection and the Property Owner requests a larger than 5/8" metered connection, the Property Owner must pay the calculated Capacity Charge, but the calculated Capacity Charge will be reduced by the CPI adjusted value of the \$2,396 already assessed.
- (3) If the Property Owner wants to increase the size of an existing 5/8" meter, the Property Owner must pay the calculated Capacity Charge, but the calculated Capacity Charge will be reduced by the CPI adjusted value of the \$2,396 already assessed.
- (4) If the Property Owner wants to install an additional metered connection on the Property, the Property Owner must pay the calculated Capacity Charge.

Service Connection-Section 4 - New Service Connection Work

Only authorized employees or agents of the District will be permitted to install a Service Connection from the District's water main to a Property. All connections will be made in

accordance with the District's technical requirements. The District will furnish and install the Service Connection at such location as the Property Owner requests, provided such requests are reasonable and approved by District. The Service Connection will be installed from the water distribution main to a curb line or Property line which abuts a street, thoroughfare, or District rights-of-way or easement.

Section 5 - Water Main Extension

The Property Owner applying for a new Service Connection is also responsible for all costs of water main extension, if water main extension is required in order to provide the new Service Connection.

Section 6 - Highway 99 Right of Way Work

If the Service Connection is from a water main located in the State Highway 99E right of way, the Connection Fee will also include the added costs associated with work within the state highway right of way such as traffic control.

SECTION 14. MISCELLANEOUS

14.01 Rulings Final

All rulings of the General Manager shall be final unless appealed in writing to the Board of Directorsat least five (5) days prior to a regular Board meeting. When appealed, the Board's ruling shall be final.

14.02 Relief on Application

When any person, by reason of special circumstances, is of the opinion that any provision of these Rules and Regulations is unjust or inequitable as applied to his premises, he may make written application to the Board of Directors, stating the special circumstances, citing the provision complained of, and requesting suspension or modification of that provision as applied to his premises.

14.03 Relief on Own Motion

The Board may, on its own motion, find that by reason of special circumstances any provision of these Rules and Regulations should be suspended or modified as applied to a particular premises and may, by resolution, order such suspension or modification for such premises during the period of such special circumstances, or any part thereof.

SECTION 15. PENALTY

Violations of any DistrictRules or Regulationsshall constitute a misdemeanor and can be punishable by imprisonment for a term not exceeding six months, or by fine, not exceeding \$1,000.00 or by both. Each day a violation of this Ordinance shall occur shall constitute a separate offense.

SECTION 16. SEVERABILITY

If any section, subsection, sentence, clause or phrase of these Rules and Regulations, or the application thereof to any person or circumstance is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of these Rules and Regulations or the application of such provision to other persons or circumstances. The Board hereby declares that it would have passed these Rules and Regulations or any section, subsection, sentence, clause or phrase hereof irrespective of the fact that any one or more section, subsections, sentences, clauses, or phrases be declared to be unconstitutional or invalid.

SECTION 17. CANCELLATION

These Rules and Regulations take precedence over previously adopted District Policies 1 through 8.

SECTION 18. EFFECTIVE DATE

These Rules and Regulations shall take effect and be in full force in thirty (90) days after the date of the adoption of Board Resolution 2014-50.

The foregoing Rules and Regulation were introduced at a regular meeting of the Board of Directors of the Los Molinos Community Services District held on February 12, 2014. Director Hamer moved theadoption of said Resolution, which motion was seconded by Wolstenholm and upon call for vote was carried by the following vote:

AYES: HAMER, GEHRU NOES: ABSENT: HERLEIN	ING, WOLSTENHO	PLM	
Loren Gehrung, District	President		
Community Services Dis	strict, hereby certify		
DATED: This	day of	, 2014	
_	James G. Lowder		_