

## 101 BOARD POLICIES AND PROCEDURES

### 101.1 Purpose of Board Policies

It is the intent of the Board of Directors of the District to maintain a District Operational Policies and Procedures Manual. Contained in the Manual shall be a comprehensive listing and description of the Board's current operational policies and procedures, which constitute the rules and regulations enacted by the Board from time to time to govern the operations of the District. The District's Operational Policies and Procedures Manual is intended to serve as a resource for directors, staff and members of the public in determining the manner in which the District's business is to be conducted. The District's Operational Policies and Procedures Manual consists of the following sections: 1) Board Policies and Procedures; 2) Public Records Management; 3) Personnel Policies; 4) Financial Policies; 5) Deeds, Easements and Encroachments; 6) Facility Development; 7) Safety and Security Policies; 8) Administrative Policies for the District's Parks System, and 9) Miscellaneous Policies and Procedures. These policies can be amended by the Board at any time.

### 101.2 Conflicts of Policies & Procedures with Statutes or Regulations

If any policy or portion of a policy contained within the District's Operational Policies and Procedures Manual is in conflict with the provisions of the Community Services District Law at Government Code Section 61000 et seq., or any other statutes applicable to community services districts, or regulations in the California Code of Regulations which are applicable to the District or its operations, then said statutes and/or regulations shall prevail over the policies and procedures specified herein.

### 101.3 Policy Manual of the Board of Directors

In addition to this Operational Policies and Procedures Manual, the Board of Directors has also adopted a separate Policy Manual of the Board of Directors. The Policy Manual of the Board of Directors is maintained under separate cover from the District's Operational Policies and Procedures Manual.

- A. Purpose: The purpose of the Policy Manual of the Board of Directors is to provide rules and guidelines for the conduct of the Board of Directors of the District. The current version of the Policy Manual of the Board of Directors shall supersede all prior Board policies, actions, or practices with respect to the operations of the Board of Directors.
- B. Policy Amendment: The Board of Directors may amend its Policy Manual of the Board of Directors from time to time.

## 102 ADOPTION & AMENDMENT OF POLICIES

### 102.1 Initiating a Policy

The Board of Directors may consider adopting a new policy or amending an existing policy at any regular or special meeting of the Board of Directors. Any Director or the General Manager may initiate this action. The proposed new policy or amended policy is initiated by submitting a written draft of the proposed new policy or amended policy to each Director and the General Manager through the District Secretary, and requesting that said item be included for consideration on the agenda of a regular or special meeting of the Board of Directors of the District.

### 102.2 Adopting a Policy

Adoption of a new policy or amendment of an existing policy shall be accomplished at a regular meeting of the Board of Directors and shall require the affirmative vote of three members of the Board of Directors, constituting a majority of the authorized number of members of the Board of Directors of the District.

Copies of the proposed new or amended policy shall be included in the Board agenda packet for any regular or special meeting at which such policy is scheduled to be considered. A copy of the new or amended policy shall be made available to each director for review at the time the entire agenda packet is made available for review, which is no later than two days prior to the regular meeting at which such policies are to be considered for adoption and/or amendment.

## 103 BOARD ACTIONS AND DECISIONS

### 103.1 Board Action

The Board of Directors of the District may take action to adopt a new policy or amend an existing policy at a regular or special meeting of the Board. The Board may take action by minute action, resolution or ordinance. The following procedure will govern the adoption and distribution of resolutions and ordinances. Actions which may be taken by the Board of Directors include but are not limited to the following:

- A. Adoption, amendment, or revision of District policies, procedures or regulations within the subject matter jurisdiction of the District or within the powers and purposes of the District as specified in the Community Services District Law at Government Code Section 61000 et seq., (the "Act"). This includes, but is not limited to, regulations regarding the use of District facilities and delivery of District services to the full extent authorized by the Act;
- B. Adoption of fees, rates, charges, assessments and/or taxes as authorized by the Act;
- C. Approval and/or revision of the District's annual budget;
- D. Approval and/or revision of District expenditures;

- E. Approval, revision and/or rejection of any contracts to be entered into by the District;
- F. Approval and/or rejection of any action which permits the use of District facilities or property including, but not limited to permits, easements, licenses, rights-of-way, encroachment permits, development agreements, annexation agreements or any other form of entitlement to utilize District property or facilities;
- G. Approve or reject any claim for monetary damages against the District.

### 103.2 Methods by Which Board Takes Action

The Board may take action by minute action, resolution or ordinance to make a new policy or amend an existing policy. The following procedures will govern the adoption and distribution of minute actions, resolutions and ordinances.

- A. The Board may take action at any properly agendized meeting of the District Board of Directors pursuant to the Brown Act (Government Code Section 54956 et seq.,) (the “Brown Act”) by utilizing any of the following procedures: (a) by minute action, upon motion of one Board member, seconded by an additional Board member, and duly adopted by a majority vote of the total authorized number of the Board of Directors of the District and recorded in the official Minutes of Meetings of the Board of Directors of the District; (b) by resolution, after motion, second, and majority vote of the total authorized number of members of the Board, such resolution to constitute a separate document recording the actions taken by the Board and the reasons for such actions, which includes the votes of individual members of the Board on the issue of adoption of the resolution, which is signed by the President of the Board of Directors, and attested and certified by the Secretary of the Board; or (c) by Ordinance, pursuant to the procedures set forth in Section 103.6.
- B. A majority of the members of the Board of Directors may give directions to staff to perform certain actions that do not constitute formal action of the Board and do not require the adoption of a formal resolution or ordinance. In such cases the Minutes shall reflect the directions given to staff by a consensus of the majority of the members of the Board. Such direction will usually include a Board directive and instructions to the General Manager.
  - 1. Through discussion with Board members the President of the Board shall determine whether a consensus exists for a particular Board direction to be given to staff. Should there be a dispute among Board members, a voice vote may be requested and taken among members of the Board regarding the proposed Board directive to staff.
  - 2. No individual member of the Board of Directors shall have the power to direct staff with respect to any issue.

### 103.3 Minute Actions

Normally, the Board of Directors of the District conducts its business by minute action. If a Board action requires special documentation, such as setting rates, then the Board uses resolutions (Section 103.4) and ordinances (Section 103.5) to document the Board action. To conduct Board business by minute action, the following procedure is used: upon motion of one Board member, seconded by an additional Board

member, and duly adopted by a majority vote of the total authorized number of the Board of Directors of the District and recorded in the official Minutes of Meetings of the Board of Directors of the District.

#### 103.4 Board Resolutions

- A. Generally, a resolution of the Board of Directors records Board action which the Board is requiring of itself or the District, as a public agency, which action will not directly affect the District's customers or residents. Resolutions generally constitute an expression of policy or opinion concerning some particular item of business before the District, and often relates to the administrative activities of the District. Examples of such actions which may be taken by resolution are: adoption of District policies and procedures; entering into contracts with professional consultants; entering into contracts with general contractors, architects and/or engineers regarding design, construction and repair of District capital facilities.
- B. Resolutions may be adopted by the Board of Directors at the meeting in which they are introduced on the agenda. Resolutions which are adopted by the Board of Directors are effective immediately unless otherwise specified, and need not be published after adoption by the Board of Directors in order to be effective.
- C. Any District resolution may be amended or repealed after being properly agendaized pursuant to the provisions of the Brown Act and after compliance with the same procedure for adopting the resolutions specified in this policy.
- D. Resolutions Affecting Real Property
  - 1. Resolutions affecting real property are those Board resolutions documenting action by the Board of Directors conveying or accepting grants of real property with respect to non-District property or granting easements with respect to District property; placing or releasing liens against real property for delinquent District fees, charges, taxes and/or assessments; granting, revising, or terminating any lease of subject property; granting concession, right of entry, right of use, access permits, or encroachment permits to members of the public with respect to use or access to District real property.
  - 2. Resolutions affecting real property and adopted by the Board shall have attached as exhibits any and all agreements, easements, liens, licenses, permits, leases, which are the subject matter of that particular resolution.
- E. Resolutions Regarding General District Business

These resolutions may document all other actions taken by the Board of Directors regarding issues within the subject matter jurisdiction of the District that do not involve real property but for which the District desires to provide written, certified evidence of the formal adoption of specified actions by the Board on behalf of the District upon which third parties may rely, such as banks, lessors, finance companies, vendors, contractors, consultants, etc.

- 1. If such a resolution acts to authorize a specific District policy, contract, or document, any and all such items referred to in such resolution shall be attached to said resolution as an exhibit and retained in the District's Resolution Book.

2. Such resolutions include resolutions of commendations issued by the Board of Directors to District employees, individual Board members, citizens of the District or other persons for the purpose of commending specified actions taken by such individuals which improve District facilities or services to benefit the District and its constituencies in some identifiable way. Such resolutions may be printed on special paper, or be framed.

#### F. Record Keeping for Resolutions

All original resolutions shall be signed by the President of the Board of Directors, attested by the Board Secretary, and filed in the District's Resolution Book which identifies resolutions by number reference which specifies the calendar year of adoption of the resolution and the number assigned to that resolution by staff during that calendar year. Resolutions are usually numbered consecutively as they are adopted by the Board of Directors, beginning with Resolution No. 1 in each calendar year. For example, Resolution 2-09 is the second resolution of the calendar year 2009.

In addition, resolutions approving Board actions which impact third parties such as resolutions affecting real property or resolutions approving contracts or agreements, copies of such resolutions shall be forwarded to third parties affected by the Board action specified in such resolution.

### 103.5 Board Ordinances

Any action which the Board of Directors may wish to take which will have the full effect of law and be judicially enforceable as to members of the public such as customers and residents of the District shall be adopted by ordinance. If any Board action will potentially and directly affect members of the public within the District's jurisdiction, then the Board should take such actions by ordinance; otherwise, the Board may take such action by minute action or resolution. Examples of Board actions requiring action by ordinance are the following: (a) the levying and collection of rates, fees and charges with respect to water service including standby connection fees and standby charges; (b) the levying and collection of rates, fees and charges for sewer service including connection fees and standby charges; (c) the levying and collection of any special taxes; (d) the levying and collection of any assessments, including the Landscaping and Lighting Assessment for park and recreational purposes and/or a fire suppression assessment for fire suppression services; (e) the levying and collection of special taxes pursuant to the Mello-Roos Community Facilities District Act (the "Mello-Roos Act").

### 103.6 Procedures for Adoption of Ordinances

The District shall follow the procedures for ordinance passage specified for counties set forth in Government Code Sections 25120 through 25132 as required by Section 61060(a) of the Act. These requirements and procedures include specific timeframes that must be followed for public notice, specific requirements for passage, publication, and recordation of the ordinance; and specific language for the ordinance itself.

#### A. Title

Each ordinance should have a title for ease of reference and to allow the reading of the entire ordinance to be weighed at the Board meeting at which the ordinance is first introduced.

#### B. Enacting Clause

All ordinances passed by the Board must use the following enacting clause: “The Board of Directors of the Groveland Community Services District hereby ordains as follows.”

#### C. Reading of the Ordinance for the Record

All ordinances must be read in full at the time of introduction, which introduction must be by means of being properly agendized pursuant to the Brown Act at a regular meeting of the Board of Directors. Upon the introduction of any ordinance, the Board may, by majority vote, waive the reading of the entire text of the ordinance as introduced, and simply introduce the ordinance by reading the title of the ordinance.

Except for an urgency ordinance, no ordinance may be passed at the time of its introduction, nor within five (5) days of its introduction.

#### D. Adoption of the Ordinance

After introduction at a regular meeting of the Board of Directors, any ordinance may only be adopted at a regular meeting of the Board of Directors in accordance with the following procedures:

##### 1. Publication and Posting Requirement

The District must cause publication and posting of each ordinance at least five (5) days prior to the meeting of the Board at which the proposed ordinance is to be voted on, which publication shall be in a newspaper of general circulation throughout the District.

- a. Publication of an ordinance may be accomplished by the publication of the entire text of the ordinance, or it may be accomplished with the publication of a summary of the provisions of the ordinance prepared by an official designated by the Board, which summary is approved by the Board prior to certification. In addition a certified copy of the full text of the proposed ordinance must be posted in the District’s office at least five (5) days prior to the Board meeting at which the proposed ordinance is to be voted on.
- b. If it is not feasible to prepare a fair and adequate summary of the proposed ordinance, if the Board so orders and approves, a display advertisement of at least one quarter (1/4) page in a newspaper of general circulation within the District shall be published at least five (5) days prior to the Board meeting at which the proposed ordinance is to be voted on, which advertisement shall provide the general nature of and provide information about the ordinance and where to obtain copies.

#### E. Alteration of the Proposed Ordinance

If an ordinance is altered after its introduction, the ordinance may be passed only after the passage of at least five (5) days from the date of the alteration at either a regular Board meeting or an adjourned regular meeting of the Board. Simple corrections of typographical or clerical errors which do not affect the substance of the ordinance are not considered alterations and are not subject to the 5-day alteration requirement.

#### F. Votes

All ordinances require at least a majority vote of the total membership of the Board except urgency ordinances which require a four-fifths (4/5) vote of the Board.

#### G. Recordation of Votes on Ordinance

Upon passage of any ordinance, the votes of the Board members voting for, against, abstaining, or having been absent, shall be entered on the ordinance itself.

#### H. Effective Date of Ordinances

Ordinances generally become effective on the thirty-first (31<sup>st</sup>) day after adoption, provided that, before the expiration of fifteen (15) days after passage of an ordinance, the full text or a summary of the ordinance must be published a second time in the format in which it was adopted, in a newspaper of general circulation published throughout the District, with the names of the members of the Board of Directors voting for, against, abstaining, or absent.

If the Board fails to publish the summary or full text of the ordinance as adopted within fifteen (15) days after the date of the adoption, the ordinance will not become effective until thirty (30) days after the eventual date of publication.

#### I. Urgency Ordinances

Urgency ordinances take effect immediately. However, urgency ordinances must still be published within fifteen (15) days after adoption. The following ordinances take effect immediately.

1. Ordinances calling or otherwise relating to an election, whether general or special;
2. Ordinances specifically required by the government code or by any other law to take immediate effect;
3. Ordinances fixing the amount of money to be raised through special taxes, or the rate of special taxes to be levied;
4. Ordinances for the immediate preservation of public peace, health or safety, which shall contain a declaration of the facts constituting the urgency and shall be passed by a four-fifths (4/5) vote of the Board.

#### J. Post Adoption Posting Requirement

Beginning with the date the ordinance is adopted and for at least fifteen (15) days after the passage of the ordinance it must be continuously posted in the form in which it was adopted by the Board in the District's office. Both posting and publication of the ordinance after adoption are necessary for the ordinance to become effective.

#### K. Record Keeping for Ordinances

After adoption of an ordinance, the original text of the ordinance signed by the President of the Board of Directors and attested by the Board Secretary shall be filed in the District's Ordinance Book together with two (2) proofs of publication evidencing the fact that said ordinance was published both before and after adoption as required by the provisions of this policy.

## 104 CONFLICTS OF INTEREST

### 104.1 Policy

It is the policy of the District that members of the Board of Directors and designated employees of the District should at all times avoid conflicts of interest in the performance of their duties on behalf of the District. Members of the Board and designated employees are impliedly bound to exercise their powers and perform their duties with disinterested skill and diligence and for the benefit of the public which the District serves. Members of the Board and designated employees shall avoid any personal interest, whether financial or non-financial, that interferes with that person's ability to perform in accordance with this standard.

This conflict of interest policy describes the several different types of conflicts of interest members of the District Board and employees must avoid in complying with the statutory requirements. These different types of conflicts of interest are as follows: (1) conflicts of interest under the Political Reform Act, which provides that public officials are disqualified from participating in governmental decisions in which they have a financial interest; (2) the requirements of Government Code Section 1090 that a public official or employee may not participate in the making of a contract of the District in which he or she has a financial interest; (3) legal restrictions on gifts, honoraria and travel expenses; (4) legal restrictions on mass mailings; and (5) avoiding incompatible public offices.

### 104.2 Conflicts of Interest under the Political Reform Act

Under the Political Reform Act (the "Act"), public officials are disqualified from participating in government decisions in which they have a personal, material financial interest. To determine whether a conflict of interest exists under the Act, five questions must be addressed, as follows:

1. Is a public official making, participating in the making, or using his or her official position to influence the making of a District governmental decision?
2. Does the public official have a statutory defined economic interest in the outcome of a District decision?
3. Is it reasonably foreseeable that the District decision could materially affect the public official's economic interest?

4. Are the personal financial effects of a District decision “material” in accordance with the regulations and monitored thresholds specified by the Fair Political Practices Commission (“FPPC”)? and
5. Will the effect of the District decision on the public official’s economic interest be distinguishable from its effect on the public generally?

If the answer to all five of these questions is yes, a conflict of interest exists and the public official in question must disqualify himself or herself from participating in the District decision. Conflicts of interest under the Act must be assessed on a case by case basis for possible conflicts of interest in light of their individual facts. Members of the Board and employees of the District must examine each transaction from this perspective to determine if a conflict of interest exists which triggers this qualification requirement.

#### A. Economic Interests Covered

The Act addresses five kinds of interests: (1) investments in business entities; (2) interest in real property; (3) sources of income; (4) holding positions with business organizations; and (5) donors of gifts and their agents or intermediaries. The Act specifies the minimum amount of investments, income or gifts which must exist before an “interest” is created. A District Board member or designated employee with an investment, income or gift which is more than the minimum specified in the Act creates the potential of a material financial effect on that individual’s economic interest, should that individual be required to participate in the making of or influencing a District decision which affects that individual’s financial interest.

#### B. Business Investments

This is any direct or indirect investment of \$1,000.00 or more in any business entity operated for profit regardless of the form of the business whether a corporation, partnership, joint venture, sole proprietorship or some other type of enterprise.

An “Indirect Investment” includes investments owned by the spouse of a Board member or designated employee, by dependent children, as well as investments owned by someone else on behalf of the Board member or employee, such as a trust arrangement.

#### C. Interest in Real Property

A Board member or designated employee has an interest in real property when that individual, or the spouse or dependent children of that individual, have a direct or indirect equity, option, or leasehold interest of \$1,000.00 or more in a parcel of real property located within the District or within two miles of the jurisdictional boundaries of the District.

#### D. Sources of Income

A member of the Board or designated employee of the District has a financial interest in any source of income received by or promised to that individual which totals more than \$500.00 in the twelve months prior to the decision in question. A conflict of interest exists whenever either the **amount** or the **source** of the individual’s income is affected by a District decision.

Both detrimental as well as positive effects on the amount or source of income of the Board member or designated employee can create a conflict of interest.

Income includes salary or wages, gifts, reimbursements of expenses, sales proceeds, certain loans, including the employee's or director's community property interest in his or her spouse's income.

#### E. Business Positions

A member of the Board or designated employee of the District has an economic interest in any business entity in which he or she is an officer, director, employee, or holds any business position regardless of whether the individual has an investment or receives income from the business entity.

#### F. Foreseeability

A member of the Board or designated employee of the District is not required to abstain from participating in a District decision unless the effect of the decision on the individual's personal economic interest are reasonably foreseeable under all the circumstances at the time the decision is made. There must be a reasonable possibility based on the facts available to the Board member or employee at the time of the decision that the effects on that individual's economic interest will occur.

#### G. Material Financial Effect

To create a conflict of interest the effect of the decision of the Board member or designated employee on his or her economic interest must be material in light of the specific monetary limits and thresholds set forth in the FPPC regulations.

#### H. Different Effects on Public Generally

If a member of the Board or designated employee of the District has an economic interest and the District decision in question will foreseeably have a material effect on that economic interest, the individual would be disqualified from participating in the District decision if the decision will affect the individual's personal financial interest **differently** than it does the "public generally." If a member of the Board or a designated employee is participating in a District decision which will affect the general public's financial interests in the same manner as it does the individual Board member or employee, then no conflict of interest exists for that individual. For example, participating in a decision with respect to water rates, sewer rates, or fire assessments will affect the financial interests of a member of the Board or designated employee of the District in the same way as it will other members of the public who will be obligated to pay the new rates and/or assessments, so that no private or public conflict of interest occurred in such situations.

#### I. Gifts

##### 1. Acceptance of Gifts

Under this policy a “gift” is defined as any gift of money, property, rebate, discount, ticket, travel expense advance and/or reimbursement or any other property of value. Employees of the District are prohibited from accepting any gift, directly or indirectly, from any person, company, firm, corporation, or other business to which any purchase order or contract for property or services is or might be awarded by the District. Board members are prohibited from accepting any gift, directly or indirectly, from any single source in a calendar year with a value in excess of the maximum prescribed by Government Code Section 89503 which amount is currently \$420.00. Board members may not participate in any way in the discussions, negotiations, resolution, or decision that affects an entity or individual that has been a source of gift to that Board member of \$420.00 or more in the past twelve (12) months pursuant to Government Code Section 87103. Further, members of the Board of Directors and/or designated employees are prohibited from making, participating in making, or using their official positions to influence the making of any District decision which will affect either the business, organization or individual that makes the gift to that District officer or employee, or which impacts the amount or value of such a gift.

Travel expenses of Board members including costs of transportation, accommodations and meals provided by any private business or corporation, a private interest group or organization and certain nonprofit organizations are generally considered a gift to that board member and must annually be reported on that Board member’s FPPC Statement of Economic Interest Form 700 filed pursuant to the District’s Conflict of Interest Code (Appendix 100-A). Under certain circumstances receipt of travel expenses by a Board member or employee of the District may be considered reportable income, rather than a gift, to the extent the Board member or individual performs work or services benefiting the District in exchange for such travel expenses. Certain types of travel expenses may not lead to a prohibited conflict of interest and may not be reportable on the Form 700, such as travel expenses provided when a public official gives a speech, participates in a panel or seminar, or performs a similar service. Members of the Board and designated employees of the District are directed to the Instruction Manual for the Form 700 each year to become aware of these special rules that apply to receipt of travel expenses.

### 104.3 Limits on Honoraria

#### A. Definition of Honorarium

An honorarium is a payment made in consideration for any speech given, article published, or attendance at a public or private conference, convention, meeting, social event, meal, or similar gathering.

#### B. Limits on Honorarium

The Act prohibits receipt of an honorarium by any elected member of the Board of the District or by any designated employee of the District.

### C. Return or Donation of Honorarium

The limitations on an honorarium do not apply if within 30 days of the receipt of the honorarium, the honorarium is returned unused, is donated to the general fund of the District, or is donated to a charity and not claimed as a tax deduction.

## 104.4 Economic Disclosure Provisions

In addition to the requirements that members of the Board and designated employees of the District disqualify themselves from conflicts of interest situations, these individuals whose participation in District decision making could affect their economic interests are required under the Act to file economic interest statements (Form 700) annually which are public records. Disclosure serves a two-fold purpose of making assets and income of members of the Board and designated employees of the District a matter of public record, and by making the public aware of what constitutes economic interests subject to conflicts of interest. Disclosure enables Board members and employees of the District to be able to identify conflict of interest situations when they arise and disqualify themselves from participating in discussions when appropriate.

### A. Conflict of Interest Code

The District's Conflict of Interest Code attached hereto as Appendix 100-A lists the categories of Board members and designated employees of the District who are required to file a Statement of Economic Interest (Form 700), and describes the economic interests which are subject to reporting. The Conflict of Interest Code also specifies when Board members and designated employees of the District must file their Form 700s and with whom.

All Form 700s are available for public inspection during regular business hours pursuant to the District's public record policy (Policy Section 201).

## 104.5 Mass Mailing Restrictions

The Act prohibits incumbent elected directors of the District from authorizing the use of District funds to produce mass mailings to residents and customers of the District which feature the elected Board member and increase the Board member's exposure to the public.

### A. Basic Prohibition

The Act prohibits the District from mailing more than 200 substantially similar tangible items in one month, by any means, to recipients of the District if such mass mailing is prepared and mailed at District expense and featured an elected member of the Board, including the name, office, photograph or other reference to an elected Board member.

### B. Exceptions

The Act specifies the following exceptions to the general prohibition:

1. Any item in which the elected Board member's name appears only in the letterhead, or a roster listing containing the names of all members of the Board, or a listing of a member of the Board on the envelope of the District;
2. A press release sent to members of the media;
3. Any intra-District communication to staff during the normal course of business;
4. Any item sent by the District in connection with the payment or collection of rates, fees, charges or assessments;
5. Any District or telephone directory, organizational chart, or similar listing or roster;
6. An announcement sent to an elected Board member's constituents concerning a public meeting which is directly related to the elected Board member's duties on behalf of the District which is held by the elected Board member and which the elected Board member attends.

#### 104.6 Conflicts of Interest in Contracts

A Board member or designated employee of the District may not participate in the making of a contract or influence the negotiation of a contract in which he or she is financially interested. A Board member is conclusively presumed to have participated in the making of any contract executed by the Board or the District, even if the Board member has disqualified himself or herself from any and all participation in the making of the contract. Any Board member or designated employee of the District who participates in the process by which a contract is developed, negotiated and executed and in which such Board member or employee is financially interested is a violation of Government Code Section 1090. Any contract made in violation of Government Code Section 1090 is void and cannot be enforced.

##### A. Persons Covered

All Board members are covered because they are conclusively presumed to be involved in the making of all contracts by the District. All employees and consultants of the District also come within the prohibitions of Government Code Section 1090.

##### B. Nature of Financial Interest in a Contract

The following economic relationships generally constitute a financial interest in a contract prohibited by Government Code Section 1090: (1) employee of a contracting party; (2) attorney, agent or broker of a contracting party; (3) supplier of services or goods to a contracting party; (3) landlord or tenant of a contracting party; (4) officer or employee of a nonprofit corporation which is a contracting party with the District.

##### C. Remote Interests

Government Code Section 1091 enumerates specific financial interests of Board members and employees of the District in contracts of the District which trigger abstention for Board members, but which do not prevent the Board from making the contract. Members of the Board and the designated employees of the District should consult Government Code Section 1091 for the definition of the specific interests which constitute a remote interest.

#### D. Non-Interest

Government Code Section 1091.5 enumerates the specific financial interests in contracts of the District which do not prevent a Board member or employee from participating in the making of a contract, and do not require abstention or disqualification, which interests are referred to as “non-interests.” Again, Board members and District staff are urged to consult Government Code Section 1091.5 for the specific types of interests which constitute “non-interest.”

### 104.7 Incompatible Offices

The legal restrictions on incompatible offices deals with the potential clash of two public offices held by a single individual, as opposed to a conflict of interest which involves a clash between an individual’s private interests and his or her public duties.

The law prohibits a public official from holding two public offices simultaneously, except as specifically authorized and permitted by law, where there is a potential conflict or overlap in the functions or responsibilities of the two offices.

## 105 COMPLAINTS

### 105.1 Purpose

The Board of Directors desires that public and policy complaints be resolved at the lowest possible administrative level, and that the method for resolution of complaints be logical, systematic, and timely. This policy is not intended to prohibit or deter a member of the community or staff member from appearing before the Board to verbally present a statement in regard to actions of the Board, issues regarding District programs and services, or issues pending before the Board.

### 105.2 Definitions

- A. Complaint: A complaint is an allegation by a member of the public that he or she has been adversely affected by the misinterpretation or misapplication of a District ordinance, policy, or other District action.

### 105.3 Method of Resolution

The method of resolving complaints shall be as follows:

- A. The Admin/Finance Manager or General Manager will direct the individual with a complaint to the appropriate staff person for discussion.

- B. If the individual registering the complaint is not satisfied with the disposition of the complaint by staff, the complaint will be forwarded to the General Manager. Within a reasonable time, the General Manager shall meet with the person filing the complaint to resolve the matter. At the option of the General Manager, he/she may conduct interviews and/or review written documentation in reviewing the allegations of the complaint. The General Manager shall record his or her decision in writing, providing a copy to the individual registering the complaint.
- C. If the individual filing the complaint is not satisfied with the disposition of the matter by the General Manager, a written complaint may be filed with the Board of Directors within ten (10) days of receiving the General Manager's decision. The Board may consider the matter at the next regular meeting, or call a special meeting. In making the final decision, the Board may request oral testimony and/or review written documentation. The Board's decision shall be memorialized in writing with a copy provided to the individual registering the complaint. All decisions of the Board of Directors are final.

## 106 CLAIMS AGAINST THE DISTRICT

### 106.1 Purpose

The purpose of these policies is to establish uniform procedures for the filing of claims against the District for money or damages in accordance with the requirements of the Government Claims Act (Gov. Code § 810-996.6 hereinafter the "Act"). In general, the Act and these policies require that a legal action for money or damages against the District may not be maintained in a court of law unless a written claim has first been timely presented to the Board of Directors of the District and rejected in whole or in part. Compliance with the procedures specified in the Act and these policies is mandatory in order for the claimant to maintain a judicial action against the District for monetary damages. The purpose of these policies is to give the District an opportunity to settle justifiable claims before legal action is brought. Second, these policies permit the District to make an early investigation of facts, on which the claim is based, thereby enabling the District to defend itself against unjust claims and to correct the conditions or practices which gave rise to the claim.

### 106.2 Types of Claims Subject to Claims Presentation Requirements

#### A. Claims Against the District for Money or Damages Required by the Act

The Act requires that all claims against the District for money or damages comply with the claims presentation requirements specified in the Act and summarized in these policies. A claim for money or damages against the District may include a claim of property damage to real property, property damage to personal property, personal injury damages which include any form of injury to a person including physical injury or injury to reputation or character, or a claim of contractual damages. Examples of claims which may be filed against the District requesting money or damages from the District are as follows:

##### 1. Tort Claims

- a. Claims of negligence by the District or its employees resulting in personal injury or property damage;
  - b. Claims of nuisance resulting in personal injury or property damages;
  - c. Breach of statutory duties;
  - d. A claim alleging intentional wrongful conduct by District employees in the course of their employment causing personal injury or property damage including but not limited to fraud, false arrest, assault and battery, or discrimination.
2. Contract Claims

These claims allege breach of an oral or written contract by District resulting in monetary damages to the other party to the contract.

**B. Claims Exempt from the Act but Required to Comply with Claims Presentation Requirements**

There are various types of claims which may be filed against the District which do not involve claims for money or damages against the District which, although exempt from the Act, are still required to comply with the claims presentation procedures and requirements specified in these policies and the District's Claims Ordinance (*See* Appendix 100-B). The purpose of the Claims Ordinance is to require that all claims filed with the District comply with the claims presentation requirements specified in these policies in order to accomplish the purposes of these policies. Examples of the types of claims which may be brought against the District which must comply with the claims presentation requirements specified herein pursuant to the authority of the District's Claims Ordinance are the following types of claims:

1. Any claim seeking relief other than money or damages, such as a request for an injunction to stop continuing District activity or a mandatory injunction seeking a court order compelling the District to perform specified actions;
2. Petition for issuance of a writ of mandate by a court compelling the District and its employees to perform a mandatory duty, such as compliance with CEQA requirements in approving public projects;
3. Actions which seek declaratory relief or a court's declaration of the relative rights and obligations of contracting parties including the District;
4. Actions alleging employment discrimination by the District or its employees including sexual harassment claims, and actions by employees against the District for back pay or benefits;
5. Actions claiming violation of federal law;
6. Claims against the District for refund of special taxes, assessments, or fees and charges submitted by individual claimants. The District's Claims Ordinance does not permit the

filing of class action claims against the District for refunds of special taxes, assessments, or fees and charges.

### 106.3 Preparation of Claim

Reference is made to Appendix 100-C (Instructions for Filing a Claim) of these policies, Instructions for Filing a Claim, which specify the required contents of the Claim Form (Appendix 100-C, Exhibit 1) and provide a suggested form of Claim Form for filing by potential claimants.

### 106.4 Time Limits for Presentation of Claim

Claims for money or damages related to causes of action for death, injury to persons, or injury to personal property must be filed within six (6) months after the accrual of the cause of action. Claims for money or damages relating to any other cause of action such as allegations of damage to real property and breach of contract must be filed within one (1) year after accrual of the cause of action.

Claims which do not involve claims for money or damages against the District as specified in Section 106.2.B, 1-6 must be filed within six (6) months after the accrual of such cause of action.

### 106.5 Method of Presentation of Claim

The claimant may present the claim or an amendment to a claim or an application for leave to file a late claim by either delivering the document to the Board Secretary of the District at the District's office or mailing it to the Board Secretary at the address of the District's principal office. A mailed claim will be deemed filed effective on the date that a properly stamped and addressed envelope containing the claim is deposited in the mail.

### 106.6 Consideration of Claim by District

Upon presentation of a claim to the District in accordance with the procedures set forth above, District staff will take one or more of the following actions with respect to consideration of the claim.

#### A. Notice of Insufficiency of Claim

Within twenty (20) days after a claim has been presented, the District shall give the claimant written notice of any substantial defects or omissions in the content of the claim that prevent the claim from complying with the requirements of this policy specified above. A form of Notice of Insufficiency is attached hereto as Appendix 100-D (Forms Letters for Claims), Exhibits D-1A and D-1B.

#### B. Investigation of Claim

The General Manager shall authorize an investigation to be conducted regarding the facts and circumstances surrounding the claim both as to potential District liability for the losses specified in the claim as well as the nature, extent and amount of losses claimed. If the claim requests action by the District other than compensation for money or damages, the

investigation shall include an evaluation of the claimant's requested action on District operations. This investigation then may be conducted under the auspices of or with the cooperation of the District's insurance coverage provider and District Legal Counsel.

#### 106.7 Board Action on Claim

The Board of Directors of the District is authorized, within a period of forty-five (45) days after the claim has been presented to the District, to take any of the following actions: (1) reject the claim entirely; (2) allow the claim in full; (3) allow the claim in part and reject the balance of the claim; (4) compromise the claim or settle the claim if the liability or amount due is disputed; (5) take no action, thus permitting the claim to be denied by operation of law pursuant to Government Code Section 912.4(c).

The District's insurance coverage provider recommends that if the Board of Directors of District disputes any aspect of alleged District liability for the claim, or disputes in part the amount of money or damages alleged in the claim or the specific District action requested in the claim, that the Board of Directors of District reject the claim in its entirety and forward it to the insurance coverage provider for additional investigation and adjustment of the claim.

#### 106.8 Notice of Action on Claim

Upon final action by the Board of Directors on any claim, written notice of the Board's action on the claim shall be mailed to the claimant at the address specified in the Claim Form in the form provided in Government Code Section 913 and as specified in Appendix 100-D—Form Letters for Claims to these policies. The giving of such notice is important because it limits the statute of limitations applicable to any judicial action which the claimant may desire to file in the event of a rejected claim to six (6) months after the date of the written notice of rejection of claim from the District.

#### 106.9 Reconsideration of Rejected Claims

The District wishes to provide for the utmost flexibility in negotiation and settlement of claims against the District. Even after a claim has been rejected by Board action, the Board will grant reconsideration of rejected claims if reconsideration is requested before a legal action on the claim has begun. As an alternative to reconsideration of rejected claim, the Board of Directors may act to agree to extend the time to consider a claim beyond the customary 45-day period.

#### 106.10 Notice and Return of Late Claim

When a claim that is required under these policies to be presented six (6) months after accrual of the cause of action is presented late, or when a claim is required under these policies to be presented within either six (6) months after the accrual of the cause of action, or one year after accrual of the cause of action is presented late, the Board Secretary shall give notice to the claimant that the claim was not timely filed and that the claim is being returned without further action. This notice shall be sent within forty-five (45) days after receipt of the claim. The form of notice is specified by Government Code Section 911.3(a) and is set forth in Appendix 100-D (Form Letters for Claims, Exhibits D-3, D-4 and D-5) to these policies. The notice advises the claimant that the claimant's only recourse is to apply without delay for leave to present a late claim to the Board of Directors for consideration.

## 106.11 Summary of Late Claim Procedure

The late claim procedure is comprised of the following steps:

- A. The claimant must file an Application for Leave to File a Late Claim with the District. The application must be presented within a reasonable time not to exceed one year after the accrual of the cause of action. A form of Application for Leave to File a Late Claim is attached to these policies as Appendix 100-D (Form Letters for Claims, Exhibits D-3).
- B. The Board of Directors of District has forty-five (45) days in which to grant or deny the Application for Leave to File a Late Claim. Failure of the Board to take any action within forty-five (45) days operates as a denial of the application. If the Board approves the Application to File a Late Claim, the Board of Directors will agendaize consideration of rejection or acceptance of the claim either in whole or in part at a subsequent regular meeting of the Board of Directors.
- C. If the Board of Directors denies the Application for Leave to File a Late Claim, the claimant has six (6) months in which to file a petition with the court for an order excusing claimant from complying with these claims presentation requirements.

## 106.12 Method of Notice Regarding Action on Claim

All communications between the District and the claimant after the date a Claim is filed with the District shall be by first class mail postage prepaid mailed to the address of the claimant as specified in the Claim Form. In certain circumstances the District may use Certified Mail-Return Receipt Requested to obtain evidentiary support for receipt of mailed documents from the District.

## 106.13 Property Damage Claims Not Exceeding \$2,000

In the course of the District's operations in providing water, wastewater, parks, recreation and fire service, damage to land and improvements occasionally occurs due to the proximity of the District's facilities to private property. When District employees are aware that property has been damaged in the course of their work, restorative measures are to be taken to return the property as close to its original condition as possible.

When a property owner files a Claims Form with the District alleging District liability for property damage in an amount not to exceed Two Thousand Dollars (\$2,000.00), which is the District's deductible on its property damage insurance policy, the District will conduct an investigation of the circumstances surrounding the property damage claim.

Investigations shall be done in a timely fashion and documented with a written report, including photographs and/or interviews, when appropriate. Interviews of employees or other witnesses may be recorded and subsequently transcribed, or witnesses or employees may be asked to give written statements of the circumstances surrounding the Claim. A copy of the investigative report shall be submitted to the General Manager.

If the investigation report finds that the property damage alleged in the Claim Form is due to negligent actions by the District or its employees, the investigation shall also address the issues of whether the

alleged property damage can be repaired by the District for the sum of less than Two Thousand Dollars (\$2,000.00).

If the investigation report reveals that the alleged property damage can be repaired by the District for a sum of less than Two Thousand Dollars (\$2,000.00), the General Manager may direct that a Work Order be prepared to repair the damages subject to all of the following conditions:

- A. Property owner agrees that the proposed repairs are appropriate and adequate;
- B. Property owner agrees to allow District personnel access to their property to perform the repair work;
- C. District personnel have the necessary tools, equipment, and expertise to perform the necessary work;
- D. Repair work can be accomplished within a reasonable amount of time; and,
- E. Cost of material for the repairs will not exceed \$2,000.

#### 106.14 Water & Sewer Account Adjustment Requests

The General Manager, or the Admin/Finance Manager in his/her absence, is authorized to adjust a customer's water or sewer service account when his/her bill reflects usage that is significantly greater than normal, due to accidental loss of water through broken pipes or other failures in the property's plumbing system, subject to the following conditions:

- A. The customer requests the account adjustment in writing that sets forth the reason for the increased usage;
- B. A similar request has not been made within the past 12 months;
- C. The account shows no record of being delinquent for more than 60 days during the past 24 months; and
- D. The customer certifies that the problem causing the usage has been repaired and/or resolved.

### 107 INDEMNIFICATION OF DISTRICT EMPLOYEES AND BOARD MEMBERS BY DISTRICT

#### 107.1 Purpose of Policy

The law requires the District to defend and indemnify either an employee or a Board member in a civil court proceeding arising out of personal injury or property damage caused by a negligent or wrongful act or omission occurring within the employee's or Board member's scope of duties, and to indemnify the employee or Board member for the amount of any settlement or judgment resulting from such claims. The purpose of these statutory indemnification provisions is to eliminate the concern of District employees and Board members that they might be forced to finance their own

defense and pay any damages resulting from claims by third parties arising out of the good faith performance of their duties for the District.

## 107.2 Defense of Employee or Board Member

Generally the District will provide defense for an employee or Board member against the claim unless the District determines that the act or omission of the employee or Board member is not within the scope of employment or their duties, or if the employee or Board member acted or failed to act because of fraud, corruption or actual malice. In these situations the District will deny any request of an employee or Board member to have the District defend their interest with respect to the claim.

The District's obligation to provide a defense applies to civil actions only, and does not apply to disciplinary proceedings, administrative proceedings, or criminal proceedings.

### A. Method of Providing Defense

The District may provide the employee or Board member with a defense through the District's own counsel, by employing other counsel, or by asking its liability insurance coverage provider to provide a defense through counsel of the insurance coverage provider's choice. The District shall respond in writing to the request of an employee or Board member that the District provides for their defense to a claim.

## 107.3 Indemnification of Employee or Board Member by District

In those circumstances in which the District assumes the defense of an employee or Board member, the District is required by law to pay any judgment issued by a court against the employee or Board member, or pay any settlement on behalf of the employee or Board member to which the District has agreed.

### A. Exceptions

The District's duty to indemnify an employee or Board member with respect to a claim applies only to civil proceedings arising out of personal injury or property damage caused by an act or omission of the employee or Board member in the scope of their respective duties on behalf of the District. The duty for the District to indemnify does not extend to any damage claim arising out of an act or omission of an employee or Board member which action is not within the course and scope of the duties of that employee or Board member. In addition, the District has no duty to indemnify an employee or Board member against a claim which arises out of the fraud, corruption, or actual malice of an employee or Board member.

### B. Defense and Indemnification Pursuant to Reservation of Rights

Under certain circumstances, the District may assume the defense of an employee or Board member with respect to a claim and reserve its rights to refuse to pay a judgment or to settle a claim against the employee or Board member on the ground that the injury or alleged damage claimed arose out of an act or omission of the employee or Board member that was not within

the scope of their respective duties on behalf of the District. If the District reserves its rights on this ground, and the employee or Board member fails to establish that he or she acted within the course and scope of their duties on behalf of the District, then the District will not be liable to indemnify the employee or to pay damages to the claimant.

#### 107.4 Consultation with Legal Counsel

Due to the complexities in the law regarding the District's duty to defend and indemnify employees and Board members with respect to certain claims, in most circumstances District staff will consult District legal counsel with respect to the District's duty to defend or indemnify an employee or Board member with respect to any particular alleged claim against the District.

## SECTION 200 PUBLIC RECORDS MANAGEMENT

### 201 PUBLIC RECORDS POLICY

#### 201.1 Purpose and Scope of Policy

This policy sets forth the guidelines for requesting access to inspect and/or obtain copies of public records maintained by the District.

Generally, the Public Records Act (the “Act”) found at Government Code Section 6250 *et seq.*, requires that the records the District generates in its work be open to public inspection and that copies be made at cost and on request. The Act is based upon state policy that access to government information is a fundamental and necessary right of every person in this state. The Act provides that certain information must be withheld from public inspection in order to protect personal privacy, allow local governments to negotiate effectively, and to obtain confidential legal advice. Accordingly, the Act specifies exemptions to the duty of the District to make public records available for inspection and copying by the public.

This policy recognizes that determinations regarding disclosure and nondisclosure of District records must be made with care since both failure to disclose public records in accordance with the Act and improper disclosure of records in violation of constitutional privacy rights may both be a basis for District liability. The purpose of this policy is to provide guidelines to District staff to determine whether the disclosure or nondisclosure of requested District records is appropriate under the Act and the proper procedure for responding to such requests from the public. In general, compliance with the Act requires the District to balance the public’s right to know how its local government is operating and the protection of individual privacy rights.

#### 201.2 Definition of “Public Record”

A District public record consists of any writing containing information relating to the conduct of the public’s business, whether handwritten, printed, photocopied, photographed, electronic mail, facsimile, video, film, audio tapes, and any other form of communication or representation, prepared, owned, used or retained by the District in the ordinary course of its business.

The Act only requires disclosure of existing, reasonably identifiable records. The District does not have a duty under the Act to comply with requests that prospectively seek records that do not yet exist, or to compile new information, data, or create new reports or records in order to respond to information requests from members of the public.

## 201.3 Duties of District in Responding to Requests for Public Records

### A. Determination of Records Available for Inspection

District records which must be disclosed under the Act are available for public inspection by members of the public at any time during business hours. Any request for public records to the District must be made in writing and submitted in person, or by mail or e-mail. Persons interested in reviewing or obtaining copies of District records are encouraged to make a file review appointment in advance. Appointments are not mandatory, but they will help the District facilitate production of the records requested. At the time of the appointment those records which the District has identified as responsive to the request will be made available for review by the requester in the file review area of the office. Since it is a crime to steal, remove, destroy, mutilate, deface, alter, or falsify District records, in some cases District staff may be assigned to observe the file review process in order to protect the integrity of District records.

The Act provides that the District may, upon a request for inspection of District records, investigate whether the request, in whole or in part, seeks copies of disclosable public records in possession of the District that are exempt from public disclosure pursuant to the terms of the Act. The Act provides the District a period of ten (10) calendar days from the date of the written request to inspect the records to make this determination. The District will respond in writing within ten (10) calendar days of receiving the request whether and to what extent it will provide access to the records requested and, if not, the exemptions under the Act which preclude the District from disclosing the requested records.

If a portion of a District record is exempt from disclosure under the Act, the District will “redact” or edit the document to protect the confidential material, while making any reasonably segregable portion of the document which is not exempt from disclosure available to the requester.

#### 1. Assistance to Requesters

The District will assist members of the public in obtaining access to District records by helping requesters identify records which are responsive to their request, including providing the location in which records are stored, or providing suggestions such as how to narrow a request to make it possible for the District to meet the request without undue burden on the requester. As an alternative to such assistance, the District may provide an index of its records to the requester to assist the requester.

### B. Responding to Request for Copies of District Records

The District will provide copies of District records on request and will charge its direct costs of duplication, which costs do not include staff time to locate or retrieve records or to make copies.

A request for copies of District records will be satisfied promptly, but in some cases the District may reserve its rights to determine the extent to which it is in possession of records responsive to the request and the extent to which such records may be exempt from disclosure

to the public under the Act. The District will make this determination within ten (10) calendar days of receiving a written request for copies of District records.

In unusual circumstances the District may, by written notice to the requester, extend its time to respond to the request and specify any applicable exemptions from disclosure for up to fourteen (14) additional calendar days under the following circumstances:

1. The need to search for and collect the requested records from facilities separate from the District's office;
2. The need to search for, collect and examine a voluminous amount of separate and distinct records that are demanded in a single request;
3. The need for consultation with District Legal Counsel as to whether the Act permits disclosure of the records requested.

Such written notice will set forth the reasons for the extension and the date on which the determination is expected to be finalized and the date when those records which are determined to be disclosable will be made available.

If any District records are found to be exempt from disclosure, the District will notify the requester in writing within the timeframes specified herein of those requested records which are deemed to be exempt from disclosure, and the basis of such exemption. This notice shall contain the names and titles of those persons responsible for the denial.

In those cases involving requests for voluminous records, the District retains the option to send its records to a copy service for copying, rather than copying them in the District office. The District will require the requester to pay the copy service's charges to the District before receiving copies of the requested documents from the District. The District will also permit members of the public to arrange for a bonded copy service to come to the District office to make copies of requested documents on their behalf. The District encourages requesters to make advance arrangements with the District in retaining copy service companies to come to the District office to make copies on their behalf.

#### 201.4 Providing Copies of Board Agenda Documents

Copies of agendas as supporting materials for regular and special meetings of the Board distributed to a majority of the Board of Directors shall be made available to the public at the same time as such documents are made available to members of the Board of Directors. However, certain documents contained within the agenda supporting documentation that are confidential and privileged as a result of the attorney-client privilege, or other applicable privileges, will not be distributed to the public as those documents are exempt from disclosure under the Act. A limited quantity of agendas together with non-privileged supporting documentation will be copied in advance of each meeting and made available to the public in attendance at the meeting at no charge. Individuals requesting copies of the agenda and supporting documentation for any regular or special board meeting prior to the board meeting will be charged the then current copying charge. Copies of agendas and supporting documentation for Board meetings, upon payment of the applicable copying charge, will be available

to the requester no earlier than seventy-two (72) hours before any regular meeting of the Board, and twenty-four (24) hours before any special meeting of the Board.

### 201.5 Copying Charges

Individuals requesting copies of District documents that are not privileged or otherwise exempt under the Act will be charged at the then current copying charge as indicated in Appendix 200-A - Fee for Copying of Public Documents. Said fees shall be paid to the District prior to the District's delivery of the requested records to the requester.

### 201.6 District Records Exempt from Disclosure Under the Act

The Act provides that certain information must be withheld from public inspection in order to protect personal privacy, to allow the District to negotiate effectively with respect to labor negotiations and real estate negotiations, or to obtain confidential legal advice. Therefore, the Act specifies various categories of exempt records which the District is not obligated to make available to the public. The Act lists many such exemptions which may be applicable to a specific request for District records which are too numerous to specify in this policy but are listed at Government Code Section 6276.02 through 6276.48.

In addition to these specific exemptions in the Act, the Act also provides that the District shall not disclose any District record when the facts of the particular case demonstrate that the privacy interests served by not disclosing the record clearly outweigh the public interest served by disclosure of the record.

Examples of the exemptions commonly applicable to District records are as follows:

- A. Preliminary drafts, notes, or inter-agency or intra-agency memos that are not retained by the District in the ordinary course of business.
- B. Records pertaining to pending litigation involving the District or to claims filed against the District for monetary damages.
- C. Personnel, medical or similar files, the disclosure of which would constitute an unwarranted invasion of personal privacy.
- D. Any record which is privileged under any other law including attorney-client communications, attorney work-product, and patient-physician communications.
- E. Additional privileged information includes the official information privilege which makes confidential information acquired in confidence by any District employee in the course of his or her duties performed on behalf of the District.
- F. The deliberative process privilege which protects communications between agency decision makers before decisions are made to protect information the disclosure of which could reveal the thought processes of government officials and discourage candid discussion within the District and thereby undermine its ability to perform its functions.

- G. Real estate appraisals and engineering or feasibility estimates and evaluations relative to the acquisition of property, or to prospective public supply and construction contracts.
- H. Security assessments that assess the District's vulnerability to terrorist attack or other criminal attacks intended to disrupt the District's operations and that is for distribution or consideration in a closed session.
- I. Utility customer data including the name, credit history, utility usage data, home address, telephone, or any other private information regarding utility customers of the District, except as authorized by the customer, required by another governmental agency or court order, or if determined necessary by the District because the customer has violated the District's utility usage policies in his or her use of utility services.
- J. Financial data filed with the District by a contractor, developer, or any other person which is required to establish that that person is qualified for the contract, license, permit, or entitlement being sought.

### 201.7 E-mail as a Public Record

The District recognizes that e-mail generates correspondence and other documentation which may be recognized as official District records in need of protection and/or retention in accordance with the Act. The e-mail system is intended as a medium of communication, and should not be used for electronic storage or maintenance of documentation including, but not limited to, official District records.

Three types of e-mail messages constitute District records as follows:

- A. E-mail between the District and the public created or received in connection with official District business;
- B. E-mail that documents the formulation and implementation of policies and decisions; and
- C. Messages that initiate, authorize or complete a transaction of official District business.

If an e-mail message including any attachments thereto falls into any of these three categories, such e-mails constitute official District records which should be printed as a hard copy and filed and retained in accordance with the District's records retention policies. Generally, the District employee or official who is the sender of the e-mail should be the person responsible for printing and filing it, but persons responsible for a particular program or project file shall be responsible for retaining all e-mail which constitutes District documents that are sent or received related to that program or project.

Any e-mail communication that does not fall within one of the three enumerated categories shall be deleted once they are no longer needed. Individual employees are responsible for deleting e-mails in their respective mailboxes which do **not** constitute District records as specified in this policy.

It is the responsibility of individual District employees and their department heads to determine if an e-mail is an official District record that must be retained in accordance with the District's record retention policy. The Board Secretary will assist staff in making such a determination. District staff

should keep in mind, however, that preliminary drafts, notes, or inter-agency or intra-agency memoranda in the form of e-mail that are not retained by the District in the ordinary course of District business are not considered to be official District records subject to disclosure. Employees are encouraged to delete e-mail documents that are not otherwise required to be kept by law or whose preservation is not necessary or convenient to the discharge of their duties or the conduct of District business.

Periodically the District receives requests for inspection of production of documents pursuant to the Act, as well as demand by subpoena or court order for such documents. In the event such a request or demand is made for e-mail, the employees having control over such e-mail, once they become aware of the request or demand, shall use their best efforts, by any reasonable means available, to temporarily preserve any e-mail that is in existence until it is determined whether such e-mail is subject to preservation, public inspection or disclosure. The General Manager shall be contacted regarding any such e-mails within a District employee's control.

## 202 RECORDS RETENTION

### 202.1 Purpose

The purpose of this policy is to: 1) provide guidelines to staff regarding the retention or disposal of public records of the District; 2) provide for the identification, maintenance, safeguarding and disposal of records in the normal course of business; 3) ensure prompt and accurate retrieval of records; and 4) ensure compliance with legal and regulatory requirements. This section also provides the District's intent as to document management, storage, and backup.

The District's records management system is designed to apply efficient and economical management methods to the creation, utilization, maintenance, retention, preservation and disposal of District records with the goal of ensuring that records are kept only as long as they have some administrative, fiscal, historic, or legal value to the District. Records of the District should not be retained "just in case" if they have no administrative, fiscal, historic, or legal utility to the District. When records of the District no longer fulfill the value for which they were created, they should be destroyed unless they also have some historic or research significance. If that is the case, the records should be preserved by an appropriate historical agency.

### 202.2 Scope of Retention Policy

This policy shall apply to all public records of the District. "Public Records" are defined as any writing containing information relating to conduct of the public's business prepared, owned, used, or retained by the District in the course of its business, regardless of physical form or characteristics. Therefore, Public Records include any handwriting, typewriting, printing, facsimiles, photographs, photocopies, electronic mail, film, audio tape, and any other means of recording containing information including words, pictures, sounds, symbols, or combinations thereof. A listing of records deemed to be official by the District is contained in Appendix 200-B—Categories of District Records and Record Retention Schedule.

### 202.3 Authorization

The General Manager is authorized by the Board of Directors to interpret and implement this policy, including but not limited to determining which Public Records should be included in each category of records under this policy; appraising the utility to the District of various categories of Public Records; identifying vital and/or confidential records; and establishing reasonable retention periods for various categories of Public Records.

### 202.4 Records Retention Schedule Principles

Pursuant to the provisions of California Government Code Sections 60200 through 60203, California Government Code § 61061(c), and the Local Government Records Management Guidelines prepared by the Secretary of State, the following principles will govern the retention, management and disposal of Public Records of the District.

#### A. Inventory of Records

The General Manager shall cause a records inventory of the District's records to be conducted. The inventory shall describe the type of records, volume of each type of records, where the records are kept, and how the records are used. The following information should be obtained during any inventory of District records:

1. Prepare a list of categories of records with each category consisting of a group of similar records kept together as a unit either because they deal with a particular subject (budget, personnel, etc.) or result from the same activity (property assessments, utility bills, etc.) or have a special form (maps, blueprints, etc.);
2. Determine the period of years covered by each category of records;
3. Determine the activity level for each category of records in order to determine whether the records need to be stored in the office or at a remote location; and
4. Note the volume of records in each category. The list of categories of records utilized by the District is attached hereto as Appendix 200-B—Categories of District Records and Record Retention Schedule.

#### B. Appraisal of Utility of Records

After completion of the records inventory, each category of records shall be appraised for their utility and value to the District. The records appraisal will:

1. identify vital records that are permanent and may not be destroyed or disposed of pursuant to law;
2. identify records with historic and/or research value;

3. identify records that can be destroyed immediately because they have no administrative, fiscal, historic or legal utility to the District; and
4. identify records that should be transferred to low-cost storage.

#### C. Establishment of Retention Period

Establish reasonable retention periods for each category of records based upon the immediate and future usefulness of each category of records to the District. Retention periods should be assigned to records based on the principle that records should be retained only as long as they serve the immediate administrative, fiscal, historic and/or legal purpose for which they were created, and that such categories of records should be disposed of when they no longer serve such purposes. The Records Retention Schedule listing the Categories of District Records and the retention periods assigned to each such Category of District Records is attached hereto as Appendix 200-B—Categories of District Records and Record Retention Schedule.

#### D. Disposal of Records

The General Manager shall ensure that records are disposed of as soon as possible after fulfilling their respective administrative, fiscal, historic or legal function in accordance with the retention period for each Category of Records specified in the District's Record Retention Schedule. Such disposition of records shall occur periodically at the discretion of the General Manager. Disposition may include recycling or destroying unneeded records, or sending appropriate records of historical or research value to an archival facility.

The District's Record Retention Schedule, consisting of the Categories of Records and the retention periods assigned to each Category of Records, is attached hereto as Appendix 200-B—Categories of District Records and Record Retention Schedule. The Records Retention Schedule shall be periodically evaluated by the General Manager.

### 202.5 Permanent Records

Pursuant to the provisions of Government Code Section 60201, the District may not destroy or dispose of any record that is any of the following:

- A. Any document relating to formation, change of organization, including annexations and/or detachments, or reorganization of the District;
- B. An ordinance adopted by the District. However, an ordinance that has been repealed or is otherwise invalid or unenforceable may be destroyed or disposed of five (5) years after it was repealed or became invalid or unenforceable;
- C. Minutes of any meeting of the Board of Directors of District;
- D. Any record relating to any pending claim or litigation, including any settlement, judgment, arbitration award or other disposition of litigation within the past two (2) years;

- E. Any record which is the subject of any pending Public Records Act request made pursuant to the California Public Records Act at Government Code § 6250 et seq., until either: 1) request for production has been granted; or 2) two years have elapsed since the District provided written notice to the requester that his or her request has been denied;
- F. Any record relating to any pending construction that the District has not accepted, or as to which a stop notice claim legally may be presented;
- G. Any document relating to any non-discharged debt of the District;
- H. Any document relating to the title for real property in which the District may have an interest, including but not limited to deeds, easements, right of entry agreements and leases;
- I. Any document relating to any non-discharged contract to which the District is a party;
- J. Any document that constitutes an unaccepted bid or proposal for the construction of installation of any building, structure or public work which is less than two years old;
- K. Any document which specifies the following:
  - 1. The amount of compensation paid to District employees, or members of the Board of Directors or independent contractors providing personal and professional services to the District;
  - 2. Relates to expense reimbursement to District employees or members of the Board of Directors, or to the use of District paid credit cards, or to any travel compensation mechanism utilized by the District;
  - 3. Notwithstanding the foregoing, Government Code § 60201 provides that any record described in Paragraphs (1) and (2) above may be destroyed or disposed of no earlier than seven (7) years after the date of payment to which the record relates.

## SECTION 300 PERSONNEL POLICIES

### 301 PERSONNEL POLICY DOCUMENTS

The District's personnel policies are made or amended by the Board of Directors from time to time. These policies are presented in two documents: 1) the GCSD Employee Handbook, and 2) the GCSD Classification and Compensation Plan. These two documents are made part of this Operational Policies and Procedures Manual by reference.

### 302 PERSONNEL REPRESENTATION BY LABOR UNION

Most District employees are organized and represented by Operating Engineers Local 3 (OE3). Fire Department personnel are represented by OE3 as the Safety Unit. The Operations and Maintenance Department personnel are represented by OE3 as the Maintenance and Operations Unit. Management staff (General Manager, District Engineer, Admin/Finance Manager and Fire Chief) and the Admin/Finance employees are not represented by a labor union.

### 303 DISTRICT ORGANIZATIONAL STRUCTURE

The District personnel are organized by departments: Fire, Operations and Maintenance, Admin/Finance, and Engineering. The current organizational structure is depicted on Figure 1 of the GCSD Classification and Compensation Plan. The General Manager answers to the Board of Directors. Each department is managed by a department head who answers to the General Manager. The remaining District employees answer to their respective department heads. Supporting this structure are District Counsel, who answers to the Board of Directors, and the Safety Officer, who answers to the General Manager.

## SECTION 400 FINANCIAL POLICIES

### 401 PURPOSES

These Financial Policies are designed to accomplish the following purposes:

- A. Provide an effective planning tool for District revenues, expenditures and investments;
- B. Facilitate the preparation of annual budgets which will accurately estimate District revenues, expenses and fund balances in each of the accounting funds maintained by the District;
- C. Guide the District's investment activities;
- D. Provide transparency to the public with respect to District financial transactions.

### 402 ACCOUNTING SYSTEM

#### 402.1 Purpose

These Accounting System Policies and Procedures are designed to provide for accurate financial reports regarding the assets, liabilities, revenues, expenses, and fund balances of the various accounting funds maintained by the District in conformity with generally accepted accounting principles.

#### 402.2 Establishment of Accounting Funds

Governmental Accounting Standards Board Statement No. 34 (GASB Statement No. 34) defines the major governmental and enterprise funds that the District is required to identify and separately present in District financial statements. The District utilizes the following major funds in its financial statements;

##### A. Governmental Funds

1. **Fire Protection Fund.** The Fire Protection Fund is used to account for all financial activity associated with fire protection and rescue services provided by the District.
2. **Park and Recreation Fund.** The Park and Recreation Fund is used to account for all activity associated with parks, recreation, open space, and community facility services rendered by the District.

##### B. Enterprise Funds

1. **Water Fund.** The Water Fund is used to account for all activity associated with water services provided by the District.
2. **Sewer Fund.** The Sewer Fund is used to account for all activity associated with sewer/wastewater/recycled water services provided by the District.

3. Davis-Grunsky Fund. The Davis-Grunsky Fund is used to account for all activity associated with the District's receipt of Davis-Grunsky loans for water improvements.

### 402.3 Duties of the Admin/Finance Manager

#### A. Act as District Treasurer

The Admin/Finance Manager of the District shall act as the District Treasurer pursuant to Government Code Section 61050 et seq. and shall be responsible, under the direction of the General Manager, for the supervision of the District's finances. The Admin/Finance Manager, as the Treasurer of the District, shall have all of the powers and privileges of the County Treasurer of Tuolumne County pursuant to Government Code Section 61053(b). The duties of the Admin/Finance Manager include, but are not limited to the following:

1. The Admin/Finance Manager shall install and maintain a system of accounting and auditing that shall completely and at all times show the District's financial condition in accordance with generally accepted accounting principles.
2. Pursuant to a Resolution of the District's Board of Directors, designate a bank, a savings and loan association, or a credit union, as the depository of the District's money. A bank, savings and loan association or credit union may act as a depository, paying agent or fiscal agent for the holding or handling of the District's funds notwithstanding the fact that a member of the Board of Directors, whose funds are on deposit in that bank, or savings and loan association or credit union is an officer, employee, or stockholder of that bank, or savings and loan association, or credit union, or of a holding company of any of the foregoing.

#### B. Financial Reporting

The Admin/Finance Manager shall develop financial reports not less than quarterly directed to the Board of Directors detailing revenues and expenditures in each Governmental Fund and Enterprise Fund of the District.

#### C. Financial Projections

At periodic intervals throughout the fiscal year, or on request by the General Manager or the Board of Directors, the Admin/Finance Manager shall report to the Board of Directors regarding financial projections of the level of revenues and expenditures expected by the District in each Governmental Fund and Enterprise Fund maintained by the District by the end of each fiscal year. The purpose of such projections is to assure that District operations remain financially solvent in each Fund.

#### D. Financial Audits

The Admin/Finance Manager shall assist the District auditors in preparing comprehensive annual audited financial statements for each Governmental Fund and Enterprise Fund maintained by the District for each fiscal year. Each Annual Financial Audit shall be

reviewed by and approved by the Board of Directors at a public meeting. The Admin/Finance Manager shall also provide for the preparation of an Annual Financial Report to the Controller as required by Government Code Section 53890 *et seq.*

#### E. Assessment District Accounting

The District has established a Fire Suppression Assessment District pursuant to Government Code Section 50078 *et seq.* The Admin/Finance Manager shall prepare an annual budget for the Assessment District utilizing the same criteria as the budgets prepared for the other Governmental and Enterprise Funds maintained by the District. Said Assessment District budget shall be included in the annual Engineer's Report for the Assessment District prepared pursuant to Government Code Section 50078.4.

#### F. Accounting of Fixed Assets

The Admin/Finance Manager shall conduct an accounting or inventory of all fixed assets on an annual basis. At the conclusion of such inventory the Finance Manager shall report the results thereof to the Board of Directors and certify the completeness of the inventory. Such inventory of fixed assets shall include the following: (a) all equipment, tools, supplies and vehicles that individually have an original total cost of more than \$2,500; (b) all land and buildings regardless of value; (c) the value of any additions or major improvements or renovations to the District's water, wastewater, fire protection and/or park and recreation service infrastructure.

The Admin/Finance Manager shall maintain permanent inventory records in either paper or electronic format, to be updated whenever a change in the status of the particular fixed asset occurs, such as purchase, sale, destruction, loss, theft, etc. Information to be maintained in the inventory records shall include at least the following: (a) asset identification number; (b) description of asset; (c) manufacturer's serial number; (d) storage location; (e) original cost; (f) acquisition date; (g) life expectancy; (h) classification code as office equipment, vehicle, etc.

### 402.4 Cash Disbursements and Receipts Policies

The Admin/Finance Manager shall be responsible for managing the accounts of the District. The Admin/Finance Manager shall adopt a procedure for drawing and signing checks that adhere to generally accepted accounting principles. Payment of bond principal and interest shall be made when due. Checks to pay claims of vendors, contractors, consultants, and other third parties need not be approved by the Board of Directors before payment if the General Manager and department managers determine that such claims for payment conform to the District's approved budget. Board approval will be required for payment of any claim or expenditure which exceeds the District's approved budget.

#### A. Checking Accounts

All checks in payment of claims or demands for money against the District shall be drawn by Admin/Finance staff under the direction of the Admin/Finance Manager and signed by a minimum of two of the following: General Manager, Admin/Finance Manager, Fire Chief,

member of the Board of Directors. All checks shall require two signatures. Checks over Fifty Thousand Dollars (\$50,000.00) shall require the signature of at least one Board member.

The person with physical control of the checks will be accountable for all check numbers and will not have signature authority on the account. Should a check be found to be unaccounted for, the person having control of the checks will notify the Admin/Finance Manager, the General Manager, and the Bank of the lost check. Persons who are signatory to the account will not have access to blank checks, including keys or the combination to the locked repository of the checks.

#### 1. Accounts Payable Report

The Admin/Finance Manager shall make available a report to the Board for each month of Accounts Payable, upon request.

#### 2. Account Reconciliation

The Admin/Finance Manager shall be responsible for the reconciliation of the account statements each month. The reconciliation shall be kept on file for inspection by the auditor when performing the annual audit of the District's books.

### B. Payroll Policy

All payroll payments shall be paid when due and do not require prior approval of the Board of Directors.

### C. Receipts Other than Taxes

Receipts of the District including but not limited to water rates, participation fees and standby charges; sewer/wastewater rates, participation fees and/or standby charges; fees and charges for recreational programs, facility and building rental fees; fees and charges for emergency rescue services; fees and charges for development review services; grants and contributions received from other governmental agencies or private individuals; and special assessments levied by the Fire Protection Assessment District formed and operated by the District shall be deposited by the Admin/Finance Manager into the District's designated depository as soon as practicable.

### D. Fees and Charges

Fees and charges related to the District's water service are specified in the District's Water Ordinance. Fees and charges levied by the District in connection with its sewer/wastewater/ recycled water services are specified in the District's Sewer Ordinance.

The District has adopted fees as part of the Water, Sewer, Parks (Section 800 of this manual), and Fire (Section 900 of this manual) Ordinances, which summarize the fees and charges charged by the District for development review services, use of District facilities and buildings, for receipt of recreational services, and any other user fees. The purpose of the fee schedule is to establish fees, charges and rental rates which fully cover the cost incurred by

the District of any services it provides, or the cost of enforcing any regulations for which such fee is charged. The District attempts to accept fees and charges and rental rates at rates which are commensurate with market research regarding comparable rates and charges for other similar services provided in Tuolumne County. In no event shall any fee or charge levied by the District exceed the actual cost incurred by the District in providing any service or enforcing any regulation for which such a fee is charged.

The District may charge residents or taxpayers of the District a fee which is less than the fee which it charges to non-residents or non-taxpayers of the District. The Fee Ordinance authorizes the Board of Directors to direct District staff to waive the payment, in whole or in part, of a fee or charge when the Board determines that such waiver would be in the public interest. The Fee Ordinance specifies the policies and procedures governing such fee waivers.

#### 402.5 Annual Audit

The Admin/Finance Manager shall arrange to have an audit done each year of the District's accounts and accounting procedures. The Board of Directors shall select the Auditor and shall periodically review the performance of the Auditor and the cost of auditing services. The Auditor, as part of the annual audit, will report as to whether these procedures and safeguards are being properly maintained by the Board and staff of the District and shall so comment in the management letter if said procedures are not being adhered to as part of each annual audit report prepared for the District.

#### 402.6 Petty Cash

A "Petty Cash" fund shall be maintained in the District office and have a balance-on-hand maximum of two hundred fifty dollars (\$200.00).

- A. Petty Cash may be advanced to District staff upon their request and the execution of a receipt for same, for the purpose of procuring item(s) or service(s) appropriately relating to District business. After said item(s) or service(s) have been obtained, a receipt for same shall be submitted to the Finance Department, and any remaining advanced funds shall be returned. The maximum Petty Cash advance shall be One Hundred Dollars (\$100.00), unless approved in advance by the General Manager.
- B. No personal checks shall be cashed in the petty cash fund.
- C. The petty cash fund shall be included in the District's annual independent accounting audit.

### 403 BUDGET POLICIES

#### 403.1 District Governmental Fund and Enterprise Fund Budgets

The District shall establish a separate budget for each fiscal year for each of the following:

- A. Governmental Funds
  - 1. Fire Protection Fund

2. Park and Recreation and Community Facilities Fund

B. Enterprise Funds

1. Water Fund
2. Sewer Fund
3. Davis-Grunsky Fund.

#### 403.2 Preliminary and Final Budget

A. Requirements of Government Code § 61110

1. Pursuant to Government Code § 61110, on or before July 1 of each fiscal year the Board of Directors shall adopt a preliminary budget that shall conform to the accounting and budgeting procedures for special districts contained in a Title II of the California Code of Regulations Section 1031.1 et seq. and Section 1121 et seq. The preliminary budget may be divided into some or all of the following categories: (a) maintenance and operations; (b) services and supplies; (c) employee compensation and benefits; (d) capital expenditures; (e) principal and interest payments for indebtedness; (f) reserves restricted for capital expenditures; (g) reserves restricted for Operating, shortages and other contingencies.
2. On or before July 1 of each fiscal year the Board of Directors shall publish a notice stating: (a) that a proposed final budget has been prepared which is available for inspection at the District; and (b) specifying the date, time and place when the Board of Directors will meet to adopt such final budget, and advising that any person may appear to be heard regarding any item in the budget.
3. Such Notice of Hearing of the Board of Directors on the proposed final budget shall be published one (1) time at least two weeks before the hearing in a newspaper of general circulation throughout the District.
4. Although Government Code § 61110 requires that the District budget be adopted on or before September 1 of each fiscal year, the goal of the Board of Directors is to adopt the budget by the end of the fiscal year (June 30<sup>th</sup>).

The goal of the Board of Directors is to receive the preliminary budget from the Budget Committee by the first Regular Meeting of the Board in May. At this meeting, the Board will hear the report from the Budget Committee and from the public on the preliminary budget. After hearing all input, the Board will deliberate on the preliminary budget and make any changes to it. After deliberation of revisions to the preliminary budget, the Board of Directors shall prepare a proposed final budget that conforms to generally accepted accounting and budgeting procedures for special districts. The Board of Directors shall then comply with the notice requirements for a public hearing to be held on the adoption of the proposed final budget as specified in Section 2 hereof. The goal of the Board of Directors is to adopt the final budget prior to the end of the fiscal year. A copy of the final budget

shall be sent to the Auditor of Tuolumne County pursuant to the provisions of Government Code Section 61110(f).

### 403.3 Budget Documents

The final budget shall include a memorandum of transmittal highlighting the important aspects of changes in the budgets for the District's Governmental Funds and Enterprise Funds for each fiscal year. The final budget shall incorporate goal statements for the District and its Fire Protection Fund, Park and Recreation and Community Services Fund, Water Fund, Sewer Fund and Davis-Grunsky Fund.

The form of the budget document for both the preliminary budget and the final budget shall include line item budget allocations for each of the Governmental Funds and Enterprise Funds of the District. Each fund shall be summarized by activity areas for which budgeted funds are to be allocated. The budget shall include detailed expense information for each Governmental Fund and Enterprise Fund maintained by the District.

### 403.4 Long-Term Financial Planning

The preliminary and final budgets for each Governmental Fund and Enterprise Fund maintained by the District shall include a three (3) -year (current year plus the two years previous to the current year) financial history of each such Fund of the District which summarizes the history of revenues and expenditures in each such Fund for the two (2) years prior to the fiscal year for which the budget is to be adopted, as well as a forecast of anticipated expenditures and revenues in each such Fund in the four (4) fiscal years to follow the year for which the budget is being adopted.

### 403.5 Amendment of Budget

At any regular or special meeting of the Board of Directors after the adoption of the final budget, the Board of Directors may take action by minute action or Resolution to amend the budget and order the transfer of funds between categories within the budget pursuant to Government Code § 61111. Alternatively, the Board of Directors may authorize the General Manager to transfer funds between budget categories.

### 403.6 Budgeted Reserve Funds

The Board of Directors may establish designated reserves for capital expenditures, designated reserves for Operating or other contingencies, and restricted reserves for debt service in each of its Governmental Funds and Enterprise Funds in its annual preliminary and final budgets. The Board of Directors shall declare the exclusive purposes for which the funds in the reserves for each Governmental or Enterprise Fund may be spent when establishing such reserves. The funds in such designated and restricted reserves shall only be spent for the exclusive purposes for which the Board has established each such reserve. The Board of Directors may transfer any retained earnings in each Governmental or Enterprise Fund to any designated or restricted reserve in such fund at any time after establishment of that reserve for that fund. If the Board finds that funds in a designated reserve or restricted reserve in any fund are no longer required for the purposes for which such designated reserve or restricted reserve was established, the Board may, by 4/5th vote, discontinue any such

designated or restricted reserve in that fund or transfer any funds remaining in such designated or restricted reserve in that fund to any other reserve maintained for that fund. See Section 404 for more details on the District's reserve policies.

#### 403.7 Establishment of Gann Limit

On or before July 1 of each year, the Board of Directors shall adopt a Resolution establishing its appropriations limit for the following fiscal year pursuant to Article XIII B of the California Constitution and Government Code section 7900 et seq. The Board of Directors may establish the District's annual Gann Limit as part of its adoption of the final budget for each fiscal year, or by separate Board resolution.

#### 403.8 Public Inspection

Both the preliminary budget and final budget are public documents subject to public inspection at any time after adoption pursuant to the procedures specified in the Public Records Act at Government Code section 6250 et seq.

#### 403.9 Quarterly Report of Revenues and Expenses in Comparison to Budget

The Admin/Finance Manager shall prepare and submit to the Board of Directors for approval on a quarterly basis a financial report which details the revenues and expenditures of the District for each Governmental Fund and Enterprise Fund during each quarter of the fiscal year and comparing those revenues and expenses to projected revenues and expenses set forth in the adopted final budget for each fund. Such report shall include an estimate of the percentage of the total allocated budget amount received in revenues or disbursed as expenditures in each fund in each quarter of the fiscal year.

### 404 RESERVE POLICY

#### 404.1 Definition of Reserves

##### A. Water Fund Reserves

Water rates, connection fees, standby charges and other fees collected by the District for providing water service to its residents should be established at a sufficient level to pay the expenses of day-to-day operations for providing water service as well as the anticipated repair and replacement of the District's water utility infrastructure. The excess of the amount collected in water fees and other water revenues during the fiscal year over the amount expended during the same period for water fund expenses are referred to as "retained earnings" in the Water Fund.

##### B. Sewer Fund Reserves

Sewer rates, connection fees, standby charges and other fees collected by the District for providing wastewater services to its residents should be established at a sufficient level to pay the expenses of day-to-day sewer and wastewater operations as well as the anticipated repair and replacement of the District's sewer and wastewater utility infrastructure. The excess of the amount collected in sewer and wastewater fees and other revenues during the fiscal year over the amount expended during the same period for sewer and wastewater expenses are referred to as "retained earnings" in the Sewer Fund.

#### C. Fire Fund Reserves

The District's share of general *ad valorem* real property taxes apportioned by the District's Board of Directors to fund fire protection facilities and operations and other fees collected by the District for providing fire suppression services to its residents are budgeted at a sufficient level to pay the expenses of day-to-day fire protection services as well the anticipated repair and replacement of the District's fire safety facilities and equipment. The excess of the amount collected in such fire protection revenues during the fiscal year over the amount expended during the same period for fire protection expenses are referred to as "retained earnings" in the Fire Fund.

#### D. Park Fund Reserves

The District's share of general *ad valorem* real property taxes apportioned by the District's Board of Directors to fund park, recreation and community facilities and operations and other fees collected by the District for providing park, recreation and community facilities services to its residents are budgeted at a sufficient level to pay the expenses of day-to-day park, recreation and community facilities services as well the anticipated repair and replacement of the District's park, recreation and community facilities and equipment. The excess of the amount collected in such park, recreation and community facilities revenues during the fiscal year over the amount expended during the same period for park, recreation and community facilities purposes are referred to as "retained earnings" in the Park Fund.

### 404.2 Establishment of Reserves

In its annual preliminary and final budget, the Board of Directors may allocate any retained earnings in each of its Governmental Funds and Enterprise Funds to one or more established reserves in each such fund. There are two different types of reserves in each of the District's funds as follows: 1) designated reserves; and 2) restricted reserves.

#### A. Designated Reserves

Designated reserves are net funds that are set aside based on Board policy or tentative plans for financial resource utilization in a future period, such as for general contingencies, Operating shortages, or for equipment or infrastructure replacement. Such designated reserves reflect tentative managerial plans or intent which are subject to change and which funds may never be legally authorized or result in expenditures. Examples of such designated reserves are the designated reserve for capital improvements, and the designated reserve for Operating shortages and other contingencies in each of the District's funds.

## B. Restricted Reserves

Restricted reserves are defined as that portion of retained earnings in any of the Governmental Funds or Enterprise Funds maintained by the District, or bond proceeds received by the District, which are set aside in a separate reserve in such fund, the expenditure of which are limited by legal or contractual requirements. The District also maintains restricted debt service reserves funded by a component of the District's sewer rates and water rates as specified in Section 404.3.C below.

### 404.3 Categories of Reserves

Designated reserves and restricted reserves established by the Board of Directors in each Governmental Fund and Enterprise Fund of the District shall be defined as follows:

#### A. Designated Reserve for Capital Improvements

Funds allocated to this reserve in each Governmental Fund or Enterprise Fund of the District represent funds available to finance planned future expenditures for construction of improvements, purchase of supplies and equipment, and repair or replacement of all or a portion of the District's water, wastewater, fire protection and park and recreation infrastructure, including but not limited to water distribution and treatment facilities and equipment, sewer collection, treatment and disposal equipment or facilities, fire suppression equipment, parks, open space and other recreational improvements and facilities, and any other District owned buildings and other structures. Appropriate expenditures of the designated reserve for capital improvements in each fund includes the costs of site acquisition, site development, including CEQA compliance, architectural services, inspection services, engineering services, construction, reconstruction, alterations, repair and replacement, and related legal services.

#### B. Designated Reserve for Operating and Other Contingencies

Funds allocated to this reserve in each Governmental Fund or Enterprise Fund of the District represent funds allocated for the purpose of paying the costs and expenses associated with unanticipated events including but not limited to temporary cash flow shortages in each fund, repair and/or replacement of facilities, equipment, supplies or infrastructure in each fund resulting from a catastrophic event, or expenditures in each fund required to respond to an emergency which threatens public health and safety. Funds allocated to the designated contingency reserve in each fund may also be used to pay damage claims against the District which are not covered by insurance provided by that fund. The Board of Directors may authorize expenditure of the funds allocated to the designated reserve for Operating and other contingencies in each fund on any expenses that may be incurred during the fiscal year in each such fund for which no specific appropriation has previously been made.

#### C. Restricted Debt Service Reserve

The debt service charge component of the District's sewer rates and the debt service charge component of the District's water rates, as established by the Board of Directors from time to time, shall be deposited into the restricted debt service reserve established in the Water Fund and the Sewer Fund. The purpose of the reserve in each such Fund is to provide sufficient revenue to pay annual debt service on any and all bonds, including certificates of participation, or other forms of indebtedness issued by the District in each such fund to finance the construction, rehabilitation and/or improvement of the District's water, wastewater and sewer capital facilities; to provide upgraded, safe and dependable water and sewer management and to remain in compliance with existing and future state and federal regulations. This restricted debt service reserve in the Water Fund and the Sewer Fund may be divided into sub-accounts representing the annual debt service to be paid on each individual issuance of bonds, certificates of participation, or other forms of indebtedness issued by the District to finance such capital improvements in each such fund. The Board of Directors may at any time deposit any sources of retained earnings in each fund into the restricted debt service reserve for that fund.

#### D. Funding of Reserves

At any time after the establishment of a designated reserve or restricted reserve in any Governmental Fund or Enterprise Fund of the District, the Board of Directors may transfer any retained earnings in any such fund to such designated or restricted reserve in such fund. The Board of Directors shall declare the exclusive purposes for which the funds in each reserve in each fund may be spent on establishing such reserves in such fund. The funds deposited into each designated reserve and/or restricted reserve in each fund shall only be spent for the exclusive purposes for which the Board has established such a designated reserve or restricted reserve in each fund. The Board of Directors may transfer any revenue in any Governmental or Enterprise Fund to any restricted or designated reserve in such fund at any time after establishment of that reserve. All such reserves shall be maintained according to generally accepted accounting principles.

#### E. Discontinuance of Reserves

If the Board of Directors finds that the funds in a designated reserve or a restricted reserve in any Governmental Fund or Enterprise Fund of the District are no longer required for the purposes for which such designated or restricted reserve in such fund was established, the Board of Directors may, by a 4/5 vote of the total membership of the Board of Directors, discontinue a designated or restricted reserve in any such fund of the District and transfer any funds that are no longer required from a designated reserve or restricted reserve in any fund of the District to any other reserve in such fund, or to the District's operating account.

#### F. Use of Reserves in an Emergency

In a state of emergency or in a local emergency as defined by Government Code Section 8558, the Board of Directors may temporarily transfer funds from a designated reserve for capital improvements, or a designated reserve for Operating or other contingencies in any Governmental Fund or Enterprise Fund of the District to the District's general fund to fund those costs necessary to respond to such emergencies. The Board of Directors shall restore

any such funds to the designated reserve from which such funds were drawn as soon as feasible pursuant to the requirements of Government Code Section 61112.

## 405 DISPOSITION OF SURPLUS DISTRICT PROPERTY

District property, such as vehicles, equipment, supplies, or real property, may become “surplus” when such assets have become unnecessary or unsuitable for District purposes. Prior to disposing of any District assets, whether personal (non-real) property or real property, that asset must be declared “surplus” by minute action or resolution of the Board of Directors. Such minute action or resolution shall include a description of the item of personal and/or real property, any inventory number assigned by the District to that property, and the approximate original cost of that item of property.

### 405.1 Personal Property Under \$1,000.00 in Value

When personal property or other equipment of the District has been determined to no longer be of use to the District and does not exceed the value of \$1,000.00, the General Manager may solicit and accept trade-in allowances on the replacement equipment or personal property without advertising for offers. As an alternative, the General Manager may sell the personal property at private sale without advertising upon approval by the Board. Any proceeds received by the District from the sale of equipment or personal property shall be deposited into one or more of the District’s operational funds.

### 405.2 Personal Property in Excess of \$1,000.00 in Value

The Board of Directors may sell at public auction any personal property or equipment with a value in excess of \$1,000.00 to the highest bidder for cash if it is surplus personal property belonging to the District and not required for any District purpose. Declaring such items as surplus shall require a four-fifths (4/5) vote by the Board of Directors. Notice of the sale shall be given at least five (5) days prior to the date of sale by publication in a newspaper published within the jurisdiction of the District. If there are no bidders, the District may proceed to sell such personal property at private sale upon approval by the Board. Proceeds of the sale shall be paid into one or more of the District’s operational funds.

### 405.3 Sale of Surplus Real Property

Should the District determine that real property owned by the District is surplus to the needs of the District, prior to disposing of the real property by lease or sale, the District shall send a written offer to sell or lease the property to those public entities specified in Government Code Section 54220 et seq.

## 406 GIFTS AND GRATUITIES

### 406.1 Acceptance of Donations of Property by District

All donations of equipment, supplies, facilities, or any other personal or real property to the District must have prior approval of the Board of Directors. The Board of Directors must also approve the design, type, and model of any equipment or supplies, the method of installation of any such equipment, and the location of any real property or facility. Upon acceptance of the equipment or supplies, of personal or real property, or a facility by the Board of Directors then such property immediately becomes the property of the District and is subject to the full control and jurisdiction of

the Board of Directors and its operating policies and procedures. Acceptance of such donations may be delegated to the General Manager by the Board of Directors.

#### 406.2 Acceptance of Gifts

Under this policy a “gift” is defined as any gift of money, property, rebate, discount, ticket, travel expense advance and/or reimbursement or any other property of value. Employees of the District are prohibited from accepting any gift, directly or indirectly, from any person, company, firm, corporation, or other business to which any purchase order or contract for property or services is or might be awarded by the District. Board members are prohibited from accepting any gift, directly or indirectly, from any single source in a calendar year with a value in excess of the maximum prescribed by Government Code Section 89503. Board members may not participate in any way in the discussions, negotiations, resolution, or decision that affects an entity or individual that has been a source of gift to that Board member of the amount prescribed by Government Code 89503 or more in the past twelve (12) months. This maximum gift limitation changes annually and can be found in the Form 700 Reference Pamphlet published by the Fair Political Practices Commission in January of each year.

Travel expenses of Board members including costs of transportation, accommodations and meals provided by any private business or corporation, a private interest group or organization and certain nonprofit organizations are generally considered gift to that Board member and must annually be reported on that Board member’s FPPC Statement of Economic Interest Form 700 filed pursuant to the District’s Conflict of Interest Code (Exhibit A).

#### 406.3 Gifts and Conflict of Interest

Members of the Board of Directors and “designated employees” are required to annually file a Statement of Economic Interest (Form 700) under the provisions of the Fair Political Practices Commission pursuant to the District’s Conflict of Interest Code. Further, members of the Board of Directors and/or designated employees are prohibited from making, participating in making, or using their official positions to influence the making of any District decision which will affect either the business, organization or individual that makes the gift to that District officer or employee, or which impacts the amount or value of such a gift. Under certain circumstances receipt of travel expenses by a Board member or employee of the District less performed work or services benefiting the District in exchange for such travel expenses, such travel expenses may be considered reportable income, rather than a gift, to that public official pursuant to the District’s Conflict of Interest Code (Form 700 Schedule F).

### 407 EXPENSE AND USE OF PUBLIC RESOURCES POLICY

#### 407.1 Purpose

The purpose of this Expense and Use of Public Resources Policy is to ensure that District resources are only used when there is substantial benefit to the District. Such benefits include the following: (a) the opportunity to discuss the District’s concern with local, state and federal officials; (b) participating in regional, state and national organizations whose activities affect the District; (c) attending educational seminars and training sessions designed to improve skill and information levels of District

Board members and employees; and (d) promoting public service and morale by recognizing such public service.

The purpose of this policy is to provide guidance to District Board members and employees on the use and expenditure of District resources, as well as the standards against which those expenditures will be measured.

This policy is intended to supplement the definition of “actual and necessary expenses” for purposes of state law relating to permissible uses of public resources, and to supplement the definition of “necessary and reasonable expenses” for purposes of federal and state income tax laws.

#### 407.2 Authorized Expenses

District funds, equipment (including computers and fax machines), supplies (including letterhead), titles and staff time must only be used for authorized District business. The following types of expenses generally constitute authorized expenses provided the other requirements in this Policy are satisfied:

- A. Communicating with Representatives of Regional, State and National Government on District Issues;
- B. Attending educational seminars, including statutorily required ethics training designed to improve skill and information levels for Board members and employees of the District;
- C. Participating in regional, state and national organizations whose activities affect the District’s operations and facilities;
- D. Recognizing public service to the District (for example, thanking a long-time employee with a retirement gift or celebration of nominal value and cost);
- E. Attending District and/or county events that affect District services and/or facilities;
- F. Travel expenses of those District Board members and employees authorized to attend and/or participate in any of the foregoing;
- G. Supporting service and community organizations and schools in activities of community service (for example, use of digital projector or public address system at a local service organization event);
- H. Any questions regarding the propriety of a particular type of expense should be resolved by the Board of Directors before the expense is incurred. Examples of personal expenses that the District will not reimburse include but are not limited to the following.
  - 1. The personal portion of any trip;
  - 2. Political or charitable contributions or events;
  - 3. Family expenses, including a spouse’s expenses when accompanying a Board member or employee on District related business including expenses related to children or pets;

4. Entertainment expenses, including theater, movies (either in room or at the theater), sporting events (including gym, massage and/or golf related expenses), or the expenses of other cultural events; alcoholic beverages; personal automobile expenses other than on a mileage basis, including but not limited to repairs, traffic citations, insurance, gasoline, or maintenance expenses; and
  5. Personal losses incurred while on District business.
- I. All other expenditures require approval by the District's Board of Directors prior to being incurred;

### 407.3 Expense Reimbursement

The purpose of this policy is to prescribe the manner in which District employees and Board members may be reimbursed for expenditures related to District business.

Whenever employees or Board members of the District incur "out-of-pocket" expenses for item(s) or service(s) appropriately relating to District business as verified by valid receipts, said expended cash shall be reimbursed after the employee or Board member has submitted an authorized Employee Expense Form with the receipts attached thereto. The employee's supervisor and the General Manager shall sign each Employee's Expense Forms. The President of the Board shall sign the Expense Form of the General Manager and other Board members. Expense Forms submitted by the President of the Board shall be signed by the Vice President of the Board and the General Manager. All Expense Forms submitted by District employee or Board member shall include an explanation of the District-related purpose for the expenditures. All employees and Board members requesting expense reimbursement from the District shall only use the District provided form of Expense Form. All such Expense Forms must be submitted within a reasonable time after the expense which is the subject of the reimbursement request has been incurred, but in any event not more than thirty (30) days after incurring the expense. Any expenses specified on an Expense Form for which no receipts are submitted will not be reimbursed.

### 407.4 Travel Expense Reimbursement

District employees and Board members are eligible to receive reimbursements from the District for travel, meals, lodging and other reasonable and necessary expenses for attending any of the activities described in this policy on behalf of the District.

#### A. Rates of Reimbursement

Reimbursement rates for travel, meals and other reasonable and necessary travel expenses shall coincide with the rates set by the Internal Revenue Service in IRS Publication No. 463 or its successor publications.

1. If lodging is in connection with a conference, seminar, or other organized educational activity, such reimbursable lodging cost will not exceed the maximum group rate published by the conference or activity sponsored. If the published group rate is unavailable, directors and employees shall be reimbursed for comparable lodging at either the government rate offered by the lodging provider, or IRS rate, whichever is less.

2. If government or group rates are offered by the provider of transportation, those rates shall be used for reimbursement when available.
3. Reimbursement of any and all travel expenses for purposes other than those specified in Section 407.2, or at a rate other than the applicable IRS, government, or maximum group rate must be approved by the Board of Directors in a public meeting prior to the expenses being incurred. Any such expenses that do not receive prior approval from the Board of Directors in a public meeting prior to the expense being incurred shall not be eligible for reimbursement.

#### B. Reports to Board of Directors

All Board members who attend meetings, conferences, educational seminars, or events for which travel expenses are reimbursed by the District shall provide a report to the Board of Directors on the substance of such meetings, conferences, educational seminars and events at the next regular board meeting scheduled after the conclusion of the meeting, conference, seminar or event attended.

#### C. Expense Documents as Public Records

All documents related to reimbursement by the District of travel and other expenses for Board members and employees are public record and subject to inspection and/or copying at the request of the public pursuant to the provisions of the California Public Records Act (Gov. Code § 6250 et seq.).

#### D. Transportation Expenses

The most economical mode and class of transportation reasonably consistent with scheduling needs must be used, using the most direct and time efficient route. In the event that a more expensive transportation form or route is used, the cost borne by the District will be limited to the cost of the most economical, direct, efficient and reasonable transportation form.

Automobile miles are reimbursable at current IRS rates presently in effect on the date of travel. These rates are designed to compensate the driver for gasoline, insurance, maintenance and other expenses associated with operating the vehicle. This amount does not include bridge and road tolls, which are also reimbursable.

#### E. Lodging Expenses

Lodging expenses are only reimbursed when travel on District business reasonably requires an overnight stay. The lodging in connection with activities other than a conference, for which lodging costs should not exceed the group rate published by the conference sponsor, lodging costs will be reimbursed at the government rate offered by the lodging provider, or the IRS per diem rates for lodging, whichever is less.

#### F. Meals

Meal expenses and associated gratuity should be moderate, taking into account community standards and the prevailing restaurant cost of the area. The District will reimburse no more than the IRS per diem rates for meals and incidental expenses, which include adjustments to higher cost locations. Employees may not charge alcoholic beverages to the District.

#### G. Telephone/Fax/Cellular Phones

Board members and employees will be reimbursed for actual telephone and fax expenses incurred on District business. Telephone bills should identify which calls were made on District business. For cellular calls when the Board member or employee has a particular number of minutes included in his or her plan, the Board member or employee can identify the percentage of calls made on District business.

#### H. Airport Parking

Long-term parking should be used for travel exceeding twenty-four (24) hours, and parking reimbursement will be limited to long-term parking rates if travel exceeds twenty-four (24) hours.

### 407.5 Cash Advance Policy

From time to time it may be necessary for a Board member or employee to request a cash advance to cover anticipated expenses while traveling and doing business on the District's behalf. Such request for an advance should be submitted to the General Manager at least ten (10) business days prior to the need for the advance with the following information:

- A. The purpose for the expenditures;
- B. The benefit of such expenditures to the District;
- C. The anticipated amounts of the expenditures; and
- D. The dates of the expenditures.

In no event will the amount of the cash amount exceed the amount of the recommended Internal Revenue Service per diem for the area being traveled to.

Any unused cash advance must be returned to the District within two (2) business days of the return of the Board member or employee, along with a District Expense Report and receipts documenting how the advance was spent in compliance with this policy.

### 407.6 Credit Card Use Policy

The District maintains a bank credit card which may be used for reasonable and necessary expenses incurred during the performance of District business and/or in emergency situations.

Authorized employees may use the District's credit card for such purposes by following the purchasing procedures outlined in Section 408 of this manual. Receipts documenting expenses incurred on the District's credit card must be submitted to the Admin/Finance Department within five (5) business days of use of the card.

The District also maintains credit cards with stores where the District does business regularly. Those cards are to be logged in and out to authorized District personnel as needed, by the Admin/Finance department, and are to be secured in the District safe when not in use.

Department managers and their designees are authorized to use District credit cards.

District credit cards may not be used for personal expenses, even if the Board member or employee subsequently reimburses the District.

#### 407.7 Audits of Expense Reports

All expenses are subject to verification and audit in order to ensure compliance with this policy.

#### 407.8 Compliance with Laws

District Board members and designated employees should be aware that receipt of reimbursement of some travel expenditures from the District may be subject to reporting to the Fair Political Practices Commission under the Political Reform Act and other laws on FPPC Form 700. The Political Reform Act generally requires travel expense reimbursement on District business to be reported as either income or as a gift on the official's Form 700.

#### 407.9 Violation of This Policy

Misuse of public resources or falsifying expense reports in violation of this policy may result in any or all of the following:

- A. Loss of reimbursement privileges;
- B. Restitution to the District;
- C. The District reporting of the expenses as income to the Board member or employee to state and federal tax authorities;
- D. Civil penalties for misuse of public resources at \$1,000 per day for the duration of the infraction plus three times the value of the unlawful use (Government Code § 8314);
- E. Criminal prosecution for misuse of public resources, the penalties for which include incarceration and disqualification from holding office in California.

#### 407.10 Compensation of Board Members

- A. Consistent with Government Code Section 61000 et seq., each District Board member receives a daily meeting stipend of up to \$100 per day for each day's attendance at meetings as defined in this policy, not to exceed six (6) days of service and/or meetings per month.

Such compensation is in addition to any reimbursement for meals, lodging, travel and expenses consistent with this policy. If two (2) or more meetings are attended by a Board member on any one day, then the Board member may only receive a stipend for one (1) meeting.

#### B. Meetings and Service Subject to Daily Stipend

To be entitled to a daily stipend under this policy, the event in question must constitute one of the following:

1. A meeting of the District Board within the meaning of Government Code Section 54952.2(a);
2. A meeting of an advisory District committee, whether a standing committee or an *ad hoc* committee, within the meaning of Government Code Section 54952.2(b);
3. A conference within the meaning of Government Code Section 54952.2(c) of the following organizations:
  - a. California Special Districts Association;
  - b. Association of California Water Agencies;
  - c. California Association of Sanitation Agencies;
  - d. California Association of Recreation and Park Districts;
  - e. Fire District Association of California;
  - f. California Parks and Recreation Society.
4. A meeting of any multi-jurisdictional governmental body on which the District director services as the District's designated representative;
5. An organized educational activity conducted in accordance with Government Code Section 54952.2(c), including but not limited to ethics training required by Government Code Section 53234;
6. Any meeting attended or service provided on a given day at the formal request of the District's Board of Directors and for which the District Board approves payment of a daily meeting stipend prior to the date of the meeting or provided service.

#### C. Ethics Training

As a condition to receiving either a daily meeting stipend or expense reimbursement, all Board members shall receive two hours of training in general ethics principles and ethics laws relevant to public service within one year of election or appointment to the Board of Directors, and thereafter at least once every two years pursuant to Government Code Sections

53234 and 53235.2. This policy also applies to all staff members that the Board of Directors designates.

1. All ethics training shall be provided by entities who have consulted with the California Attorney General and the Fair Political Practices Commission.
2. Board members shall obtain certification after completing the ethics training. District staff shall maintain records indicating both the dates the Board member completed the ethics training and the name of the entity that provided the training. These records shall be maintained for at least five (5) years after Board members receive the training, and are public records subject to disclosure under the California Public Records Act.
3. District staff shall provide the Board of Directors with information on available training that meets the ethics training requirements of this policy at least once every year.
4. Ethics training may consist of either material offered by the Fair Political Practices Commission or other ethics training programs approved by the California Attorney General and the Fair Political Practices Commission. Ethics training may be taken at home, in person or online.

#### 407.11 Policy Regarding Training, Education and Conferences

Members of the Board of Directors and designated employees are encouraged to attend educational conferences and professional meetings when the purposes of such activities are to improve District operations. Attendance at such educational conferences or professional meetings is considered a part of an official's performance of their official duties for the District. Therefore, there is no limit as to the number of Board members attending a particular conference or seminar when their attendance is beneficial to the District.

- A. It is the policy of the District to encourage both development and excellence of performance by reimbursing expenses incurred for tuition, travel, lodging and meals as a result of training, educational courses, participation in professional organizations, and attendance at local, state and national conferences associated with the interests of the District. All reimbursement of actual and necessary expenses, including travel expenses, shall be pursuant to the policies set forth in this Section 407. Attendance by Board members at seminars, workshops, courses, professional organization meetings, and conferences shall be approved by the Board of Directors prior to incurring any reimbursable costs. Attendance by designated employees at seminars, workshops, courses, professional organization meetings, and conferences shall be approved by the Department Manager prior to incurring any reimbursable costs. If an employee does not pass a given test after three (3) attempts, the employee shall pay for all subsequent expenses associated with taking the test, including fees, travel expenses, and training/study sessions.
- B. A Board member shall not attend a conference or training event for which there is an expense to be reimbursed by the District if such conference or event occurs after said Board member has announced his or her pending resignation, or if such conference or event occurs after an election in which it has been determined that such Board member will not return to his or her

seat on the Board of Directors. A Board member shall not attend a conference or training event when it is felt that there is no significant benefit to the District.

- C. Upon returning from seminars, workshops, conferences, etc., where expenses are reimbursed by the District, Board members will be required to either prepare a written report for distribution to the Board, or make a verbal report during the next regular Board meeting of the Board of Directors after the conclusion of the seminar, workshop, or conference attended. Said report shall detail what was learned at the session that will be of benefit to the District. Material from these sessions and the report of the attending Board members shall be retained in the District's office to be included in the District's library for the future use of other Board members and staff.

#### 407.12 Guidelines Regarding Legislation and Ballot Measures

##### A. Information, Not Advocacy; Explanation Not Promotion

1. The District is prohibited from spending money to support or oppose ballot measures placed before the electorate. It is permissible, however, for the District to expend District funds for informational purposes to provide the public with a "fair presentation" of the facts relating to a ballot measure which directly concerns the District. It is also permissible for the District to formally adopt a position on a ballot measure or legislation and educate the public on the measure, its impact on the District, and the basis for the District's position.
2. If public funds or District equipment or facilities are used to provide information regarding a proposed ballot measure or legislation, the information provided by the District must be accurate and balanced and represent supporting as well as opposing views. It is permissible for the District to formally adopt a position on proposed legislation or a ballot measure. When the District has formally adopted a position on proposed legislation or a ballot measure, the District may respond to a request from the public, the media or some other source to explain the District's position without being obligated to present all possible views on the issue.
3. Board members and employees of the District retain their free speech guarantees to express their personal viewpoints on any proposed legislation or ballot measure. The right of free speech is not forfeited because of any association with the District. Therefore, District employees and Board members may express their personal opinion on ballot measures and proposed legislation and urge the support or opposition to proposed legislation or a ballot measure in a public forum, so long as no District funds are expended, including no District reimbursement of Board member or employee expenses incurred making such a presentation. Whenever District funds or facilities are involved in any way in the activity of an employee or Board member with respect to proposed legislation or a ballot measure, that employee or Board member will be deemed to be acting as a representative of the District and will be required to limit his or her comments to a balanced, factual presentation containing supporting as well as opposing views.

## B. Permissible Activities

1. Expend public funds for the purpose of formulating and drafting proposed legislation or a proposed initiative, and securing appropriate sponsors;
2. Adopt a formal position in support of or in opposition to proposed legislation or a ballot measure at a meeting of the Board of Directors of the District.
3. The District may initiate a presentation or information piece regarding proposed legislation or a ballot measure, and may notify the public, the media and others of the District's position through news releases, bulletins or other vehicles at District expense that are informational and balanced but do not advocate a yes or no vote, or contain language which indicates that the District is "taking sides" with respect to the proposed legislation or ballot measure.
4. The District may expend District funds, **without** taking a formal position on any proposed legislation or ballot measure, to initiate, prepare, or distribute factual, balanced information on a proposed legislation or a ballot measure to the public and other organizations, which material should represent both pro and con viewpoints in a fair manner.
5. District Board members and employees may respond to inquiries from the media, the public or other organizations about the impact of a measure on the District as long as such response is factual and does not advocate a position.
6. District Board members and employees may participate or sponsor forums or debates on proposed legislation or a ballot measure at District expense if all views are represented at such forum or debate.
7. Upon request, District Board members and employees are free to explain their personal views on proposed legislation or a proposed ballot measure.
8. The District may expend District funds to meet with its elected representatives regarding pending legislation impacting the operations of the District, or to appear before the State Legislature or Congress for the purpose of making legislators aware of the impact of pending legislation on District operations and facilities.

## C. Prohibited Activities

1. The District in no event can expend District funds to purchase such items as bumper stickers, posters, advertising, or television or radio "spots" as well as the dissemination and public expense of campaign literature prepared by private proponents or opponents of legislation or a ballot measure, or otherwise spend District money to clearly advocate a yes or no vote on any ballot measure.
2. The District may not use District funds to contribute to a campaign supporting or opposing any ballot measure.

3. The District may not expend District funds or utilize any District facilities or equipment such as photocopy machines, facsimile machines, computer e-mail, or office supplies or staff time in connection with any activity designed to support or oppose a ballot measure, or attempt to influence voters to qualify a ballot measure, including utilizing District funds to gather signatures for a ballot measure.

## 408 PURCHASING, CONTRACTING AND PROCUREMENT

### 408.1 Purpose

The Board of Directors of the District will be responsible for the awarding of all contracts. Final approval of all purchases of materials, supplies, equipment, and goods as well as construction, maintenance, repair and alteration services shall comply with the provisions of this policy. Under the direction of the Board of Directors, the General Manager shall act as the purchasing agent for the Board in the procurement of goods and services in accordance with these District policies and applicable provisions of law.

### 408.2 Purchasing of Materials, Supplies and Equipment Not Related to New Construction

All purchases of items consisting of materials, supplies and equipment will require written approval from the appropriate department supervisor/manager prior to purchase. If the purchase exceeds the spending limit of the purchasers, approval must be obtained from the appropriate higher authority prior to purchase. After the proper approval has been obtained, a District printed purchase order may be issued. The following guidelines will be observed when purchasing such materials, supplies and equipment:

- A. When procuring materials, supplies and equipment costing less than Three Thousand Dollars (\$3,000.00), price competition is not required. However, every attempt should be made to secure the most reasonable price for the goods to be obtained.
- B. When procuring materials, supplies and equipment costing over Three Thousand Dollars (\$3,000.00) the purchase shall be based, wherever possible, on at least three (3) bids/quotes. The bid/quote shall be awarded to the lowest responsible bidder.
- C. When the District requires supplies, materials or equipment which are produced by only one manufacturer, such lists shall also include the phrase "or approved equivalent" to permit bidders to bid on alternative or additional makes, brands or types which are proved to be the equivalent to the manufacturer's make or brand specified. If the manufacturer or his representative is the sole responsible bidder or sole source of supply, the General Manager may negotiate an open market order or contract with the manufacturer or his representative at prices and on terms most advantageous to the District.

When the District requires supplies, materials or equipment which are patented or proprietary, and which are obtainable in two (2) or more equally satisfactory and competitive makes, brands or types, the District may list such acceptable and competitive makes, brands or types in the invitation to bid. Such lists shall also include the phrase "or approved equivalent" to permit bidders to bid on alternative or additional makes, brands or types. It shall be

incumbent on each bidder to prove to the satisfaction of the General Manager that the alternate or additional make, brand or type which he offers is actually equal in quality or performance to those listed in the invitation to bid.

- D. The District may request the State Department of General Services to make purchases of materials, equipment, or supplies on its behalf if better value can be obtained by the District by utilizing this method of purchase.
- E. As an alternative, the District may request the purchasing agent of Tuolumne County to make purchases of materials, equipment, or supplies not related to new construction on its behalf if this method of purchase reduces the cost of acquisition to the District.

### 408.3 Purchase Orders

Purchase Orders shall be used as authorization for purchasing materials, supplies and equipment not related to new construction, maintenance or repairs that are procured pursuant to these policies. Exceptions include items such as hotel and airline reservations or professional services contracts and other vendor contracts.

Completed purchase order forms must be approved and signed by the appropriate department manager and signed by the General Manager in all cases in which the purchase exceeds the spending limit of the department manager. The department manager may be delegated project specific purchasing authority by the General Manager to provide for efficient project management.

### 408.4 Approval Limits for Purchase Orders

The General Manager has signing authority for all budgeted items and any unbudgeted items up to Ten Thousand Dollars (\$10,000). All unbudgeted items over Ten Thousand Dollars (\$10,000) must be approved by the Board of Directors. The General Manager may delegate limited signing and authorization responsibilities for budgeted items to department managers and supervisors. Department managers have signing authority for up to Three Thousand Dollars (\$3,000). Department supervisors have signing authority for up to One Thousand Dollars (\$1,000).

### 408.5 Contracting for Projects for New Construction, Alterations and Repairs; Contracting for Purchase of Materials, Supplies and Equipment Related to New Construction, Alterations, Maintenance or Repairs

The District has adopted the Uniform Public Construction Cost Accounting Act (hereinafter "UPCCAA") and its contracting policies for projects consisting of: 1) new construction, maintenance, alterations or repairs, and 2) the purchasing of materials, supplies and equipment related to new construction, alterations, maintenance or repairs.

- A. When contracting for projects consisting of new construction, maintenance, alteration or repairs, or the purchasing of materials, supplies and equipment related to such construction, when the cost of materials, supplies and labor will not exceed the sum of Thirty Thousand Dollars (\$30,000.00), price competition is not required and the project or purchase may be

performed by negotiated contract, by purchase order, or by the employees of the District by force account.

- B. When contracting for projects consisting of new construction, maintenance, alteration or repairs, or the purchasing of materials, supplies and equipment related to such new construction, when the cost of materials, supplies and labor for the project is One Hundred Twenty-Five Thousand Dollars (\$125,000.00) or less, the project or purchase may be let to contract by informal bidding procedures specified in the District's informal bidding ordinance adopted pursuant to the provisions of Public Contract Code 22034.
- C. When the cost of materials, supplies and labor on the project, or the cost of purchase of materials, supplies and equipment related to such construction exceeds the sum of One Hundred Twenty-Five Thousand Dollars (\$125,000.00), that project or purchase shall be let to contract by the formal bidding procedure specified in Public Contract Code Sections 22037, 22038 and 22039.
- D. Notice of inviting formal bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project. The notice shall be published at least fourteen (14) calendar days before the date of opening the bids in a newspaper of general circulation in the jurisdiction of the District. It shall also be mailed to all construction trade journals specified in Public Contract Code Section 22036 at least thirty (30) calendar days before the date for opening the bids.
- E. Upon receiving such bids for projects for new construction, alterations and repairs, the District Board of Directors may:
  - 1. Accept the bid of the lowest responsible bidder;
  - 2. Reject all bids and re-advertise; or
  - 3. By four-fifths (4/5) vote declare that the project can be performed more economically by the employees of the District and elect to have the project done by force account.
- E. Upon receiving such bids for purchasing of materials, supplies and equipment related to such new construction, alterations or repairs, the District Board of Directors may:
  - 1. Accept the bid of the lowest responsible bidder;
  - 2. Reject all bids and re-advertise; or
  - 3. By four-fifths (4/5) vote elect to purchase the materials, supplies or equipment in the open market.
- F. If two or more bids are the same and the lowest, the District may accept the one it chooses. If no bids are received through the formal or informal procedure, the project may be performed by the employees of the District by force account, or by negotiated contract.

## 408.6 Emergency Purchases, Repairs and/or Replacements

In the case of an emergency, the District may, pursuant to a 4/5th vote of its Board of Directors, repair or replace a public facility or improvement, take any related and immediate action required by that emergency, and procure the necessary equipment, services, supplies, and materials for those purposes, without giving notice for bids to let contracts, without adopting plans, specifications and/or working details for the project. The emergency work may be done by day labor under the direction of the General Manager, or his designee.

- A. Before the Board of Directors takes any action to repair or replace a public facility or to procure necessary materials, supplies, equipment, or services for emergency purposes, the Board of Directors shall make a finding based on substantial evidence set forth in the minutes of its meeting that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the actions authorized by the Board to repair, replace, or purchase materials and supplies are necessary to respond to the designated emergency.
- B. The Board shall periodically review any action taken in response to such an emergency at its next regularly scheduled meeting and at every regularly scheduled meeting thereafter pursuant to the requirements of Public Contract Code Section 22050.
- C. For the purposes of this section, the term “Emergency” shall mean any event that immediately impacts the health and safety of the public or environment and that by delaying action will result in substantial harm or damage to individuals, property, or the environment.

## 408.7 Bid Policies

### A. Conflicts of Interest

The purchasing agent and the employees of the District are expressly prohibited from accepting, directly or indirectly, from any person, company, firm or corporation, to which a purchase order or contract is, or might be awarded, any rebate, gift, money, or anything of value whatsoever.

### B. Consideration of Bids

After bids have been opened and read, they may be checked for accuracy and compliance with the requirements of the bidding documents including any Notice to Bidders, Instructions to Bidders as well as any plans and specifications for the project to be bid or the specifications of any equipment, materials or supplies to be purchased pursuant to bid.

It is the intent of the District to award a contract to the lowest responsible bidder provided the bid has been submitted in accordance with the requirements of the bidding documents and does not exceed funds available. With respect to projects consisting of new construction, maintenance, alterations or repairs, it is the intention of the District to award a contract only to a responsible bidder who has furnished satisfactory evidence that it has the requisite experience and ability and sufficient capital, facilities and plant to enable it to prosecute the

work successfully and promptly, and to complete it within the time stated in the contract documents. With respect to the purchasing of equipment, materials, and supplies related to new construction, maintenance, or repairs, it is the intention of the District to award a contract only to a responsible bidder who has furnished satisfactory evidence that it has the requisite experience and ability to provide materials, supplies and equipment which meets specifications of the District.

### C. Bid Security

Each bid shall be accompanied by bid security in a form and amount required herein to be specified by the District pledging that the bidder will enter into a contract with the District on the terms stated in the bid and will, if required, furnish bonds covering the faithful performance of the contract and payment of all obligations arising thereunder. Bid security shall be in the amount of not less than ten percent (10%) of the amount of the bid being submitted by the bidder, and may be in the form of a certified check, cashier's check or surety bond. Should the bidder refuse to enter into such a contract or fail to furnish the bonds required, then the bidder shall forfeit the amount of bid security to the District as liquidated damages, and not as a penalty.

All surety bonds shall be issued by a surety admitted to do business in the State of California and accompanied by a Certificate of Fact issued by the County of Tuolumne County Clerk pursuant to CCP § 995.640(a) or a Certificate of Authority with respect to such surety issued by the State of California Department of Insurance.

### D. Acceptance and Award of Bid

1. Contract Award. The award of the contract will be to the lowest responsible bidder as set forth above.
2. Waive Irregularities. The District shall have the right to waive informalities or irregularities in a bid received and to accept a bid which, in the District's judgment, is in the District's best interest.
3. Alternatives. The District shall have the right to accept alternates in any order or combination unless otherwise specifically provided in the bidding documents, and to determine the low bidder on the basis of the sum of the base bid and alternates accepted.
4. Rejection of Incomplete Bids. Until an award of bid is made, the purchasing agent reserves the right to reject any and all bids, reject a bid not accompanied by any other information required by the bidding documents, or reject a bid which is in any way incomplete or irregular.
5. Rejection of Bid for Technical Defects. Until an award of bid is made, the purchasing agent reserves the right to reject any and all bids and to waive technical defects, if to do so best serves the interests of the District.

6. Notice and Solicitation of Bid for Purchase of Supplies, Equipment and Property. The purchasing agent shall give notice inviting bids to all suppliers, persons and firms who file written requests with the District office for such notice. In addition, the purchasing agent shall send notice inviting bids to such other firms or persons as in his opinion may be necessary to inform the trade.

#### 408.8 Bidder Pre-Qualifications

The purchasing agent may require pre-qualifications of bidders and may require bidders to provide information for the purpose of preparing and maintaining lists of qualified bidders. Pre-qualification shall be based on any available information, including but not limited to information provided by the bidder. A bidder's name may be removed from the list of qualified bidders for any of the following reasons:

1. Failure to respond or providing misleading statements to questionnaires issued by the purchasing agent or to provide a financial statement or other information as may be requested.
2. Failure to respond to three (3) consecutive invitations or requests for bids or quotations on services or an item offered by the bidder.
3. Failure to satisfactorily perform under a previous purchase order or contract.
4. Failure to respond to any inquiry from the purchasing agent regarding whether the bidder continues to be interested in doing business with the District.
5. Submission to the purchasing agent by the bidder of a written request to be removed from the list of qualified bidders.
6. Change in qualifications of a bidder to the extent that he/she no longer meets the minimum requirements applicable to bidders offering the services or item offered by the bidder.

### 409 INVESTMENT OF DISTRICT FUNDS

#### 409.1 Purpose

The Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (California Government Code (CGC) §53600.6 and §53630.1). The purpose of this policy is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities.

Government Code Sections 5921 and 53601, et seq., allow the legislative body of a local agency to invest surplus monies not required for the immediate necessities of the local agency. The investment policies and practices of the District are based on state law and prudent money management. All

funds will be invested in accordance with the District's Investment Policy, and California Government Code Sections 53601, 53601.1, 53601.5 and 53635.5. When the District issues bonds, the investment of bond proceeds will be further restricted by the provision of relevant bond documents.

The treasurer or fiscal officer of a local agency is required to annually prepare and submit a statement of investment policy and such policy, and any changes thereto, is to be considered by the local agency's legislative body at a public meeting (CGC §53646(a)). For Groveland Community Services District, the Admin/Finance Manager shall be responsible for preparing and submitting such policy for adoption by minute action or by resolution of the District Board. The adopted Investment Policy shall be reviewed on an annual basis and the District Board shall approve any modifications to such policy by minute action or by resolution. The investment policy, as adopted by the District Board, shall be used to guide District staff in investment decisions and transactions.

For these reasons, and to ensure prudent and responsible management of the public's funds, it is the policy of Groveland Community Services District to invest funds not required for immediate needs of the District in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment of Groveland Community Services District funds.

#### 409.2 Scope

This investment policy shall apply to the investment of all funds of Groveland Community Services District except retirement funds and debt service funds held by Trustees for payment of bond redemption and interest.

#### 409.3 Prudence

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by District staff shall be the "prudent person" standard as found in §53600.3 of the Government Code of the State of California, and shall be applied in the context of managing an overall portfolio. The Admin/Finance Manager, acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations for expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

#### 409.4 Objectives

As specified in California Government Code §53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives of the investment activities, in priority order, shall be:

A. Legality and Safety

Legality and safety of principal are the foremost objectives of the investment program. Investments of Groveland Community Services District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

B. Liquidity

The investment portfolio will remain sufficiently liquid to enable Groveland Community Services District to meet all projected, as well as expected and unexpected cash needs.

C. Return on Investments

The District shall seek to attain market average rates of return on all investments within the constraints imposed by State law, by the avoidance of capital losses and by cash flow considerations. The District's investment portfolio shall be diversified to eliminate the risk of loss resulting from over-concentration of asset in a specific issuer or class of securities and shall contain investments of varying lengths of maturity of five (5) years or less.

#### 409.5 Delegation of Authority

Authority to manage the investment program is derived from California Government Code §53600, *et seq.* Management responsibility for the investment program is hereby delegated by the Board to the Admin/Finance Manager.

The Admin/Finance Manager shall render a semi-annual report to the Board specifying the type of investment, institution, date of maturity, amount of deposit, current market value for all securities with a maturity of more than twelve (12) months, and a rate of interest. Under the provisions of California Government Code §53600.3, the Admin/Finance Manager is a trustee and a fiduciary subject to the prudent investor standard.

#### 409.6 Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

#### 409.7 Authorized Financial Institutions and Dealers

The Admin/Finance Manager will maintain a list of financial institutions, selected on the basis of credit worthiness, financial strength, experience and minimal capitalization authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness that are authorized to provide investment and financial advisory services in the State of California. No public deposit shall be made except in a qualified public depository as established by state laws.

For brokers/dealers of government securities and other investments, the Admin/Finance Manager shall select only broker/dealers who are licensed and in good standing with the California Department

of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the Admin/Finance Manager shall have received from said firm a signed Certification Form. This form shall attest that the individual responsible for Groveland Community Services District's account with the firm has reviewed Groveland Community Services District's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to Groveland Community Services District that are appropriate under the terms and conditions of the Investment Policy.

#### 409.8 Permitted Investment Instruments

Permitted investment instruments for the District's assets are the following:

- A. Government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest.
- B. Obligations issued by Banks for Cooperatives, Federal Land Banks, Federal Intermediate Credit Banks, Federal Farm Credit Banks, Federal Home Loan Banks, the Federal Home Loan Bank Board, the Federal Home Loan Mortgage Corporation, the Resolution Funding Corporation, or in obligations, participations, or other instruments of, or issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association; or in guaranteed portions of Small Business Administration notes; or in obligations, participations or other instruments of, or issued by, a federal agency or a United States government-sponsored enterprise, or such agencies or enterprises which may be created.
- C. FDIC insured or fully collateralized time certificates of deposit in financial institutions located in California. Preference may be given to local banks.
- D. Negotiable certificates of deposit or deposit notes issued by a nationally or state-chartered bank or a state or federal savings and loan association or by a state-licensed branch of a foreign bank; provided that the senior debt obligations of the issuing institution are rated "AA" or better by Moody's or Standard & Poor's.

Purchase of negotiable certificates of deposit may not exceed 30 percent of the District's investment portfolio.

- E. State of California's Local Agency Investment Fund. The LAIF portfolio should be reviewed periodically.
- F. Investment Trust of California (CalTRUST). CalTRUST is a joint powers authority of California public agencies that serves as an investment alternative to LAIF.
- G. Insured savings account or money market account.

#### 409.9 Prohibited Investments

Under the provisions of California Government Code §53601.6 and §53631.5, Groveland Community Services District shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero (0) interest accrual if held to maturity. Additional investments which are not permitted include repurchase agreements, banker's acceptances, commercial paper, and medium-term corporate notes.

#### 409.10 Maximum Maturity

Investment maturities shall be based on a review of cash flow forecasts. Maturities will be scheduled so as to permit the District to meet all projected obligations. The maximum maturity will be no more than five years from purchase date to maturity date.

#### 409.11 Reporting

The Admin/Finance Manager shall submit to the District Board a semi-annual investment report, which shall consist of a cover report over the semi-annual reports generated by the investment fund and the Local Agency Investment Fund. The cover report shall include a certification that:

- A. All investment actions executed since the last report have been made in full compliance with this Investment Policy, and
- B. Groveland Community Services District will meet its cash flow requirements for the next six (6) months.

#### 409.12 Investment Policy Review

This Investment Policy shall be reviewed, modified as needed, and approved on an annual basis by the Board of Directors. This should be done during the annual budgeting process.

## 500 DEEDS, EASEMENTS AND ENCROACHMENTS

### 501 ACCEPTANCE OF DEEDS

#### 501.1 Purpose

The District Board of Directors may agree by resolution to accept a deed conveying fee simple title to real property or some interest in real property to the District. The Board of Directors of District may also authorize by resolution the execution of a Grant Deed by which the District conveys all or a portion of its interest in real property to a third party, by sale or exchange of said real property.

#### 501.2 Procedure

- A. For any acceptance of a Grant Deed of real property from a third party to the District, action to approve acceptance of the conveyance in such property by Grant Deed must be authorized by action of the Board of Directors at a public meeting properly agendized pursuant to the provisions of the Brown Act. The Board shall act to accept a Grant Deed by resolution approved by a majority of the Board. Attached to the resolution shall be a Certificate of the Secretary of the Board certifying the fact that said resolution was duly adopted by the Board of Directors of the District at a meeting called and held pursuant to the Brown Act on a specified date by the specified vote, and certifying to the fact that said resolution is valid and in full force and effect and has not been revised by the Board of the District since the date of its adoption. This resolution and the attached Certificate of Secretary shall be recorded with the Grant Deed in the Office of the County Recorder in Tuolumne County.

### 502 EASEMENTS

#### 502.1 Purpose

The District requires public utility easements around all new development and within Pine Mountain Lake. The width of these easements are six (6) feet on the sides of a lot, fifteen (15) feet in the front, and ten (10) feet in the rear. The District may determine that it is necessary for it to acquire rights of access across private property owned by third parties in order to access its water and sewer infrastructure, to operate and maintain all such water and sewer infrastructure, and to repair, replace, construct, and improve those portions of its water and sewer infrastructure that lie upon or within private property. The acquisition of such rights by the District in the real property owned by a third party is typically achieved through the negotiation and execution of an Easement Agreement—Public Utility Easement (*See Appendix 500-A*).

The District may alternatively determine that it is necessary to acquire rights to access and use portions of private property in order to fully execute its powers to provide fire suppression services, recreation and park facilities and services, and community center facilities and services. Acquisition of such rights of use and access by the District of real property owned by a third party for such purposes is typically accomplished by Board action approving the execution of an Easement Agreement between the District and the third party property owner. The District's form of Easement

Agreement is at Appendix 500-B. Negotiations to enter into an Easement Agreement (Public Utility Easement) or an Easement Agreement for park and recreational, fire suppression, or community facilities services, may be initiated by either the District or a private property owner.

Under certain circumstances it may be necessary for the District to grant easement rights to a third party such as an electrical utility, communications utility or natural gas utility. Granting of such rights of use and access over District real property to a third party is accomplished by Board action approving the execution of the District's standard form of Easement Agreement between the District and the third party which requires access over District property (*See Easement Agreement Appendix 500-C*).

## 502.2 Procedure for Easement or Easement Abandonment Requested by Property Owner

- A. The requesting property owner must submit a written request to the District which includes a legal description of the proposed easement or easement abandonment by metes and bounds as well as a legal description of the Tuolumne County Assessor's Parcel Number upon which the proposed easement is located, prepared by an engineer duly licensed to prepare such a legal description or a licensed surveyor.
- B. The legal descriptions of both the easement and the parcel of property upon which the easement is located will be checked for accuracy by District staff.
- C. The owner of the property must submit said legal description of the proposed easement and the parcel upon which the easement is to be located or abandoned, together with the plat map demonstrating the location of the easement upon the parcel to a title company of the requester's choice and must order a current preliminary title report regarding the parcel of real property upon which the easement is to be located. The requesting party shall arrange for the title company to forward a copy of the preliminary title report to the District for review.

The District Engineer shall review the preliminary title report and shall advise the requester of any liens or other encumbrances on the parcel reflected in the preliminary title report. All such liens and encumbrances must either be subordinated to the priority of the proposed easement to be granted to the District, or be determined by the District not to conflict with its easement rights.

- D. Easements granted to the District by a third party property owner for public utility purposes must be memorialized on the District's standard Easement Agreement—Public Utility Easement (Appendix 500-A) and executed by the person or persons holding fee simple title to the parcel of real property upon which the easement is located. The Easement Agreement conveying the easement from the property owner to the District together with all subordination agreements must be executed before a notary public and shall contain an acknowledgement of the notary public. In cases in which corporations are executing the Easement Agreement as the property owner, the corporate seal must be affixed to the Easement Agreement.
- E. Easements requested by third parties over District property for utility and other purposes must be approved by the Board of Directors and memorialized on the District's standard Easement

Agreement (Appendix 500-C) and executed by the General Manager as the authorized representative of the District.

- F. Upon adoption of this policy, the Board of Directors authorizes the General Manager to execute on behalf of the District Easement Agreement—Public Utility Easement by such private property owners offering the District easement rights across their private property for public utility purposes without prior approval of each such easement transaction by the Board of Directors. However, at the next regular Board meeting after any such Easement Agreement—Public Utility Easement executed by the General Manager on behalf of the District, such easement documents shall be submitted to the Board of Directors for ratification on that meeting’s agenda consent calendar.

Upon adoption of this policy, the Board of Directors authorizes the General Manager to execute on behalf of the District Easement Agreements by which the District grants easement rights across District property to third parties for public utility and other purposes approved by the Board of Directors (Appendix 500-C).

- G. Following ratification by the Board of Directors, District staff shall submit all Easement Agreements—Public Utility Easement and other Easement Agreements, together with the legal description and plat map of the proposed easement, for recordation to the Tuolumne County Recorder’s Office. Such recordation of Easement Agreements—Public Utility Easement is dependent upon the property owner providing for the issuance of a policy of title insurance naming the District as insured insuring its easement rights in the property in a face amount to be determined by the District. The private property owner granting the easement site to the District will be responsible for all title fees and recording fees.

### 502.3 Procedure for Easement Requested by District

- A. The District must submit an offer in writing to the owner of the real property upon which the District desires to locate an easement, whether it is a public utility easement, or an easement for park and recreation, fire suppression or community facilities purposes. Attached to the offer shall be a legal description of the parcel upon which the proposed easement is located as well as a legal description of the easement by metes and bounds description prepared by a licensed engineer or licensed surveyor.
- B. The District will order a preliminary title report covering the parcel of real property upon which the easement is located as well as the proposed easement location and submit a copy to the private property owner at the District’s sole cost and expense.
- C. The District will require any liens or encumbrances on the parcel of real property upon which the proposed easement is located which conflicts with the District’s easement rights to be subordinated to the easement rights of the District.
- D. Easements requested by the District for public utility purposes and accepted and approved by the private property owner shall be memorialized in the District’s standard form of Easement Agreement—Public Utility Easement (Appendix 500-A) executed by the person or persons

holding fee simple title to the property upon which the easement will be located. All such documents must be notarized.

Easements requested by the District and accepted and approved by the private property owner for park and recreation, fire suppression or community facilities purposes shall be memorialized in the District's standard form of Easement Agreement (Appendix 500-B) executed by the person or persons holding fee simple title to the property upon which the easement will be located. All such documents must be notarized.

- E. The Board of Directors, by adoption of this policy, has authorized its General Manager to approve and execute such Easement Agreements—Public Utility Easement and other Easement Agreements on behalf of the District without receiving prior approval by action of the Board of Directors.
- F. Following ratification by the Board of Directors, District staff shall submit the Easement Agreement and all attachments together with any applicable deeds granting easement rights to the Tuolumne County Recorder's Office for recordation.

#### 502.4 Effect of Easement Agreement

The District's forms of Easement Agreements (Appendix 500-A and 500-B), when recorded, create a permanent real property interest of the District in real property owned by another which permits the District to utilize specifically identified portions of that real property for its authorized public utility, park and recreation, fire, or community facility purposes, and provides rights of ingress and egress to the easement location for such purposes for an indefinite period of time. In certain circumstances, the District may be willing to pay compensation to a third party property owner for easement rights if a valid appraisal can be obtained by the District of the value of such easement rights. The District will not pay compensation for easement rights offered by property owners as the condition of connecting to the District's water or wastewater systems.

### 503 RIGHT-OF-WAY AND ENTRY AGREEMENTS

#### 503.1 Purpose

The District maintains and operates water and wastewater systems for the benefit of its customers. In connection therewith, the District owns various interests in real property, including fee simple title, leases, easements, and rights of way (hereinafter collectively "District Property"). The District utilizes Right-of-Way and Entry Agreements to memorialize District agreements to license use of District Property to third parties for temporary periods of time and for purposes specified in the agreement. Such contemplated uses of District Property may restrict District access to and use of such property. A Right-of-Way and Entry Agreement restricts a third party's use of District Property to specified purposes and times, and requires payment of compensation to District by applicant for the value of the applicant's temporary use of District Property. The license to use District Property granted in such a Right-of-Way and Entry Agreement shall be limited in duration to specified periods of time.

## 503.2 Procedure for Entry into Right-of-Way and Entry Agreement

- A. The person requesting the right to temporarily use District Property for specified purposes must submit a written request to the District requesting a Right-of-Way and Entry Agreement together with a legal description of the parcel of real property upon which the right-of-way or entry shall be located, including a legal description of the right-of-way by metes and bounds prepared by a licensed engineer or licensed surveyor.
- B. The District Engineer shall evaluate the request and determine whether the proposed temporary use of District Property will conflict with any other existing or planned uses of District Property during the proposed duration of the proposed right-of-entry. The District Engineer shall also determine whether the proposed nature and extent of use of District Property by the applicant and the duration of the proposed use merits the requirement that the applicant pay compensation to the District for the use of District Property. Compensation may be waived when the applicant's use of District Property pursuant to the Right-of-Way and Entry Agreement promotes a public interest served by the District, such as to allow the contractor to utilize a portion of District Property for storage of construction materials pending construction of a District public works project. If the proposed use of District Property will preclude the District from utilizing such property due to the nature and extent of the applicant's proposed activities on District Property, the District shall establish a rental value for such District Property to be paid by the applicant for the use of District Property and include that amount in the proposed Right-of-Way and Entry Agreement.
- C. All licenses granted by the District pursuant to approval of a Right of Way and Entry Agreement must be memorialized by the District's standard Right-of-Way and Entry Agreement, attached hereto as Appendix 500-D—Right-of-Way and Entry Agreement, and executed by the District and the applicant.
- D. Any Right-of-Way and Entry Agreement must be approved by a majority of the Board of Directors at a regularly agendized public meeting of the Board of Directors. Following approval by the Board of Directors by minute action or by resolution, District staff will provide a copy of the fully executed Right-of-Way and Entry Agreement to the applicant and retain the original in the District office file. This authority may be delegated to the General Manager by the Board of Directors.

## 504 ENCROACHMENT PERMITS

### 504.1 Purpose

A property owner within the District must apply for and receive an Encroachment Permit from the District in the following circumstances:

- A. Whenever a property owner desires to install or construct physical improvements, such as landscaping, fencing, retaining walls, culverts, bridges, pipelines, or other structures or improvements on or within real property owned by the District or easements and right-of-way dedicated to the District, or

- B. Whenever a District resident or customer desires to secure temporary access over District owned real property or District easements or rights-of-way in order to access other private property, or
- C. Whenever a third party desires to secure temporary access to District owned real property, easements or rights-of-way in order to perform inspection or testing services including but not limited to soils testing, geotechnical engineering studies including borings, survey work or field inspection work.

Encroachment Permits are typically used by the District in the above situations. Other temporary uses of District Property or District easements which preclude District usage of such property will be handled by the District as a request to enter into a Right-of-Way and Entry Agreement pursuant to Section 503 above. The District will issue Encroachment Permits for authorized uses of District Property which do not interfere with the District's usage of such property for the provision of services to the public.

#### 504.2 Definition of "Encroachment"

"Encroachment" means (1) any structure or object of any kind or character located on District Property, easements and/or rights-of-way, including but not limited to building expansions, landscaping, fencing, retaining walls, culverts, bridges, pipelines, signage, or other structures and physical improvements; (2) use of District owned property, easements and/or rights-of-way for access to other properties; and (3) excavation including borings for geotechnical engineering purposes, and the deposit of materials from excavation within District Property; and (4) access to District owned property, easements and/or rights-of-way for survey, inspection or other engineering work. District Property includes District owned property, easements, rights-of-way, and the airspace above such property.

#### 504.3 Procedure

- A. The applicant for the encroachment permit must complete an application in a form provided by the District. As deemed appropriate by the District Engineer, plans for any structures, pipelines, or improvements to be constructed on or within District owned property or easements or rights-of-way must be attached to the application for review by District staff. Said application shall describe the name and address of the applicant, the nature and location of the proposed encroachment, the estimated duration of time of the proposed encroachment and a signed agreement by the applicant to comply with all of the provisions contained in the District Encroachment Ordinance (*See Appendix 500-E*)
- B. If physical improvements are to be constructed on or within District owned property, easements or rights-of-way, fully engineered plans and specifications for any such improvements must be attached to the application for review by District staff.
- C. If improvements are to be constructed on District Property, the applicant shall pay a deposit to the District as an advance against all administrative costs and expenses to be incurred by the District in reviewing the application and the plans and specifications for the improvements, at the time of filing the application.

- D. The District's form of Application for Encroachment Permit is attached hereto and marked Appendix 500-F. The District's form of Encroachment Permit is attached hereto and marked Appendix 500-G.
- E. Encroachments shall be approved and executed by the General Manager and do not require approval of the Board of Directors. Such Encroachment Permits only permit limited access to District owned real property or easements.

#### 504.4 General Requirements

- A. No person or entity shall do or cause to be done any work on District Property without first having obtained an Encroachment Permit and paid the applicable fee.
- B. Any construction work performed in connection with the permitted encroachment shall be in accordance with the plans and specifications reviewed by District and the conditions specified in the Encroachment Permit.
- C. Such Encroachment Permits only permit limited access to District Property for such purposes and uses as will not interfere with the District's customary use of such property for the provision of public services.
- D. All such Encroachment Permits shall comply in all respects with the District's Encroachment Ordinance (*see* Appendix 500-E) which requires, among other things, that the applicant agree to defend and indemnify the District against any and all claims, liability, damages and expenses arising out of the construction, installation, or maintenance of the encroachment, including (1) any dangerous or defective conditions created as a result of such encroachment; (2) the conditions under which Encroachment Permits may be refused and/or revoked; and (3) the penalties for violating the Ordinance and encroaching upon District Property without a permit.
- E. The District is not responsible for repairing or replacing any improvement made within a District easement due to activities undertaken by the District within the easement. Such repairs and replacements of property owner improvements shall be at the sole expense of the property owner.

## 601 DISTRICT'S INTENT OF DEVELOPMENT POLICY

### 601.1 Introduction

Residential and commercial development is an on-going process in the District. The intent of this section is to establish the policies that the Board of Directors deems appropriate to assure that development proceeds in a consistent manner under rules that are both fair to the developer and protective of the District's existing customers, both in the short term and long term. The following are the intents of the District Board of Directors ("Board") when considering developments:

1. Developers shall maintain money on account with the District that will be used to pay District staff time and expenses during the review and inspection of the proposed development.
2. When the District is weighing the short-term cost of infrastructure against the long-term cost of operating and maintaining that infrastructure, reducing the long-term infrastructure costs will be deemed more important than saving up-front capital costs by the developer. Important long-term costs to be considered during development planning shall include labor intensity of operating and maintaining the infrastructure and the energy cost of operating the infrastructure.
3. All improvements to the District's existing infrastructure required by the development shall be compatible with the District's existing infrastructure or that which the District knows will be required by regulatory agencies in the future.
4. All infrastructures shall meet existing design criteria, codes and regulations at the time of construction.
5. The capacities of water, wastewater, and reclaimed water systems recommended for the proposed development shall be validated by the District in relation to the capacities and reliabilities of existing and planned District water and wastewater systems. The validation shall be done for the expected build-out of Pine Mountain Lake and other expected developments in combination with the flows expected from the proposed development.
6. The developer shall mitigate any negative impacts on District infrastructure or services caused by the addition of the proposed project into the existing infrastructure.
7. For commercial and residential developments, an instrument of insurance shall be provided to the District to assure that once the development is under construction, the District infrastructure associated with the project will be completed as planned.
8. For large commercial and residential developments, the developer shall demonstrate his ability to properly complete the project by showing he has past experience successfully completing projects similar to that proposed and has the financial depth to complete the project.
9. For large commercial and residential developments, the proposed development shall be connected to the District's wastewater collections and treatment systems or a District-approved alternative.
10. For large commercial and residential developments, if fire flows do not currently meet the requirements of the proposed development, then the developer will be required to expand the capacities of the existing system to meet his development's fire flow requirements.

11. Open area and green belts in the proposed development that may be irrigated shall be plumbed to receive recycled water. The District reserves the right to deliver recycled water and/or apply other water conservation measures to conserve potable water to the development at the developer's expense.
12. The proposed development shall conform with all aspects of the Tuolumne County General Plan and any applicable Area Plan Amendments to the General Plan. The District will entertain incentive programs proposed by the developer to assist the developer to conform to these plans.
13. If the proposed project must be annexed into the service area of the District, and LAFCO requires the developer to modify his project in a way that changes the design of District-related infrastructure, then the District will require the developer to suspend the annexation proceedings until the District infrastructure issues have been resolved to the District's satisfaction.
14. If a proposed development is to be annexed into the service area of the District, the capacities in the District's existing infrastructures that are reserved for existing parcels within the service area shall not be used by the proposed development. In addition, it is the District's policy to allocate water supply availability and wastewater treatment capacity to undeveloped parcels within its existing service area before identifying additional water supply capacity or wastewater treatment capacity to serve development which is outside the District's existing boundaries but which may be annexed into the District. The developer will be obligated to expand existing capacities in ways that do not induce additional long-term operation and maintenance expenses on existing customers beyond that which might have been expected had the development not been served by the District. In addition, the developer of a project that requires annexation may be required to expand the infrastructure capacity beyond the needs for his proposed development if the additional capacity is required for the long-term infrastructure needs of the District. The District uses Reimbursement Agreements (see Appendix 600-A—Standard Reimbursement Agreement) to reimburse developers for the additional costs associated with the extensions beyond their development needs.
15. If on-going costs of operating and maintaining the infrastructure within a development are higher than the costs associated with the existing infrastructure, then the District shall cover these additional costs by implementing a cost mitigation plan, such as forming an improvement district for the new development so that the existing District customers do not subsidize services provided to the new development.
16. The District shall require the developer to prepare a detailed financial impact analysis as part of the Sub-Area Master Plan. The analysis shall evaluate long-term financial impacts on existing District customers for providing water, wastewater, parks and fire services to the proposed development. The analysis shall also disclose any anticipated additional costs (including the re-allocation of government fund taxes) or reduction in service to existing customers and future customers moving into the new development caused by the development of the proposed project.
17. The developer shall cover the operation and maintenance costs of the project associated with water, wastewater, parks and fire service between the time of the District's acceptance of the project and full build-out of the project, less that portion of the operation and maintenance costs paid by customers who have moved into the new project.
18. If the District Board of Directors is to consider a reduction in service for existing customers to accommodate a new development, then the Board shall hold public hearing(s) to disclose to

the public the nature of the reduction in service and to receive input from the public regarding the reduction in service.

## 601.2 Development Types and Their Associated Processes

For purposes of this policy, the District considers several types of developments and they may be treated differently. The least restrictive development type is the construction of a single residential unit. Development of up to four units (via parcel map) is treated by the District as a single residential unit development. Residential development of more than four units is considered a subdivision (via subdivision map) by the District and has special requirements by the District. Commercial development of less than or equal to 7,200 square feet in floor space is evaluated by the District as though it was a small residential unit development. Commercial development of more than 7,200 square feet of floor space is evaluated by the District as though it was a large subdivision development.

## 601.3 Variance to Development Policies

Any policy stated in Section 600 may be appealed to the District Board of Directors as a variance.

## 602 SMALL RESIDENTIAL & COMMERCIAL DEVELOPMENT

### 602.1 Introduction

The following section lays out the process for developing small residential (four or less lots) and small commercial (less than or equal to 7,200 square feet of floor space) development. Applicants should also review Articles V—*Application for Water Service, No Main* and VI—*Application for Water Service Main Extension* of the District’s current Water Ordinance and Articles IV—*Private Sewers To Existing Service Stubs, Classification Of Users, Connection Fees And Charges* and V—*Sewer Main Extensions Including New Sewer Service Stubs* of the District’s current Sewer Ordinance prior to submitting the application for development.

### 602.2 Applicability

Unless a water or sewer main extension is part of a District Capital Improvement Project, the Board, in most cases, expects the applicant for water and/or sewer main extension to complete all design and construction work at his expense. The applicant, or his duly authorized agent, must provide the required application and acceptable plans and specifications, which must be approved by the District prior to commencement of work.

### 602.3 Water/Sewer Main Extension Application

The applicant must complete the Application for GCSD Service (the template for this application is in Appendix 600-B) prior to initiating work. The application is the initial step a small residential or commercial developer will take. The information provided by the applicant will allow the District to

determine if water and/or sewer service is feasible. The District will write a letter to the applicant to indicate if water and/or sewer service to the proposed development project is feasible. At this point, if the applicant wishes to continue the project, he/she will execute the Agreement for Water/Sewer System Improvements (Small Developments) and pay all applicable fees.

#### 602.4 Agreement for Water/Sewer System Improvements (Small Developments)

Agreement for Water/Sewer System Improvements (Small Developments) will assure that the District is reimbursed for all its incurred costs in reviewing the applications, plans and specifications for the improvements, including all administrative, engineering, design and associated legal costs; inspection of the construction; all required environmental documentation for the improvements; together with security, bonding and warranty provisions. The template for the Agreement for Water/Sewer System Improvements (Small Developments) is provided in Appendix 600-C.

The Agreement for Water/Sewer System Improvements (Small Developments) provides that the applicant shall advance an amount equal to the estimated costs to be incurred by the District in processing the application, reviewing the plans and specifications, and inspecting the construction of the improvements. If the amount of funds advanced by the Developer exceeds the District's actual costs of engineering, design, legal, inspection and other charges attributable to the extension, the balance shall be refunded to the applicant upon completion of the improvements. If the amount of the deposit is insufficient to pay all of the District's costs incurred with respect to the project with respect to engineering, design, legal, inspection and other costs attributable to the extension, the applicant shall replenish the funds advanced to the level specified in the Agreement to cover such additional costs, and the District shall have no obligation to continue its processing of the application or its acceptance of the project until such additional deposits have been received.

#### 602.5 Fees, Deposits and Warranties

The applicant must provide security at four levels of the project in the form of an Irrevocable Letter of Credit, Performance Bond or a Deposit with the District, in a form suitable to the District.

##### A. Application Fees

Application fees are charged for the District Engineer to perform a feasibility level evaluation of the project and for the District to open a file for the applicant. The amount of the application fee for water service extension is shown in Exhibit A—*Water Rates, Charges & Fees*, of the District's current Water Ordinance. The amount of the application fee for sewer service extension is shown in Exhibit A—*Sewer Rates* of the District's current Sewer Ordinance. These fees are non-refundable.

##### B. Administration Fee and Engineering Deposit

Once the District Engineer has evaluated the feasibility of the proposed project and finds it feasible, the applicant must sign an Agreement for Water/Sewer System Improvements (Small Developments) which outlines the fees and charges, as well as contains an indemnification for the District. Once this agreement is signed, the applicant must pay the water and/or sewer administrative fee and engineering deposit to initiate work on the project. The fees and deposits will be made in cash, check or warrant (which must clear the bank before further

work is done). The administrative fee is non-refundable and is used for administrative and legal costs associated with the project. The engineering deposit is used for engineering and inspection costs and any funds remaining in the deposit will be returned to the applicant after the project is completed.

C. Participation and Meter Fees

The developer shall pay all water and/or sewer participation (connection) fees and meter fees. These fees are paid by the developer at the time they are ready to connect to the water and/or sewer mains. The amount of the participation and meter fees for water service extension is shown in Exhibit A—*Water Rates, Charges & Fees*, of the District’s current Water Ordinance. The water participation fee is dependent on the size of the water meter required to serve the property. The amount of the participation fee sewer service extension is shown in Exhibit A—*Sewer Rates* of the District’s current Sewer Ordinance. These fees are non-refundable.

D. Construction Performance Bond

The Construction Performance Bond is used to assure the District that the project is constructed and completed as planned. The form of the bond can be either an irrevocable letter of credit or a performance bond and a payment bond.

E. Construction Warranty

After the project is completed, but prior to District acceptance of the project, the applicant shall furnish to the District, the actual cost of constructing the project and a maintenance bond or warranty in the amount of 25% of the actual cost. This bond shall remain in effect for one year after final acceptance (Notice of Completion) by the District as a warranty for the construction of the water and/or sewer main extensions by the developer. Either an irrevocable letter of credit or a surety bond will be required for warranty purposes.

## 602.6 Provisions for Water and Sewer Main Extensions

Appendix 600-D contains the check list that the District will use for processing an application for GCSD services. The following rules are established for water and sewer service main extension:

- A. Determination. After receipt of any application for GCSD services, the General Manager shall determine whether a main extension is necessary to provide service. A main extension shall be installed in the manner provided in this section whenever the District determines that such main extension is necessary to provide regular water and/or sewer service to property described in such application.
- B. Application. Any owner of a land parcel where, in the opinion of the District, water and/or sewer main extensions are required, shall submit a written application for such service to the District. Said application shall contain the legal description of the property to be served and Assessor’s Parcel Number thereof, any additional information which may be required by the District and be accompanied by a map or plot plan showing the location of the proposed connections. The application form for this type of development shall be made available to

customers at the District office. The District may modify forms from time to time without modification to the policies contained herein.

- C. Investigation. Upon receipt of the application, the District Engineer shall make an investigation of the proposed water and/or sewer extensions and submit his opinion and the estimated cost thereof to the General Manager.
- D. Plans and Specifications. Design and construction shall be as required by this ordinance, District Standard Specifications and Details, and as may be required by statutes and ordinances of governing bodies other than the District. The most stringent requirements shall take precedence. Features not covered by any of the above ordinances, specifications, details or statutes shall be established by a California Registered Civil Engineer and be submitted to the District for review and approval.
- E. Ruling. The General Manager shall thereupon consider such application and report and, after such consideration, shall reject, amend, or approve the application.
- F. Variances. Should the applicant request a variance from the provisions set forth in the standard application, then the General Manager shall bring such request to the Board and, after such consideration, shall reject, amend or approve the application.
- G. District Lines. All extensions thus provided for in accordance with these policies and regulations shall be and remain the property of the District. All such lines shall be installed in easements or rights-of-way accepted by the District and recorded by the County.
- H. Dead-End Water Lines. No dead-end water lines shall be permitted except as approved by the General Manager. In cases where subsequent to the approval of a dead-end water line by the General Manager, another water dead-end line is planned in sufficient proximity to make connection feasible and such connection is recommended by the District Engineer, and approved by the General Manager, the dead-end water lines shall be connected. In cases where circulation lines are necessary, they shall be designed and installed by the District as a part of the cost of the extension.
- I. Extent and Design. All main extensions shall extend to the far property line of the developed property. If additional property is developed adjoining the same lot after installation of a main extension, the main extension shall be extended to the far property line of the additionally developed property. All standard main extensions shall be subject to design approval by the District Engineer and General Manager. Any variation to the standard main extension agreement shall be referred to the Board by the General Manager for approval, rejection or amendment.
- J. Water Service Connection. Water service connections and meters will be installed in accordance with applicable provisions as provided in Article IV—*Meters and Metered Service Connections* of the then-current Water Ordinance. All new water meters shall be of the automatic reading type.

- K. Project Acceptance. Prior to final acceptance of the project by the District, the District shall perform a final inspection and complete an Inspection Report. The template for the Inspection Report for Water/Sewer Extensions is contained in Appendix 600-E.
- L. Facilities Reimbursement Agreement. If the applicant extends the water and/or sewer mains past parcels or properties that are not currently connected to the District's water and/or sewer service, then the applicant for main extension may request entering into a Facilities Reimbursement Agreement (Appendix 600-A—Standard Reimbursement Agreement) with the District. This agreement allows the District to collect a pro-rata share of the cost for the main extension as new parcels and properties accept water service and reimburse the applicant a proportionate amount of the original cost of the extension. The District may modify the Standard Reimbursement Agreement from time to time without modification to the policies contained herein.

## 602.7 Water and Sewer Main Extensions by the District for Applicant

The Board and applicant may agree, under special circumstances, to have the District design and construct the water and/or sewer main extension. The terms and conditions of such agreement shall be determined at the time of application by the applicant. The applicant shall advance the amount estimated by the District that the water and/or sewer main extension will cost, after which, the District shall install the line(s). If the amount of the advance deposit exceeds the actual cost of engineering, design, legal, construction, inspection, and other charges attributable to the extension, the balance shall be refunded to the applicant. If the amount of the deposit is insufficient to pay all the costs of engineering, design, legal, construction, inspection and other charges attributable to the extension, the applicant shall pay in advance all such costs to the District prior to the acceptance of the extension by the District.

## 603 SUBDIVISION & LARGE COMMERCIAL DEVELOPMENT PROCESS

### 603.1 Introduction

The following section lays out the process for developing residential subdivisions (more than four lots) or large commercial development (more than 7,200 square feet of floor space). Applicants should also review Article VII—*Subdivision* of the District's current Water Ordinance prior to submitting the application for development. The process is divided into the following four major steps:

- A. Preliminary Information Exchange & Indemnification
- B. Feasibility Study (Sub-Area Master Plan) and Environmental Documentation
- C. Final Design and Construction
- D. Performance Guarantee Period

Each of these steps will also require interface with the Tuolumne County Community Development Department. The following outlines the process in each step of the overall development process.

## 603.2 Step 1: Preliminary Information Exchange & Indemnification

### 603.2.1 Intent of this Step

The intent of this step is to provide an opportunity for the developer to discuss the general process of development with the District and for the District to provide copies of detailed maps, models, and reports that will assist the Developer in preparing his application with the District. The developer will also be required to sign agreements that indemnify the District and agree to pay for all District costs in processing the developer's application. At this step, no formal Board action is required by the District, unless the development requires annexation.

### 603.2.2 Step 1 Process

#### A. Developer Application for GCSD Service and Advanced Funding Agreement

The first action of the developer is to prepare an Application for GCSD Service (Appendix 600-B) that outlines the scope and location of the proposed development and to execute an Advanced Funding Agreement (Appendix 600-F). The Advance Funding Agreement between the developer and the District must be executed by both parties before the District reviews the developer's application. The Advance Funding Agreement will:

1. Provide for the scope of work to be provided by District personnel and consultants in reviewing the application;
2. Estimate the amount of administrative, engineering and legal costs to be incurred by the District in reviewing the application;
3. Provide for a cash deposit to cover those estimated costs with the provision that once the cash deposit is reduced to a specified level, that future work on processing the application by District personnel will not continue until the account balance specified in the Advance Funding Agreement has been restored to the original amount required by the agreement; and
4. Indemnify the District against any action taken by the developer or by any third party against the developer and/or the District for the proposed project.

With this application for service, the developer will pay a non-refundable \$500 administrative fee and \$200 application fee and a \$1,500 engineering review deposit. These fees and deposits may periodically be changed when the Board of Directors amends the Water and Sewer Ordinances. For a complex project, the developer may be required to add to the initial deposit to cover District labor and expense costs needed to complete the activities in this step. If so, the District will provide a cost estimate to complete this phase of work. Any funds left in the deposit at the end of this step will be refunded to developer or credited to the fees required in

the next step of the process. Staff shall stop work on the Application for GCSD Service process if the developer does not pay the initial fees and deposits or does not maintain the engineering review deposit funds in a positive balance.

The Application for GCSD Services prepared by the developer shall be posted on the District's website and a copy will be available in the District office for review.

**B. District Indemnification**

The Developer shall assume all legal and litigation liabilities regarding the development, indemnifying the District. As part of the Application for GCSD Services process and as contained in the Advanced Funding Agreement, the developer shall indemnify and hold the District harmless for activities done by the District in Steps 1 and 2 of the development process. The developer shall indemnify the District against any legal action taken by any third party against the developer and/or the District for the proposed project. Indemnification for activities after Step 2 shall be contained in the formal Development Agreement that takes effect in Step 3.

**C. Guarantee of Service**

Activities conducted by the District at this stage of the process for the developer shall not be construed as a guarantee of any service empowered by the District to provide. Guaranteeing service shall be agreed to with the execution of the Development Agreement by both parties at the beginning of Step 3 of this process.

**D. District Engineering Report on Application for GCSD Services**

The District Engineer shall evaluate the developer's Application for GCSD Services and then produce a report which contains applicable maps, models, and reports that will assist the developer in preparing the Sub Area Master Plan (SAMP) and environmental documentation in Step 2 of the process. The information provided by the District will include water and sewer capacities, fire, and park services (and other latent power services that might be provided by the District), future planning by the District, which may impact the developer, and estimated cost of the SAMP and environmental documentation. Further, the report will contain concerns and issues that the District may have regarding District services, capabilities, capacities and future plans related to new development. These concerns will be discussed and revised as needed at least once each year in November or December by the District Board of Directors. Finally, the report will contain a statement that Board policy is that the District will fully expect the County to enforce the County General Plan and associated Area Plan Amendments thereto when they process the developer's application to the County. Furthermore, the District will consider preparing a "Service Availability" letter that will be used by the developer as he initiates the development process with the County. The template for the Service Availability letter is contained in Appendix 600-G.

**E. Board Review of Development Proposal if Development Entails Annexation**

If the proposed development entails annexation of the development into the District service area, District staff shall bring the Application for GCSD Services and District Engineer's Report to the Board for their review, deliberation, and input. Prior to approval for the developer to continue the project, the Board of Directors shall hold a public hearing to receive and review comments. Then, the Board of Directors may approve the project to go on to the

next step in the process or send the application back to the developer for modification and subsequent reevaluation by the Board of Directors.

### 603.3 Step 2: Preparation of Sub-Area Master Plan & Environmental Documentation

#### 603.3.1 Intent of this Step

The intent of this step is for the developer to prepare the Sub-Area Master Plan (SAMP) and appropriate environmental documentation for the proposed project. Guidelines for preparing the Sub-Area Master Plan are provided in Appendix 600-H. Guidelines for preparing the Environmental Review are contained in Appendix 600-I. These two tasks are done in collaboration with District staff and District consultants hired to assist with technical review. When the SAMP is completed, it will be presented to the District Board of Directors. The Board will also have an opportunity to review and comment on the environmental analyses. The Sub-Area Master Plan is prepared in conjunction with county approval of the developer's entitlement to develop. The agency responsible for reviewing the SAMP will be the District. The developer may group the District's facilities with other elements of the project when completing the California Environmental Quality Act (CEQA) review and documentation for County consideration.

Environmental documentation for the subdivision will be prepared under the authority of the County Community Development Department, with input from the District. Final approval of environmental documentation of the subdivision will be provided by the County Board of Supervisors.

Environmental Review Guidelines are contained in Appendix 600-I.

#### 603.3.2 Step 2 Process

##### A. Written Request for District Services to Subdivision

After approval of the Application for GCSD Services and the execution of the Advanced Funding Agreement, the developer shall make written request of the District to move to Step 2 of the process. The request shall state the legal description of the property to be served, the Assessor's Parcel number(s), the name of the proposed subdivision, and its location. The request shall be accompanied by a copy of the proposed map and which District services the developer is requesting. Accompanying the application, the developer will provide the completed Developer Information Form (see 603.3.2 (B) (below) and Appendix 600-J— Developer Information Form and a check, money order, or other warrant that will be used to fund the Development Account (see 603.3.2 (C), below).

##### B. Developer Information Form

On a case-by-case basis, the Board of Directors may request the developer to complete the Developer Information Form (Appendix 600-J) and submitted it with the written Request of District Services to Subdivision. The information requested consists of the makeup of the development partnership/corporation, and their individual and collective development history with similar types of projects. The District may perform further due diligence using the information provided by the developer. Any financial information provided to the District will be kept confidential by the District and is exempt from disclosure to the public under a specific exemption of the Public Records Act.

If during the course of the project, the information contained in the Developer Information Form is found to be incomplete or inaccurate, the work by the District may be suspended until such irregularities are resolved to the District's satisfaction.

C. Funding a Development Account

With the request for District Services to Subdivision, the Advance Funding Agreement shall be amended to provide that the developer shall provide funds to a development account controlled by the District for use by the District to review the SAMP and environmental documentation prepared in this step. Unless otherwise agreed to by the District Board of Directors and developer, the amount funded to the development account shall be the total estimated costs of the District providing the administrative, engineering, legal and inspection services required, as outlined in Section 603.3.2 (D), below.

The District shall prepare a monthly account status report for the Board of Directors and the developer. If the District anticipates that the costs for its review will exceed the initial estimate then the District shall notify the developer. If the account balance is not brought up to the new estimated amount needed within thirty (30) days of District's notice, then all work by the District shall cease.

At the completion of the subdivision and upon final approval by the Board, any funds remaining in the account shall be returned to the developer within sixty (60) days of said Board approval.

E. Cost Estimate and Developer Funding Assurance

The District Engineer shall prepare a cost estimate for the SAMP and subsequent environmental documentation which will serve as the basis for the amount of funds required to fund the development account. This cost estimate will also be used to determine the amount of assurance that the developer will provide to insure that this phase of the project is completed without any financial impact on the District. The developer must provide separate security in the amount of the District Engineer's cost estimate and security must be in the form of an Irrevocable Letter of Credit or a cash deposit with the District.

F. List of Recommended Consultants

Tuolumne County maintains a list of CEQA and other specialty consultants that they consider are qualified to perform work for the County. The District will provide this list to the developer as he plans the work to be conducted in this step. By providing this list, the District does not guarantee the work by any of the consultants listed. However, the District will insist that consultants selected by the developer for the work to be performed in this step have experience and a good track record in performing the work.

G. Public Access to Development Information

The District shall maintain public access to the final SAMP and draft and final environmental documentation by posting these documents on the District's web site and in the District office. Non-confidential information provided from the Developer Information Form shall also be posted on the web site and in the District office. The District shall also post on the web site the formal reviews of the SAMP by the District and/or its consultants.

#### H. Developer Prepares Sub-Area Master Plan (SAMP)

The developer, with the assistance of an engineer with recent experience with this type of work, shall prepare the Sub-Area Master Plan (SAMP) for the proposed project. The typical scope of work for the SAMP is contained in Appendix 600-H. The District will provide input to the developer during the preparation of the SAMP. The water and/or sewer infrastructure, and/or parks and/or fire services shall be evaluated in the SAMP in terms of determining present capacities, future capacities with planned build-out of existing communities and developments within the District, other on-going development applications, and the impact on present and future capacities caused by the proposed development. These evaluations shall be done by modeling approved by the District. The SAMP will provide alternative infrastructure improvement methods for the proposed development. If approved alternatives are available, then each alternative will be evaluated for capital and annualized long-term operations and maintenance costs, as well as an analysis of the advantages and disadvantage to the District for each alternative.

The SAMP will also evaluate the impacts on fire and rescue services provided by the District. The SAMP will require an appendix containing a letter from the County Fire Marshal which contains fire flow rates and durations for the proposed project.

The District shall require the developer to prepare a detailed financial impact analysis as part of the Sub-Area Master Plan. The analysis shall evaluate long-term financial impacts on existing District customers for providing water, wastewater, parks and fire services to the proposed development. The analysis shall also disclose any anticipated additional costs (including the re-allocation of government fund taxes) or reduction in service(s) to existing customers and future customers moving into the new development caused by the development of the proposed project. If the development is found to cause potential additional short- and/or long-term financial impacts on the existing customer base, then the financial analysis shall include alternative financial impact mitigations for consideration by the District. With these mitigations, the proposed development shall not impose any additional short- or long-term financial impacts on the District's existing customer base, as well as fire service requirements, such as alarm systems, inspections, and periodic operational verifications, which the District may be expected to provide.

#### I. Review of SAMP by District Board of Directors

The draft SAMP will be evaluated by the District and its consultant. Once the draft SAMP has been approved by District staff, the developer will present his findings to the District Board of Directors in a Public Hearing, scheduled with at least two week's notice to the public to allow the public time to review and consider the SAMP. The Board may request additional work to complete the SAMP based on public input and its review. If substantial additional work is requested by the Board of Directors, then the draft SAMP will be revised and brought back to the Board for final review. With no additional revisions requested by the Board, the developer will finalized the SAMP, which will include the preferred alternatives based on input from District staff and Board. The final SAMP will then be brought back to the Board of Directors, who will receive and file the document. Only after the environmental documentation has been

properly reviewed and approved by the controlling agencies, including the County and the District, will the SAMP be considered for approval by the District Board of Directors.

J. Perform Environmental Analyses and Prepare Environmental Documentation

The environmental documentation is usually done at the same time as the preparation of the SAMP. With the county as lead agency, the developer will perform environmental analysis of infrastructure alternatives, as well as the impacts of providing water, wastewater, fire and park services on the community and the District. This step may be conducted by the developer under the direction of the Tuolumne County Community Development Department with input from the District during the environmental review process or it may be conducted as a separate step with the District acting as lead agency. Guidelines for completing the environmental evaluation and documentation process are provided in Section 604, below, and Appendix 600-H—Guidelines for Preparing Sub-Area Master Plan. This part of the process is completed with the approval by the County Board of Supervisors and the issuance of the Conditions of Approval. Once the environmental process has been completed and approved by the County, then the District and developer will move on to Step 3.

K. Funding the Environmental Review Process for the SAMP

The developer will be entirely responsible for completing CEQA at their own expense. Should the District need to retain a CEQA consultant to review the CEQA document, the developer shall be responsible for these expenses.

L. The Environmental Documentation Process for the SAMP

The final SAMP will not be approved by the District Board of Directors until all CEQA documentation has been completed by the developer and approved by the county. All improvements recommended in the SAMP shall be included in the CEQA analyses. As applicable, the terms and conditions of the SAMP and the CEQA documentation of the SAMP shall be included in the county's conditions of approval for the subdivision development project.

M. Annexation

If the developer is requesting annexation into the District for one or more services, then all of the environmental impacts, including the appropriate elements of the County General Plan and associated Area Plan Amendments, of such an annexation must be considered during the environmental documentation and costs estimates/funding assurances process performed in this Step 2 of the project in connection with approval of the SAMP.

## 603.4 Step 3: Project Design and Construction

### 603.4.1 Intent of this Step

The intent of this step is to move the project into the design and construction phase. The first task is for the District and developer to prepare and execute a Development Agreement. This step may also require the developer to request annexation to the District by the Local Agency Formation Commission (LAFCO) if the proposed project lies outside the District's service area. Once the project area is annexed into the District by LAFCO, then the developer will prepare the final designs for all

improvements to the District. The final task prior to commencing construction is for the developer to prepare the final design of the selected alternatives to the infrastructure improvements.

#### 603.4.2 Step 3 Process

This final step in the subdivision process has several steps, including executing the development agreement, supporting annexation if the property is outside the District's service area, preparing final designs, construction, and project acceptance.

##### A. Develop and Execute Development Agreement

The Development Agreement contains the terms and conditions under which the developer may construct extensions to District infrastructure and for the District to provide services to the proposed project. The details for preparing the Development Agreement are contained in Section 606, below. A sample Development Agreement is contained in Appendix 600-K. Once the Board of Directors has accepted the Development Agreement and it has been executed by both parties, then the developer can move on to the next step in this process, either annexation or project design. The Development Agreement will contain several important clauses.

1. The Development Agreement, either with or without annexation provisions, will not be considered for approval by the District's Board of Directors until all of the CEQA documentation with respect to the SAMP and the implications of annexation have been completed, circulated for public comment, and refined into a final EIR that is approved by the District's Board of Directors.
2. The developer agrees to build the project per District conditions and schedule.
3. Should the Board of Directors determine that supplemental environmental documentation is necessary, then the Development Agreement shall not be considered by the Board until such supplemental documentation is completed and approved.
4. For those projects in which annexation is being requested, the development agreement shall include any and all provisions relative to the annexation process between the developer and the District so that the development agreement acts, in essence, as an annexation agreement as well in those cases in which all or a portion of the development needs to be annexed into the District for one or more services.
5. To insure that once the project moves into the construction phase, the developer will provide an irrevocable letter of credit to be used to complete construction if the developer should stop work for any reason. The amount of this letter of credit shall be one-hundred and twenty-five percent (125%) of the estimated District capital improvement costs for the project as developed in the SAMP.

6. The Development Agreement will contain an indemnification clause which will hold the District harmless for any part of the design and construction process from actions taken by the developer or any third party relative to the development.
7. The District agrees to provide all agreed-upon services to the development. These services may include water, wastewater, fire, parks, and other services that the District may have the power to deliver. If the development is to be annexed into the District, then the power to determine which services will be provided lies with LAFCO after they have determined that adequate CEQA has been done for providing these services and that adequate short- and long-term funding is provided by the developer for them.
8. The development shall not impose any additional short- or long-term financial impacts on the District's existing customer base.

#### B. Developer Request for Annexation

If the project lies outside the District's service area, then it must be annexed into the District by LAFCO in order to receive services from the District. Prior to considering support for annexation, the developer shall sign an Annexation Agreement with the District. A sample Annexation Agreement is contained in Appendix 600-L.

Requests for annexation will be considered by the Board on the basis of (a) the County General Plan and Area Plan Amendment, (b) input from existing customers and property owners adjacent to the land to be annexed, (c) District workload and technical capacity to fulfill annexation obligations, and (d) any other mitigating circumstances associated with expansion of the District's service area.

If support for annexation is agreed to by the Board of Directors in the Annexation Agreement, such support shall expire with the expiration of the approved CEQA documentation. Details on the annexation process are provided in Section 605, below.

#### C. Developer Prepares Project Designs

With the Development Agreement executed by all parties and the annexation process completed, then the developer will move into the project design phase. Project designs will conform to the District's Development Improvement Standards, which are described in more detail in Section 606, below. The District and/or its consultants will review and approve all plans submitted by the developer before any construction can commence.

#### D. Construction Oversight

During construction, the District will oversee all construction to insure that construction meets District's standards. The cost of oversight will be paid by the developer.

#### E. Final Project Approval

Once the extensions to the District's infrastructure has been completed and approved by the District Engineer, District staff will bring the project to the Board of Directors for final acceptance and approval. At this point, the District will release the construction securities (performance bond or letter of credit). The District will then require a new warranty security in the amount of twenty-five percent (25%) of the actual infrastructure construction cost to provide a guarantee of construction performance of the extended infrastructure. This security shall be in the form of a surety or warranty bond, irrevocable letter of credit, cash or other insurance instrument acceptable to the District. The term of this security will be two (2) years, unless otherwise approved by the District's Board of Directors.

#### 603.5 Step 4: Performance Guarantee Period

After the project is completed and has been accepted by the District, the developer shall provide a performance warranty in an amount stipulated in the Development Agreement. Such warranty shall guarantee performance of all facilities constructed by or for the developer for the project for a period of at least one (1) year from the time of District approval, or other term, as specified in the Development Agreement. The performance warranty shall be in the form of a bond, irrevocable letter of credit, cash or other warrant acceptable to the District.

### 604 ENVIRONMENTAL REVIEW GUIDELINES

#### 604.1 General

The District shall comply with all state (and federal, where required) environmental regulations and guidelines. A complete set of Environmental Review Guidelines is provided in Appendix 600-I of this District Operational Policies and Procedures Manual. The regulations contained in Title 14, Division 6, Chapter 3 of the California Administrative Code are incorporated by reference as if set out in full and shall be applicable, except as modified herein, to these procedures (14 Code of California Regulations Section 5022).

#### 604.2 Relationship to Environmental Review

The District has established a preliminary review process to determine whether projects are subject to the California Environmental Quality Act (CEQA) in accordance with Article 5 of the State CEQA Guidelines. Where the District determines that the project is subject to CEQA, the environmental review process is completed as part of the overall project review process of the District. As part of the environmental review process the District may request more information. Under Section 15060 of the State CEQA Guidelines, requiring such information after the application is deemed complete does not change the status of the application.

Once the District has determined that an activity qualifies as a "project" subject to CEQA, it must then determine whether an exemption applies. If after determining that a project is exempt under Section 15061(b) of the State CEQA Guidelines, a Notice of Exemption is prepared by the District. The project may then proceed through discretionary reviews, plan checks, and approval of the project.

If the project is not exempt from CEQA, the District will ensure the completion of an Initial Study to determine whether the project may have a significant effect on the environment. Given the findings of the Initial Study, one of the following is prepared for the project:

- A. A Negative Declaration (finding of no significant impacts),
- B. A Mitigated Negative Declaration (finding of potentially significant effects for which the project's proponent has made or agrees to make project revisions that clearly mitigate the effects), or
- C. An Environmental Impact Report (EIR).

Where the District determines that the project is not likely to result in significant impacts that cannot be mitigated to below the level of significance, the District will complete the Negative Declaration [or Mitigated Negative Declaration] in accordance with Article 6 of the State CEQA Guidelines prior to rendering a decision on the project. Under Section 15075 of the CEQA Guidelines, after deciding to carry out or approve a project for which a Negative Declaration of Mitigated Negative Declaration has been approved, the District shall file a Notice of Determination with the County after deciding to carry out or approve each phase. If the project requires discretionary approval by any state agency, the District shall also file with the Governor's Office of Planning and Research (OPR). The project may then proceed with plan checks and approval of the project.

Where the District determines that a project has the potential to result in significant impacts that may not be able to be mitigated to below the level of significance, the District will complete, at the Developer's expense, the EIR process in accordance with Article 7 of the State CEQA Guidelines. The District must certify the technical and procedural adequacy of the EIR prior to rendering a decision on the project. The EIR is certified by the District.

### 604.3 Summary of Time Limits for Permit Review

Section 15022(a)(13) of the State CEQA Guidelines requires the District to provide time limits for performing functions under CEQA. These time limits are established in Article 8 of the State CEQA Guidelines, and are summarized in these guidelines in Table – Summary of Time Limits for Permit Review.

### 604.4 Process for Posting & Approving Negative Declaration or Mitigated Negative Declaration

The following is a review of the CEQA process that the District must follow in preparing a Negative Declaration or Mitigated Negative Declaration (see Appendix 600-I, Exhibit A, CEQA Process Flow Chart). Prior to any Board consideration, an Initial Study of the environmental impact of the project must be undertaken. The first documents that will be presented and considered by the Board are the Initial Study (Environmental Checklist) and the Notice of Intention to Adopt a Negative Declaration. The Board must review and consider the Initial Study prior to the adoption of the form of Negative Declaration. The California Environmental Quality Act requires consideration of impacts on the environment as a result of a "project", prior to approval of that "project."

Once the Initial Study has been adopted and the Board has decided to prepare the Negative Declaration or Mitigated Negative Declaration, the Notice of Intention to Adopt a Negative Declaration or Mitigated Negative Declaration (“Notice of Intention”) must be published once in a newspaper of general circulation in Tuolumne County. The Notice of Intention, proposed Negative Declaration or Mitigated Negative Declaration, and Initial Study must be sent to any other public agencies that are affected by the project being undertaken, as well as any persons who have requested notice. Finally, the Notice, with the proposed Negative Declaration or Mitigated Negative Declaration and Initial Study attached, should be filed with the County Clerk who will also post the Notice for a period of at least thirty (30) days.

A copy of the proposed Negative Declaration must be available at the District’s office for review. The Notice of Intention to Adopt a Negative Declaration (or Mitigated Negative Declaration) should be posted at the District’s offices and the copy of the Negative Declaration (or Mitigated Negative Declaration) and Initial Study can be attached.

The District must provide at least a thirty-day (30-day) public review period with respect to a proposed Negative Declaration or Mitigated Negative Declaration where there are no state agencies affected. The Notice of Intention must state the date of the public hearing when the District will discuss the Negative Declaration (or Mitigated Negative Declaration) and provide for an ending date of the public review period.

If no substantial revisions are made to the Negative Declaration or Mitigated Negative Declaration after the public comment period has expired, the District may consider and approve the Negative Declaration or Mitigated Negative Declaration at its scheduled Board Meeting stated in the Notice of Intention. The Board should listen to anyone interested in providing public comment at that meeting prior to the adoption of the Negative Declaration or Mitigated Negative Declaration.

Within five (5) days of the Negative Declaration being approved, a Notice of Determination must be filed with the County Clerk in Tuolumne County. The County Clerk must file the document within twenty-four (24) hours of receipt and post it for thirty (30) days. Upon the filing of the Notice, the statute of limitations with respect to challenging the Negative Declaration will begin to accrue.

## 605 ANNEXATION PROCEDURES

### 605.1 Purpose

Property proposed for development outside the District service area but within the District’s sphere of influence must be annexed to the District prior to receiving any of the services provided by the District, including water, sewer, fire or parks, or other services that might be provided by the District. Furthermore, commitments to provide service to property and/or proposed developments will not be granted until said property is annexed to the District.

Annexation is a discretionary act by the District Board of Directors. The District has responsibilities and approval authority when considering annexation and expansion into its service area. The District has the power to disapprove any annexation for which it has substantial evidence of finance-related or service-related concerns that the developer is unable to mitigate to the District’s satisfaction. If the

developer of a project that is to be annexed into the District has agreed to in the Annexation Agreement (Appendix 600-L) to meet all conditions and address required mitigations, as identified in the county Conditions of Approval, CEQA documents and SAMP, then the District's Board of Directors will consider adoption of a resolution of application to LAFCO for annexation.

## 605.2 Approval

In conformance with Section 608, Project Approval, District approval of residential, commercial, industrial or other types of development projects will not be granted by the Board of Directors until the entire site has been annexed to the District and all conditions required to be fulfilled prior to annexation have been met or agreed to in the Annexation Agreement.

## 605.3 Annexation Procedures

The annexation procedures must take place during Step 2 process described in Section 603.3. LAFCO approval of the annexation will take place only after the District's Board of Directors considers and approves the annexation. The District will transmit all of its findings with respect to the project derived from the SAMP to LAFCO for LAFCO to include in its conditions of approval of annexation. The following outlines the District's annexation process.

### A. Determine Suitability

Property owners or project developers desiring annexation to the District should first determine several factors regarding their property's suitability for fire, parks, water and sanitary sewer services. These issues shall be addressed during the preparation of the SAMP and CEQA documentation conducted in Step 2 of the development process. The Developer shall address the following questions and issues:

1. Is the property presently not within the District's boundaries?
2. Is the property within the sphere of influence (Hetch Hetchy Contract Area) established for the District by the Local Agency Formation Commission (LAFCO)?
3. Where are the District's existing water, sanitary sewer, parks and fire service facilities relative to the property?
4. Is the excess capacity in the District's existing facilities adequate for the property's proposed development density?
5. Gather information regarding District annexation policies, service area, sphere of influence, and the location of existing water and sanitary sewer service facilities and available excess capacity will be provided by District staff upon request. Determination of the property's suitability for development and/or connection to the water and sanitary sewer service is the responsibility of the property owner, and his/her use of professional engineering and/or development consultants is encouraged.
6. Any concerns or issues the District Board of Directors may have with regards to community concerns and the appropriate mitigation treatment.

## B. Application to LAFCO

LAFCO has been established by the State Legislature to, among other duties, review and approve or disapprove proposals for annexation of territory to special districts. Approval by LAFCO of any annexation proposal is required before the District can approve the annexation and provide fire, parks, water, and/or sanitary sewer service.

1. To initiate the LAFCO application procedure, owners of the property proposed for annexation, or the registered voters residing within the area proposed for annexation, shall submit a petition (§56704, Ca. Gov. Code) to LAFCO. The contents of the petition, itemized below, shall conform to §56700 of the California Government Code.
2. With the petition, annexation proponents shall submit to LAFCO a map and legal description of the proposal. The contents of the map and legal description, itemized below, shall conform to LAFCO and the State Board of Equalization requirements.
3. Also with the petition, annexation proponents shall submit to LAFCO a completed application form and appropriate filing and environmental review fees.

## C. District Approval of Annexation

If LAFCO accepts the annexation proposal, then it will adopt a resolution and forward it to the District. After confirmation of LAFCO acceptance, and after the annexation proponent(s) tenders to the District applicable annexation fees (discussed below) and appropriate recording and State Board of Equalization fees, as determined by LAFCO, the District's Board of Directors, at a regularly scheduled meeting, will consider approval of the proposed annexation. The Board of Directors' approval of the proposed annexation shall be formalized by the adoption of a resolution, which shall be forwarded to LAFCO prior to its consideration of said annexation. This Board resolution shall contain the following provisions:

1. That a description of the annexed lands shall be attached to said resolution;
2. The annexed land shall be subject to the District's policies, rules and regulations, charges made, and assessments levied pursuant to the provisions of the laws pertaining to Community Services Districts to pay for outstanding obligations of said District. The annexed land shall also be subject to all and any combination of assessments, tolls and charges as may exist at the adoption of the resolution and as thereafter may be established and/or levied by the County of Tuolumne and/or the District, either separately or in joint interest for any District purpose or arising from community impacts or negotiated and agreed community impact mitigations stipulated in the county Conditions of Approval;
3. The District shall be under no obligation to install water or sanitary sewer service systems or any facilities in connection with the subject annexation. The owners of the land to be annexed shall install, as and when water and sanitary sewer services are desired, without cost, charge or obligation to the District, a complete water and sanitary sewer service system as may be specified by the District, in accordance with plans and specifications approved by the District Engineer or General Manager, in a manner meeting his/her

approval, and shall convey, at no cost to the District, all of said water and sanitary sewer service system, including rights of way over all parts thereof, to the District; and,

4. The project developers and/or owners of the annexed property, and their heirs, successors and assigns shall agree to abide by all District policies, rules and regulations presently established and as shall be established by the Board of Directors in the future.

#### D. Application to District

If annexation proponents desire to receive confirmation of District acceptance of their proposal prior to initiating the LAFCO application, the petition, map, legal description and LAFCO application form, discussed in 605.3(B), above, should be submitted to the District office. A deposit paid by the developer must also accompany said submittal to cover LAFCO's filing, if any, and LAFCO environmental review fees, State Board of Equalization fees, District processing costs and environmental review fees, if any. When the annexation process is complete or terminated, cost overruns will be billed to the applicant, and under-runs will be refunded.

The Board of Directors will consider the annexation proposal at a regularly scheduled or special Board meeting. Acceptance by the Board of the proposed annexation shall be formalized by the adoption of a resolution. Said resolution shall contain the following:

1. All of the information required in the petition, as itemized below, except for provisions regarding signatories and signatures
2. The annexation map and legal description as attachments
3. Verification that the District desires to, or not to annex the subject territory
4. Authorization for the resolution to be submitted as an application for annexation approval by LAFCO if the Board supports annexation, along with the conditions of support
5. Only if the Board agrees to proceed with annexation, a request that LAFCO approve and authorize the District to conduct proceedings for the annexation without notice and hearing and without an election (only if the petition has been signed by all of the owners of land within the boundaries of the proposed annexation).

#### E. Annexation Petition

In accordance with §56700 of the California Government Code, the petition proposing annexation of property to the District shall do all of the following:

1. State that the proposal is made pursuant to said §56700
2. State the nature of the proposal (i.e., annexation of property to Groveland Community Services District)

3. Include a description of the boundaries of the affected territory accompanied by a map showing the boundaries
4. State any proposed terms and conditions
5. Explain the reason for the proposal (e.g., to receive fire, parks, water, and/or sanitary sewer services)
6. State whether the petition is signed by registered voters or owners of the land
7. Designate no more than three persons as chief petitioners, including their names and mailing addresses
8. Request that proceedings be taken for the proposal pursuant to said §56700
9. State whether the proposal is consistent with the sphere of influence designated by LAFCO for the District
10. State whether any environmental review of the project and required infrastructure has been undertaken and approved

F. Processing Resolution with LAFCO and the State

After adoption of said resolution of approval by the Board of Directors, it shall be sent to LAFCO along with necessary fees, for processing of State filings, local recordings, and filing with the State Board of Equalization.

G. Descriptions and Maps

In accordance with State Board of Equalization and District requirements, annexation descriptions and maps shall conform to the following conditions:

1. All documents must be capable of producing a readable photographic image;
2. Every description must be self-sufficient within itself and without the necessity of reference to any extraneous document, with references to deeds of record used only as a secondary reference;
3. When writing a metes and bounds description of a contiguous annexation, all details of the contiguous portion(s) of the boundary may be omitted, with the points of departure from the existing boundary clearly established;
4. A specific parcel description in sectionalized land is permissible without a metes and bounds description of the perimeter boundary;
5. A parcel description making reference only to a subdivision or a lot within a subdivision is not acceptable, unless all dimensions needed to plot the boundaries are given on an

accompanying plat, and the relationship of lot lines with street rights of way must be clearly indicated;

6. Every map must clearly indicate all existing streets, roads and highways within and adjacent to the lands to be annexed, together with the current names of these thoroughfares;
7. Every map shall have a legend, scale and north point;
8. The point of beginning of the legal description must be shown on the map;
9. The boundaries of the lands to be annexed must be distinctively shown on the map without obliterating any essential geographic or political features;

#### H. Maps

All maps must be professionally drawn (rough sketches of maps or plats will not be accepted). All descriptions must be prepared by a surveyor or civil engineer licensed in the State of California, and his/her stamp and signature shall be affixed to said description. All maps must be provided to the District in both paper format and digital format acceptable to the District.

#### I. Annexation Fee

The annexation fee is the amount charged to the developer as buy-in to the existing water and/or sewer infrastructure, which the developer has not contributed to, even though the developer will fund improvements to that pre-existing infrastructure. The amount of the annexation fee will be determined by the District Engineer and shall be related to the actual value of the infrastructure, which the developer is buying into, reduced to an amount per parcel or equivalent dwelling unit.

## 606 DEVELOPMENT AGREEMENTS

### 606.1 Purpose

Prior to the Board of Directors considering a private development project for approval, a Development Agreement (see Appendix 600-K for sample agreement) specifying the terms and conditions of said approval, prepared by the General Manager and/or Legal Counsel, shall be executed by the District Board of Directors and the project's developer(s) and/or property owner(s) (see Section 608—Project Approval).

### 606.2 Content of Agreement

The development agreement shall contain the following information:

- A. Name(s) of developer and/or project sponsor(s), and owner(s) of subject property;
- B. Assessor's parcel number of subject property;
- C. Type and purpose of project (e.g., residential, commercial, industrial, etc.);

- D. A graphic description of the project attached to the agreement as "Exhibit A;"
- E. Services required by development from GCSD;
- F. Agreement to provide and pay for agreed upon facilities as specified in the SAMP;
- G. Agreement to provide mitigations identified in the CEQA documentation and county conditions of approval; and,
- H. Agreement to pay to mitigate all short- and long-term financial impacts caused by the development, as identified in the SAMP, which would otherwise become a financial burden on the District's existing customer base.

### 606.3 Terms and Conditions of Agreement

The following shall be used as standard terms and conditions of the Development Agreement:

- A. Standards For Water and/or Sanitary Sewer Service System  
Plans have been or will be, at no cost to District, designed and prepared for the on-site and off-site water and/or sanitary sewer service systems, which include Developer's obligation to accomplish the following:
  1. Construct the water and/or sanitary sewer service system in conformance with the approved plans and specifications therefore; and,
  2. Obtain an encroachment permit, if required, from the Pine Mountain Lake Association, County Public Works Department, and/or the State of California Transportation Department (CalTrans) and comply with all requirements thereof, including trench restoration and street resurfacing requirements for any portion of the project situated within existing or proposed future county right-of-way.
- B. Acceptance of Plans And Specifications  
The completed plans as described above for the water and/or sanitary sewer service system have been or will be prepared in conformance with District Standard Design Specifications and the requirements of the District Engineer or General Manager, and are in a form acceptable to same.
- C. Revision of Plans  
Any changes in such accepted plans shall require written approval of developer and the District Engineer or General Manager.
- D. Rights- of-Way  
Owners will provide to District, at no cost to District and in a form acceptable to the District Engineer or General Manager, appropriate easements and rights-of-way for the maintenance, repair, and replacement of all water and sanitary sewer service system facilities not within existing public rights-of-way, public utility easements, and/or water or sewer easements.

#### E. Construction

Developer shall, without expense to District, construct the water and/or sanitary sewer service system pursuant to the accepted plans or any approved modification thereof. The developer shall provide in any contract for construction of the water and/or sanitary sewer service system that any contractor's materials, supplier's guarantees thereunder, including a two-year warranty on the completed improvements, shall inure to the benefit of District after the works constructed thereunder have been conveyed to District as provided for in Section 606.3(I), below. Developer shall also provide in any contract for construction of the water and/or sanitary sewer service system that the contractor's public liability and property damage insurance shall be extended to cover Developer and District and their agents, officers and employees as additional insured with liability and bodily injury limits of not less than three million dollars (\$3,000,000), and property damage coverage of not less than five hundred thousand dollars (\$500,000).

#### F. Inspection of Construction

The District Engineer or General Manager or his/her agent(s) shall inspect the construction of the water and/or sanitary sewer service system to assure that the works are installed in accordance with the accepted plans and specifications. An inspection fee paid by developer as specified in District's Rate Schedule shall fund said inspection. Construction of the water and/or sanitary sewer service system shall not commence until said inspection fee is paid. The District Engineer or General Manager shall notify developer as to any deviation or failure to construct pursuant to the accepted plans as soon as such deviation or failure is brought to his/her attention, and developer shall correct such deviation or failure.

#### G. Hold Harmless

District is not, by inspection of the construction or installation of the water and/or sanitary sewer service system, representing developer or providing a substitute for inspection and control of the work by developer. Any inspections and observations of the work by District are for the sole purpose of providing notice of stage and character of the work. Any failure of District to note variances in the work from the plans does not excuse or exempt developer from complying with all terms of the plans. The fact that District inspects the construction of work and notifies developer of deviations or failures to construct them pursuant to the accepted plans shall not be deemed to constitute a guarantee by District that the works have been built in accordance with the accepted plans. During construction and prior to conveyance thereof to and acceptance thereof by District, developer shall hold District harmless against any and all claims, demands and charges by third parties arising out of alleged deviations or failures to construct pursuant to the accepted plans. The developer shall also indemnify the District against any third party claims for personal injury or property damage arising out of the developer's design or construction of the infrastructure.

#### H. Delinquent Payment of District Fees and Expenses

Should the developer fail to stay current in paying District expenses associated with the project, including all administrative, legal, engineering and other necessary consultants' costs and expenses, including legal costs of collection of the unpaid charges, the District shall charge penalties and fees to recover these costs. Such charges shall serve as the basis for a

penalty charge in the amount of ten percent (10%) of those amounts together with monthly interest until paid at a rate of interest not to exceed one percent (1%) per month, per Government Code Section 61115. Until such delinquent payments are paid, all work by the District shall stop. If payment is not received by the District within three (3) months of delinquency, the District shall seek payment from the developer's surety (performance bond or irrevocable letter of credit).

#### I. Conveyance

Within ninety (90) days after completion of construction of the water and/or sanitary sewer service system in accordance with the accepted plans therefore and District's Standards Design Specifications:

1. The developer and owners shall convey title of the completed works to District without cost and free and clear of all liens and encumbrances, by appropriate conveying documents, acceptable in form to the District Engineer or General Manager;
2. The developer shall provide District with one (1) set of 24"x 36" reproducible "record" drawings of the completed project on matte Mylar (5 mil minimum). The developer shall also provide "record" drawings in digital format acceptable to the District;
3. The owner shall provide easements as specified in 606.3(D), above;
4. The Developer shall furnish to District a surety bond, irrevocable letter of credit, cash deposit, or other form of surety meeting District's approval in the amount of twenty-five percent (25%) of the actual District infrastructure construction costs. This surety shall protect District against any failure of the work due to natural phenomenon or catastrophe, faulty materials, poor workmanship, or defective equipment within a period of two (2) years after acceptance of the water and/or sanitary sewer service system by the District. Said surety bond or irrevocable letter of credit shall name developer as principal and District as obligee; and,
5. The District shall accept conveyance of title of the completed water and/or sanitary sewer service system and shall include it as part of the District's system(s), and shall thereafter operate and maintain said system(s) after developer has fulfilled all community impacts and funding commitments per the Development Agreement, and other related commitments to the District.

#### 606.4 Environmental Review

Prior to approval of a Development Agreement by the District Board of Directors, the developer shall have completed all environmental reviews required by the county and such reviews shall be approved by the County Board of Supervisors.

#### 606.5 Developer's Responsibilities after Conveyance

After District's acceptance of the water and/or sanitary sewer service system, the developer and owners shall have no obligation for the operation, maintenance, repair or replacement thereof, except

that to the extent that the developer and/or owners retain ownership of any parcel to which service from such works is available, they shall pay the same rates and charges levied by the District from time to time as any other property owner, unless otherwise agreed to by District and developer and/or owner. In addition, the developer shall be obligated to pay water and/or sewer connection fees for each parcel in the subdivision in the amount necessary for the parcels to participate in the District's infrastructure that existed prior to development.

A. Application for GCSD Services

The water and/or sanitary sewer service system shall not be operated, other than for testing purposes, until the said system is conveyed to District and formally accepted by District as specified in Section 606.3(H), above, and proper applications for service having been filed with District accepted.

B. Obligation for Pipeline and/or Facilities

District shall be under no obligation to provide additional facilities in order to serve the Project. Upon acceptance of the facilities by District, it shall become the sole property of District and shall be used and operated as District's sole discretion.

C. Rates And Charges for Service

All service made available by District to users within the Project shall be at the established rates and charges as fixed by District's Board of Directors from time to time. Some developments and/or the buyers of the homes in the developments may pay additional costs, such as through an improvement district charge, to mitigate against any financial burden on the District's existing customer base.

D. Notices

Notices or requests from any party to this Agreement to the remaining parties thereof shall be in writing and delivered or mailed, postage prepaid, to the following addresses:

Groveland Community Services District  
P.O. Box 350  
Groveland, CA 95321-0350  
Attention: District Engineer

[DEVELOPER'S NAME]  
[ADDRESS]  
[CITY, STATE ZIP]

E. Successors and Assigns

The development agreement shall be binding upon and inure to the benefit of the successors and assigns of all parties. Developer and owners shall not assign any of their rights, duties or obligations under this agreement without the prior written consent of District, which consent shall not be unreasonably withheld.

F. District Powers

Nothing herein contained shall be deemed to limit, restrict, or modify any right, duty, or obligation given, granted, or imposed upon District by the laws of the State of California now

in effect, or hereafter adopted, not to limit or restrict the power or authority of District, including the enactment of any rules, regulations, policies, resolutions or ordinances, and in the event that any part of provisions herein contained in this agreement or incorporated herein, be found to be illegal or unconstitutional by a court of competent jurisdiction, such findings shall not affect the remaining parts, portions, or provisions hereof.

#### G. Attorney Fees

Should any party deem it necessary to institute legal action to either compel performance of this Agreement or recover damages for nonperformance, the prevailing party(s) shall be entitled to reasonable attorney's fees, cost of suit, and all other expenses of litigation incurred in connection therewith.

#### H. Termination

The Development Agreement shall terminate and be of no further force and effect at District's discretion if District determines that construction of the water, sanitary sewer, parks, fire and/or other District-provided services has not commenced within twenty-four (24) months from the date of the Development Agreement, and developer has not submitted the plans and specifications for reacceptance, as provided for in 606.3(B), above. Termination may also occur if the developer has not mitigated impacts identified in the SAMP, CEQA documents, county Conditions of Approval, or other obligations required by the agreement or amendments thereto.

### 606.6 Variances to the Agreement

Any inapplicable portions of the foregoing standard terms and conditions may be deleted by, or upon approval of the General Manager, to accommodate project-specific situations. When warranted, additional conditions and requirements may be added to the standard terms and conditions by, or upon approval of, the General Manager, to accommodate project-specific situations. The project developer and/or property owner may appeal to the Board of Directors any agreement terms or conditions or requirements proposed by District staff.

## 607 DEVELOPMENT IMPROVEMENT STANDARDS

### 607.1 General

To provide a uniform and consistent method of regulating and guiding the design and preparation of plans for construction of water and sewer facilities and to insure proper installation of all private works involving water and sewer, Standard Design Specifications, including Standard Details, shall be maintained by the District.

### 607.2 Purpose

The purpose of the Improvement Standards is to provide standards to be applied to water and sewer improvements and private works to be dedicated to the public and accepted by the District for operation and maintenance. This is necessary in order to provide for coordinated development of required facilities to be used by the public.

### 607.3 Departure from District Standards

The District recognizes that it is not possible to anticipate all situations that may arise or to prescribe standards applicable to every situation. Therefore, any items or situations not included in the Standard Design Specifications shall be designed and/or constructed in accordance with accepted engineering practice, the State of California "Standard Specifications" or other approved designed standard (e.g., American Water Works Association) and as required by the District Engineer or General Manager.

### 607.4 Amending Standards

From time to time, changes need to be made to the Standard Design Specifications. These changes may be driven by changes in regulations or by improvements in design practices. The District Engineer shall present the proposed changes to the Standard Design Specifications to the General Manager for his/her review and consideration.

### 607.5 Availability of Standards

Copies of the current Standard Design Specifications shall be available at the District office and shall be available to interested parties upon request and payment of the cost of producing the requested copy (Appendix 200-A—Fees for Copying Public Documents).

### 607.6 Commercial & Industrial Fire Systems

Commercial and industrial development projects by Tuolumne County Ordinance are required to have public water supply service. If an industrial or commercial project gets service from GCSD, then they will also be required to have a public fire system. The public fire system shall meet District standards. For public supply water tanks or pump stations, the developer shall dedicate to the District a parcel of property in fee title. Easements as defined in the GCSD water ordinance shall be granted for water pump stations and pipelines.

## 608 PROJECT APPROVAL

### 608.1 Board to Approve Plans

Whenever an extension of the public water or sewer system is proposed to provide water or sanitary sewer service to one or more lots, parcels, or units (consisting of 4 or less lot units or less than 7,200 sq. ft. for commercial development [per Section 602.1 of this document]) within the Groveland Community Services District, the plans and specifications for said proposed water and/or sanitary sewerage facilities shall be approved by the General Manager or District Engineer. Whenever an extension of the public water or sewer is proposed to provide water, sanitary sewer, fire or park service to areas proposed to be annexed to the District, the plans and specifications shall not be approved until the proceedings for annexation have been completed and the annexation has been ordered by the District.

For a subdivision or large commercial development, that does not require annexation, the Board of Directors shall approve all major milestones within the development process, as defined in Section 603, including the SAMP and environmental documentation. The Board shall also approve annexation of subdivisions into the District, as allowed by law.

#### 608.2 Application of Standard Design Specifications

The provisions of the District's Standard Design Specifications shall be applicable to the construction of any and all extensions of the public water or sewer system and appurtenances thereto. Every improvement plan for water or sanitary sewerage facilities for a new home or within a subdivision and every improvement plan for a water or sewer mainline extension filed with the District pursuant to these Specifications shall have clearly stated on said plan the following endorsement:

- A. *Water or sanitary sewer systems and appurtenances thereto shall be constructed in accordance with the provisions of the Groveland Community Services District Standard Design Specifications at the time of acceptance and the general provisions and specifications therein set forth which are incorporated herein by reference.*
  
- B. *Water and/or sewer facilities as shown on these plans were approved by the District Engineer of the Groveland Community Services District on the \_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_.*

*GROVELAND COMMUNITY SERVICES DISTRICT*

By \_\_\_\_\_  
*GCSD District Engineer*

#### 608.3 Access to Public Water and/or Sewer

In any request for approval of an extension of the public water and/or sewer system, the District, in reviewing the plans, shall take into consideration the possibility of future extensions of the public water or sewer system to serve properties located beyond the property or properties then under review. An extension of the public water or sewer system must be designed with a pipe diameter and at a depth to adequately provide for future extensions if the possibility of future extensions is deemed to exist. This shall not be interpreted to mean that the public water or sewer system must be extended to allow a point of connection for a building for the next adjoining property; the applicant shall only be required to extend the public water and/or sewer as far as necessary to provide a point of connection for the building water and/or sewer system then being proposed. Where the proposed extension of the public water or sewer system will be located within an easement and the possibility of future extensions exists, the easement offered for dedication must extend across the entire lot or lots so as to provide access to the public water and sewer system for future extensions.

#### 608.4 Tentative Plans to be Submitted

Whenever approval is sought for plans and specifications for a water or sewer mainline extension or for ancillary facilities thereto for a home or subdivision, the property owner or his agent shall first submit two (2) complete sets of preliminary plans, profiles, and specifications for the proposed work,

together with a copy of the tentative tract map in the case of subdivisions, or a copy of the tentative parcel map in the case of mainline extensions which will provide service to areas within a parcel map.

The submittals shall be checked for conformity to the Groveland Community Services District Code and the District's Standard Design Specifications and any changes or corrections required shall be incorporated into the final plans.

#### 608.5 Environmental Review

Prior to approval of any tentative plans and specifications for proposed water and sanitary sewer facilities, the developer shall undertake any environmental review as required by the county and such review shall be approved by the Board of Supervisors.

#### 608.6 Easements

Whenever a proposed extension of the public water or sewer system will be located across private property, within a public utility easement, or within a road not dedicated to and maintained by the County of Tuolumne or the Community of Pine Mountain Lake, a non-exclusive, perpetual easement for water and/or sanitary sewer purposes shall be dedicated to the District. No plans or specifications for the extension of the public water or sewer system shall be approved prior to acceptance by the Board of such required easements.

- A. Easements shall be dedicated with an Easement Agreement—Public Utility Easement (Appendix 500-A) provided by the District. It shall be the responsibility of the person or persons proposing the extension of the public water or sewer system to prepare a legal description of the easement. The minimum width of any easement dedicated to the District shall be determined by provisions set forth in the Groveland Community Services District Standard Design Specifications and, shall be no less than fifteen (15) feet.
- B. Even where the easements within subdivisions are shown on the recorded subdivision map, a Grant of Easement document shall be required for the dedication of such easements. However, all in-tract easements may be dedicated by a single Grant of Easement document and the easement or easements may be described by reference to the recorded subdivision map rather than a legal description.
- C. In every instance where easements are proposed to be dedicated to the District, a preliminary title report covering the affected property or properties shall first be submitted to the District for review. Easements dedicated to the District shall have prior right over any security interest created by a mortgage, lease, or other forms of property conveyance. Should review of the preliminary title report indicate any such lien upon the affected property or properties, grantor shall request the lien holder to subordinate his security interest to the priority of the easement dedicated to the District.
- D. Upon acceptance by the Board, Grant of Easement documents shall be recorded in the Office of the County Recorder. A policy of title insurance, in an amount to be determined by the District, shall be issued insuring the District's easement interest.

- E. All expense incurred in dedication of an easement to the District, including attorney fees and title fees, shall be borne by the person or persons proposing the extension of the public water or sewer system.

### 608.7 Approval of Final Plans

At such time as the applicant requests District approval of plans and specifications for an extension of the public water or sewer system, the following requirements shall be met:

#### A. Subdivisions

1. Two (2) sets of final plans, profiles, specifications, and the record map, including certificate sheets, shall be filed with the District Engineer. In addition to the two (2) paper copies of official plans, profiles, specifications and record map, the developer shall submit these documents in a digital format acceptable to the District.
2. At the time of filing the plans for approval, fees shall be paid in the amount set forth in the current water and sewer rate ordinances. Said fees shall cover the costs of checking the plans, administrative expense, and inspection of the installation of the public water and sanitary sewerage facilities.
3. In addition to the above-mentioned fees, there shall also be paid, at the time of filing plans for approval, any other fees or charges required to be paid by any other District rules and regulations or any applicable resolution or ordinances of the Board setting terms and conditions of annexation or establishing a benefit district.

#### B. Mainline Extensions Within Parcel Maps

1. Two (2) sets of final plans, profiles, specifications, and the final parcel map shall be filed with the District Engineer for review and approval. In addition to the two (2) paper copies of official plans, profiles, specifications and final parcel map, the developer shall submit these documents in a digital format acceptable to the District.
2. At the time of filing the plans for approval, fees shall be paid in the amount set forth in the current water and sewer rate ordinances. Said fee shall cover the costs of checking the plans, administrative expense, and inspection of the installation of the public water and sanitary sewerage facilities.
3. In addition to the above-mentioned fees, there shall also be paid, at the time of filing plans for approval, and based upon the number of dwelling units proposed for the parcel map, any other fees or charges required to be paid by any other District rules and regulations or any applicable resolution or ordinances of the Board setting terms and conditions of annexation or establishing a benefit district. Permits shall be issued for each dwelling unit proposed for the parcel map and the number of building water meters and sewers stubbed into the property line shall not exceed the number of permits issued.

#### C. Mainline Extensions to Serve Individual Lots

1. Two (2) sets of final plans, profiles, and specifications shall be filed with the District Engineer for review and approval.
2. At the time of filing the plans for approval, the fees set forth in paragraph 603.7(B) shall be paid by the person or persons proposing the extension of the public water or sewer line extension.
3. In addition to the above-mentioned fees, each owner or other person desiring a connection to the proposed water or sewer mainline extension shall make application for a permit for such connection and shall pay the fees or charges required to be paid by any District Code rules and regulations or any applicable resolution or ordinances of the Board setting terms and conditions of annexation or establishing a benefit district.

### 608.8 Special Requirements for Multiple-Unit Developments

- A. Condominium Projects. In condominium projects (subdivisions where only air space is deeded to homeowners) where water and sanitary sewer service will be provided by either:
1. Individual connections to a public water or sewer system by means of separate side connections from each unit or building when said separate side connections will be installed within the commonly owned areas of the project, or
  2. A single connection to public sewer service from a private collection system, the sanitary sewer facilities shall be maintained by the homeowners association through assessments collected from the homeowners for that purpose. The Covenants, Conditions, and Restrictions for the condominium project shall contain a provision specifically providing for such maintenance of the sanitary sewer facilities through association assessments and shall further state that such provisions for maintenance of the sanitary sewer facilities shall not be amended without the prior written consent of the Groveland Community Services District. The District recommends, however, that each unit of the complex have its own water meter.

Plans shall not be approved or permits issued until such provisions have been included within the Covenants, Conditions, and Restrictions and have been reviewed and approved by the District. The District shall receive a copy of the recorded Covenants, Conditions, and Restrictions with recording data thereon, and no water or sanitary sewer facilities within such condominium project shall be accepted for use or permits finalized until such copy has been received.

- B. Townhouse Projects. The same requirements set forth above shall also apply to townhouse projects or other similar types of multiple-unit developments (subdivisions where individual lots are deeded to homeowners) when each unit therein does not have a separate connection to a public water and sewer system.
- C. Other Zero-Lot-Line Projects. In addition to the above requirements, whenever more than one (1) building will be served by a single connection to the public sewer, the owner shall request,

in writing, a variance from the District. Such variance, if approved, shall be granted by motion of the District Board at a regular or special Board meeting. For the purpose of determining whether a variance is required for multiple-unit developments, a “building” is defined as any number of units that share a common roof or foundation.

#### 608.9 Reimbursement Agreement

If the Developer or Owner is extending water or sewer line past vacant property that may be developed in the future, the Owner or Developer may request that the District enter into a Reimbursement Agreement between Owner/Developer and the District. In such case, the District shall use its standard Reimbursement Agreement (Appendix 600-A) that allows collection of connection fees and refunding of pro-rata share of installation expenses to the Owner/Developer under the terms set forth in the Reimbursement Agreement.

## 701 ENVIRONMENTAL HEALTH AND SAFETY PROGRAMS

### 701.1 Purpose of Policy

The Board of Directors recognizes the importance of effective environmental, health, and safety compliance programs for the protection of each District employee, the District's customers, the public at large, the environment, and the productivity and efficiency of District operations. Therefore, it is the firm and continuing policy of the Board of Directors that health and safety regulatory compliance, accident prevention, and environmental protection shall be considered of primary importance in all phases of the District's operations and administration. The Board of Directors finds that by maintaining effective environmental protection, health and safety compliance and accident protection programs, the risks of District liability, personal injury and/or property damage, operational interruptions and inefficiencies, and regulatory fines are reduced or eliminated, and the efficiency of District operations and services is enhanced.

### 701.2 Creation and Implementation of Programs

The General Manager is authorized to approve programs, standards, rules and regulations, and procedures to protect and promote the safety and health of District employees, customers, the public, the environment, and the efficiency and productivity of District operations. The General Manager or his or her designee shall review compliance issues and recommend new or revised environmental, health and/or safety programs, standards, rules, and operational policies for approval by the Board of Directors and implementation throughout the District.

- A. Each Department Manager and Supervisor shall make the District's environmental, health and safety compliance policies and procedures an integral part of the regular duties of those employees they supervise, including the provision of proper training, materials and equipment so that work by all employees of the District can be performed safely in compliance with all regulations and applicable standards.
- B. It is also the duty of each employee of the District to at all times act in compliance with all District environmental, health and safety and accident prevention programs, standards, rules, policies and procedures as well as instructions and directives from their supervisor with respect to the efficient performance of their duties. Adequate training shall be provided to all employees. Employees are charged with the duty of requesting assistance from their supervisors if they have any doubt as to how to perform a job safely and correctly. All employees are responsible for keeping the workplace safe and clean at all times. Any employee who is found to have performed actions which do not comply with the terms and conditions of the District's environmental, health and safety programs and policies, shall be subject to personnel action, up to and including termination.
- C. The District's environmental, health and safety and accident prevention programs, policies and procedures shall be periodically reviewed by the General Manager or his or her designee to ensure compliance with all regulations and directives promulgated by the San Francisco

Public Utilities Commission, the State Water Resources Control Board, the Regional Water Quality Control Board, California Fish and Game Department, U.S. and California Environmental Protection Agencies, California Occupational Safety and Health Administration, the California Department of Public Health and any other state or federal agency that exercises regulatory control over one or more aspects of the District's service delivery.

## 702 SAFETY POLICY

### 702.1 Purpose of Policy

It is the policy of GCSD to create and maintain a written Safety Policy which covers: (1) operational safety; (2) preventative safety; (3) public safety. The objectives of the Safety Policy are as follows:

- A. To prevent accidents and promote efficiency, service, morale, and public relations;
- B. To conduct programs of safety and health inspections to find and eliminate unsafe working conditions or practices, to control accident hazards, and to comply fully with the safety and health programs and other policies of the District and all applicable local and state laws;
- C. To promote personnel safety by providing proper personal protective equipment, and instructions for use and care of such equipment;
- D. To provide training to all employees in good safety and health practices;
- E. To fulfill the need for employee training and safety awareness as most accidents are caused by human error;
- F. To appoint and empower a safety officer of the District to have full support and encouragement of the Board of Directors and management to accomplish specified safety goals;
- G. To require all supervisors to set specific safety objectives for their departments;
- H. To develop and enforce safety and health rules that require employees to cooperate with such rules as a condition of employment;
- I. To investigate promptly and thoroughly every accident to determine its cause and to cure and correct any causes determined for each accident;
- J. To provide mechanical and physical safety safeguards to all employees to the maximum extent possible;
- K. To develop a system of recognition for outstanding safety service and/or performance to create a culture of safety;
- L. To emphasize the need for off-the-job-safety;

- M. To require all employees to participate in the Safety Program and accept the responsibility for conducting safe District operations.

## 702.2 Elements of District Safety Program

The District's written Safety Program consists of the following elements:

- A. Specifies the persons with authority and responsibility for implementing the Safety Program;
- B. Provides assistance for insuring that employees comply with safe and healthy work practices, including but not limited to employee incentives, training and re-training programs, and/or disciplinary measures for failure to follow safe work practices;
- C. Provides a system of communication with affected employees on occupational safety and health matters, including meetings, training programs, postings, written communications, a system of anonymous notification concerning hazards, and health and safety committees;
- D. Provides a communication system designed to encourage employees to inform the District of hazards at the work site without fear of reprisal;
- E. Establishes assistance in identifying and evaluating workplace hazards whenever new substances, processes, procedures or equipment are introduced to the workplace and whenever the District receives notification of a new or previously unrecognized hazard;
- F. Identification of workplace hazards and periodic inspections for potential safety and health hazards; the Safety Officer, or his designee, shall conduct and record periodic inspections of District facilities.
- G. Record-keeping of inspections made to identify unsafe conditions and work practices;
- H. Investigation procedure for accidents and near misses;
- I. Correction of unsafe or unhealthy conditions in work practices in an expeditious manner, with the most hazardous exposures given correction priority;
- J. Protection of employees from serious or imminent hazards until they are corrected;
- K. Provision of employee training in general safe and healthy work practices and the safety and health hazards specific to particular job assignments;
- L. Workplace hazard training provided to all new employees and all employees given a new job assignment;
- M. Training needs of employees are re-evaluated whenever new substances, processes, procedures or equipment are introduced to the workplace and whenever the District receives notification of a new or previously unrecognized hazard;
- N. Record-keeping regarding documentation of safety and health training provided to each employee, including dates, subjects of training and training providers.

### 702.3 Injury and Illness Prevention Program for Employees

The District has established, implemented and maintains a written Injury and Illness Prevention Program (IIPP) as required by law (8 Cal. Code Regs § 3203 et seq.) which incorporates all of the elements of the District's Safety Program specified in Section 702.2. This IIPP consists of the following eight components: (1) responsibility for enforcement of the policy; (2) compliance; (3) communication; (4) hazard assessment; (5) accident/exposure investigation; (6) hazard correction; (7) training and instruction; (8) record keeping. The IIPP adopted by the District complies with the requirements of this policy and is made part of this Operational Policies and Procedures Manual by reference (*See Appendix 700-A*).

### 702.4 Injury and Illness Prevention Program for Workplace Security

#### A. Purpose of Policy

The District is firmly committed to providing a workplace that is free from acts or threats of violence. In keeping with this commitment the District has established this policy that provides for "zero tolerance" for actual or threatened violence against employees, visitors, customers, or other persons who are either on District premises or who have contact with District employees in the course of their duties. Since preventing violence in the workplace is every employee's responsibility, it is essential that every employee understands the importance of workplace safety and security.

#### B. Workplace Violence Prevention Policy

The primary components of the District's Workplace Violence Prevention Policy are as follows:

1. Provide violence prevention training to employees and documentation of such training;
2. Periodic assessment and evaluation of workplace risk factors which may contribute to the possibility of violence in the workplace, and documentation of such assessments and corrective actions taken;
3. Provide threat assessment for when a violent act is anticipated;
4. Provide trauma response when a violent act occurs.

The District's policy prohibits violent acts or threats of violence or intimidation against employees, customers, visitors, consultants, and other persons on District premises or in contact with District employees in the course of their duties. Prohibited conduct includes threatening or committing acts of violence in the workplace while on duty, while on District related business, or while operating any vehicle or equipment owned or leased by the District. Prohibited conduct includes but is not limited to violence, direct or indirect threats of violence, intimidation, physical fighting, physical altercations, or unauthorized use or possession of weapons.

#### C. What Constitutes Workplace Violence

During the preparation of the IIPP, the District performed an initial assessment to identify potential workplace violence and security issues. There are a number of factors that have been shown to contribute to the risk of violence in the workplace. Among those factors which have been demonstrated to contribute to the risk of violence in the workplace that exist in the work environment at the District are the following: (1) performing public safety functions in the community, most notably fire suppression, emergency medical response, hazardous materials response; (2) provision of public utility services to the public in exchange for an established fee or charge which is collected directly by the District.

The District has elected to establish an IIPP for workplace safety addressing the hazards known to be associated with the three major types of workplace violence as identified by Cal/OSHA. Those types of workplace violence which are potentially applicable to the District's operations are the following:

- a. Type I – assault involving a person entering District premises for the purpose of committing a robbery;
- b. Type II – these incidents involve a violent act or threat of violence by a recipient of public safety services, or a customer receiving public utility services provided by the District, such as a customer, patient, passenger or victim; and
- c. Type III – episodes involving a violent act or threat of violence by a current or former worker, or another person who has some employment related dispute with the District or a personal dispute with an employee of the District.

The District has established a separate and independent Injury and Illness Prevention Program (IIPP) for Workplace Security in conformance with the model program recommended by Cal/OSHA. The IIPP is attached to this Operational Policies and Procedures Manual by reference.

#### D. Employee Reporting Requirements

All employees, including supervisors and department heads, must report all threats or acts of violence, intimidation, physical altercations or unauthorized use or possession of weapons which occur on District work sites to their immediate supervisor, manager and/or department head. Such reportable threats or acts of violence or intimidation may be actually witnessed or experienced by an employee, or they may be acts or threats that the employee becomes aware of through other means. Employees must also report all threats or acts of violence, intimidation, or weapons possession that they experience while acting in the scope of their employment off District premises, or which relate to the legitimate business interests of the District. Employees must also report any threats or acts of violence or intimidation occurring off of District premises if they are a target of such threat and if there is a reasonable basis to believe that there is threat of violence or intimidation that may follow them to the workplace.

In cases of emergency, employees must contact local law enforcement immediately through the 9-1-1 notification procedure.

In situations where an employee becomes aware of an imminent act of threatened violence or intimidation, emergency assistance must be sought immediately as well as reporting to the District through the employee's supervisor or manager.

No employee will be disciplined, retaliated against or discharged for reporting any legitimate threat or act of violence, intimidation, or weapons possession. However, intentionally false and/or misleading reports are unacceptable and violate the terms and conditions of this policy. Employees found to have made intentionally false or misleading reports will be subject to disciplinary action up to and including termination.

## 703 EMERGENCY MANAGEMENT

### 703.1 Definition of "Emergency"

"Emergency" means the actual or threatened existence of conditions of disaster, or extreme peril to the provision of critical district services, or to the health and safety of staff or the public. Typical causes of an emergency include but are not limited to conditions such as fire, storm, flood, riot, releases of hazardous materials, earthquake, power outages, dam failures, freezes, water supply contamination, communications failure, power outage, explosion, act of terrorism, civil disturbance, serious medical emergencies, major violent episode, and other conditions which may threaten the capability of District services, personnel, equipment, or facilities.

### 703.2 District Emergency Declaration

When an emergency condition arises, the General Manager may, in consultation with the Board President, declare a "District Emergency." The Board of Directors must ratify any such declaration of an emergency within fourteen (14) days at a regular, special or emergency Board meeting.

### 703.3 Contract Authority during District Emergencies

The General Manager's Declaration of a District Emergency is a public acknowledgement of an emergency condition confronting the District and/or that the District's resources may not be adequate to respond to the emergency. The Board of Directors, in consultation with the General Manager, may delegate to the General Manager the authority to suspend competitive bidding and enter into an emergency contract of up to \$250,000 as authorized by Public Contract Code Section 20567 and 22050.

### 703.4 Mutual Aid

The California Master Mutual Aid Agreement (Gov. Code §§ 8561, 8615 and 8617) allows for the implementation of mutual aid during threatened, actual or declared emergencies. The Fire Chief may request mutual aid assistance from other local government and public agencies, or commit resources to other agencies requesting aid. The Fire Chief may sign appropriate documents to effectuate mutual aid in other emergency response agreements with other public and private emergency responders.

## 703.5 Multi-Jurisdictional Hazard Mitigation Plan

The District participates with other agencies within the county regarding the response to hazards and emergencies. How the District responds to these emergencies is documented in the Multi-Jurisdictional Hazard Mitigation Plan. This Plan and any subsequent updates are made a part of this policy manual by reference.

## 704 COMPUTER SECURITY

### 704.1 Purpose of Policy

The District seeks to ensure that detailed or sensitive information regarding its water, wastewater and fire suppression systems and facilities are not released to unauthorized persons who may use such information to threaten the effective delivery of public services by the District. This Security Policy is designed to address computer security procedures for District personnel who have access to District computers or who are issued laptop computers.

### 704.2 Scope of Computer Security Policy

This program applies to all employees who have access to District computers or personal computer devices on District premises or who are authorized to use laptop computers outside District premises.

### 704.3 Responsibilities

#### A. Training

1. Each department head is responsible for effective training of all personnel in that department in the operation and management of the District's computer system as it applies to each employee's job description.
2. Such training shall include requirements of the District Record Retention Program.

#### B. Enforcement

Each department head shall periodically monitor the computer usage practices of those employees under his or her supervision to ensure compliance with all aspects of the District's computer security policy.

### 704.4 Definition of "Sensitive Information"

Sensitive Information is that which may leave the District and its facilities vulnerable to unlawful activities, including but not limited to vandalism or terrorism. For the purposes of this policy, "Sensitive Information" includes, but is not limited to the following:

- A. All plans and specifications, including electrical, civil and mechanical schematics and drawings, that show details of the District's water, wastewater and fire suppression systems and facilities;

- B. All District maintenance records regarding its water, wastewater and fire suppression systems and facilities including any photos and schedules associated with such maintenance records;
- C. All information and/or documents prepared by or for the District regarding threats to the security of District buildings or the provision by the District of essential public services, such as water, wastewater treatment and/or fire suppression and protection, including a threat to the public's right of access to such District services and facilities. Such information and documents include security plans developed by the District to protect the security of District buildings and public facilities.
- D. Any document or information prepared by or for the District that assesses the District's vulnerability to a terrorist attack or other criminal acts which could disrupt the District's operations.
- E. Any and all personal consumer information maintained by the District with respect to its utility customers, including consumer identity information and consumer utility usage data.

#### 704.5 Elements of Computer Security Policy

The District's Computer Security Policy consists of the following elements:

- A. A password will be issued to each designated employee by the systems administrator. Passwords will be required for designated employees to start the individual computers assigned to those employees for those employees' use, including laptop computers issued to employees for their temporary usage.
- B. All such passwords are confidential and may not be disclosed by any employee to any other person without the written consent of that employee's supervisor.
- C. Any software installed on District computers or on District laptop computers must be approved by the General Manager or his designee before installation.
- D. Internet access is only allowed through District computers for information necessary for an employee to perform his or her job duties. Employees are not authorized to utilize District computers or laptop computers to access personal e-mail or other personal internet accounts during work hours (see Section 704.7).
- E. Laptop computers may be transported between the main District office and any field location at which an employee is assigned to work via District vehicle. If a District vehicle is left unattended, the laptop computer must be stored out of sight or in a locked compartment.
- F. All plans and specifications of District water, wastewater, and fire suppression facilities and systems, including all electrical, civil and mechanical schematics, drawings, photos and database records, shall be stored in electronic format on the District's network computer. Only those schematics, drawings, photos or maintenance database records necessary for the field work being conducted may be downloaded and temporarily stored on a laptop computer's hard drive. Upon completion of any such field assignment, all such files contained in such plans, specifications, schematics, drawings, photos, or maintenance

database records shall be uploaded as revised onto the District's network computer and all temporary restored files shall be deleted from the network computer's hard drive.

- G. No laptop computer may be removed from the District's service area without prior approval of the department head or General Manager.

#### 704.6 Compliance with Computer Security Policy

The General Manager or his/her designee will periodically check all computers and laptop computers to ensure that no critical infrastructure information or other sensitive data has been transmitted without authority or is being stored on a laptop computer's hard drive without authorization. Any personnel found to be in violation of this computer security policy will be subject to disciplinary proceedings, up to and including termination.

If the systems administrator is a District contractor, then the contractor shall maintain errors and omission and liability insurance.

#### 704.7 Internet and E-mail Usage and Security

- A. The District has established this usage and security policy to ensure that all District employees use District computer resources, such as the Internet and e-mail, in a legal and appropriate manner. This policy defines acceptable and unacceptable use of the District's computer system for e-mail and other electronic communications. This policy also establishes the disciplinary steps the District may take against District employees for inappropriate use of the Internet and e-mail in violation of this policy. All employees must read and adhere to the guidelines and policies established herein. Failure to follow this policy may lead to discipline up to and including immediate termination.
- B. Inappropriate use of the District's computer system for Internet and e-mail includes, but is not limited to the following:
  1. Internet access on the District's computer system is to be used for District business purposes only. The District's computer system may not be used for personal use of the Internet, or personal e-mails. The exception to this policy is that an employee may have limited access to the Internet during their break periods. Abuse of this benefit will result in loss of the benefit. Under no circumstances may an employee download any material from the Internet when it is being accessed for this limited personal use.
  2. Employees may use personal computer devices such as laptops and cell phones with e-mail capability only during authorized work breaks and lunch periods. Such personal computing devices shall not be used by employees during work hours.
  3. Employees are prohibited from using the District's computer system or personal computer devices to access Internet sites that contain pornography, exploit children, or sites that would generally be regarded in the community as offensive, or for which there is no legitimate, official business purpose.

4. Neither the District's computer system nor an employee's personal computer device may be used to participate in any profane, defamatory, harassing, illegal, discriminatory, or offensive activity while an employee is at work, including any activity that violates the District's policies against harassment, including sexual harassment.
5. Employees are prohibited from using the District's computer system to exploit security weaknesses of the District's computer resources or other networks or computers outside the District.
6. The District's computer system may not be used to distribute copyrighted materials by use of electronic mail or Internet communications.
7. Use of electronic mail or the Internet for inappropriate or unauthorized advertising and promotion of the District is prohibited.
8. Since computer viruses can become attached to executable files and program files, receiving and/or downloading executable files and programs via e-mail or the Internet without express permission from the District's computer system administrator is prohibited. This includes but is not limited to software programs and software upgrades. All downloaded files must be scanned for viruses.
9. Use of another user's name, account, or password, without express permission of the District's computer system administrator, to access the Internet is strictly prohibited.
10. Personal use of the District's computer system for personal commercial activity is prohibited.
11. District employees shall not access any personal e-mail account or any Internet access for personal purposes by using the District's network system, telephone system, modem, or server.
12. Employees will only be allowed to access the Internet for District approved purposes using the approved Internet browser. Any other browser being used on a workstation will be promptly removed.
13. Employees may only download information and/or publications for official District business purposes. All such downloaded materials must be scanned for viruses before an employee opens them on their computers.
14. All list subscriptions shall be for District business purposes only.

#### C. No Right of Privacy

Employees do not have any right to privacy in any District computer resources including information downloaded from Internet sites and e-mail messages produced, sent, or received by District computers or transmitted via the District's servers and network. Employee access to the Internet and e-mail is controlled by use of a password. The existence of the password does not mean an employee should have any expectation of privacy in usage of the District's

computer system. Employees must register their passwords with the District and the District will maintain a file of passwords currently in use.

#### D. Monitoring of Communications

The District may randomly monitor the content of all e-mail messages and all content downloaded from an Internet access site and stored on the District's computer system in order to promote use of District computer resources for the administration of the District's business and policies. If an employee is found to have violated the terms of this policy through such monitoring, such violation of policy may lead to discipline, up to and including immediate termination. Disciplinary action may include the removal of Internet and e-mail access from an employee's computer.

#### E. Internet and E-mail Communications as District Records

The Internet and e-mail provide means by which the employees of the District may communicate with the District's customers, other government agencies, and District consultants. Messages and other communications to or from customers, other government agencies, or the District's consultants, to the District's e-mail system are considered part of the District's business records. Such communications also qualify as disclosable public records under the California Public Records Act under certain situations. Care must be taken in deleting an e-mail message, since such deletion may constitute destruction of a public record. Therefore, all e-mail messages and other Internet communications, the content of which qualify as a public record under the California Public Records Act, shall be copied and retained as a paper document to ensure that all such public records are properly retained (Section 201.7 of this Operational Policies and Procedures Manual).

#### F. Unencrypted Communications

Currently all District e-mail transmitted over the District's computer system is not encrypted. Unencrypted electronic mail is not a secure way of exchanging information or files. Due to the way Internet data is routed, all messages are subject to eavesdropping. Messages may be stolen as they temporarily reside on host machines waiting to be routed to their destination, or they may be purposefully intercepted from the Internet during transfer to the recipient. It is possible for someone other than the intended recipient to capture, store, read, alter or redistribute your e-mail messages. Therefore, employees shall not transmit information in an electronic e-mail message that would not be appropriate in a written letter, memorandum, or document available to the public. In addition, no District Sensitive Information shall be contained in or used as an attachment to an e-mail communication.

E-mail, once transmitted, can be printed, forwarded, and disclosed by the receiving party without the consent of the sender. Therefore, employees should advise the recipient in the e-mail if disclosure to any third party of the contents of such e-mail communication is prohibited.

#### G. Transmitting Confidential Communications

Every employee shall take the necessary steps to prevent unauthorized disclosure of confidential or privileged information when transmitting information utilizing e-mail. This is especially important for communications between the District and its legal counsel, its accountants, and other consultants. All employees shall remind the recipients of e-mail communications, whether customers, legal counsel, accountants or other consultants, or contractors, of the confidentiality of the information being transmitted by e-mail and the requirement that the recipient not share any of the contents of such e-mail communication with any third party in order to maintain the confidentiality of the information being transmitted. If necessary, such recipients of e-mail communications should be reminded to implement this security policy and make sure that their employees understand the ramifications of receiving privileged and confidential information from the District via e-mail.

Such confidential information to be transmitted via e-mail shall only be made available to those District employees who have a clear business related reason to know the information contained in the communication. Such information will not be released to any other person or employee without the consent of the District or by court order. Such confidential e-mails shall be kept separate from regular e-mails and accessible only by those employees authorized to access such confidential communications.

## 705 IDENTITY THEFT PREVENTION PROGRAM

The Federal Trade Commission (FTC) has issued regulations (the “Red Flags Rule”) requiring creditors, including private and public organizations which provide utility services, to develop and implement written Identity Theft Prevention Programs. The purpose of such Identity Theft Prevention Programs is to provide for the identification, detection, and response to patterns, practices or specific activities, known as “Red Flags,” that could indicate identity theft. Since the District provides utility services in the form of water and sewer service and extends credit to its customers by deferring payment for such utility services until after such services have been rendered, the District is subject to these federal regulations. This Identity Theft Prevention Program has been developed to comply with the FTC Red Flags Rule.

### A. Purpose of Policy

The purpose of the Identity Theft Prevention Program is to specify policies and procedures for detecting, protecting and mitigating identity theft. The Program consists of methods to detect Red Flags when accounts exhibit suspicious activity; establishment of procedures to prevent the creation of false accounts; specification of procedures to ensure existing accounts are not being manipulated; and an itemization of procedures to respond to and mitigate against identity theft. This policy also incorporates good management practices to protect personal consumer data and prevent unauthorized access to that data as an additional measure to prevent identity theft. The District’s Identity Theft Prevention Program contains a list of security procedures the District has implemented to protect the consumer information in its possession and to prevent unauthorized access to that information.

### B. Development of Program

The District has taken the following steps in developing its Identity Theft Prevention Program: (1) conduct a risk assessment of new and existing accounts to assess the identity theft risk with respect to such accounts; (2) use the risk assessment to select Red Flags that may be used to detect attempts to establish fraudulent accounts with the District; (3) respond to any identified Red Flags by identifying procedures for employees to utilize to both prevent the establishment of false accounts and to prevent the manipulation of existing accounts; (4) train all District employees with respect to the policies and procedures required by the Program; and (5) update the Program annually including an annual report to the Board of Directors addressing the effectiveness of the adopted policies and procedures, a summary of any identity theft incidents and responses to those incidents, and recommendations for any significant changes to the Program. The District's Identity Theft Prevention Program is attached hereto as Appendix 700-A.

## 706 SECURITY OF DISTRICT BUILDINGS AND FACILITIES

The General Manager shall be responsible for developing security plans for District buildings and facilities which plans shall itemize steps to ensure the security of District buildings, the security of the water, wastewater and fire suppression services provided by the District to the public, and threats to the public's right of access to water, wastewater and fire suppression services provided by the District. This security plan may include input from local law enforcement and/or a security consultant retained by District. The District Board of Directors may meet in closed session pursuant to Government Code Section 54957 to discuss the design, content, administration and implementation of such a security plan. The written security plan and any other documents prepared by or for the District that assess the vulnerability of District buildings and facilities to various security threats including terrorist attack or other criminal acts which may disrupt the District's operations are confidential records which are exempt from disclosure to the public under the Public Records Act (Gov. Code § 6254(aa)).

## SECTION 800 PARK SYSTEM POLICIES

In order that residents of the Groveland Community Services District may use and receive maximum benefit from District facilities, parklands and programs, the Board of Directors of the Groveland Community Services District hereby establishes the following rules and regulations concerning use of District facilities and parklands.

### 800 GENERAL PROVISIONS

#### 800.1 Authority and Application

- A. Authority: The policies stated herein will constitute the content of an ordinance, adopted pursuant to Section 5780, et seq., of the Public Resources Code of the State of California and apply to all District facilities and parklands. A title, where used, does not limit the language of a section.
- B. All persons entering upon District facilities or parklands shall abide by these rules and regulations of the District, the laws of the State of California and all applicable county and/or municipal laws or ordinances that pertain. In District facilities and parklands, these District rules and regulations will supersede all other local ordinances when they are in conflict, as per section 5786.1(j) of the Public Resources Code.
- C. Parents shall be held responsible for the acts of their minor children. Damage to property of the District shall be imputed to parents having custody or control of the minor (as set forth in the Civil Code 1714.1).
- D. The District or its authorized representatives shall diligently enforce the provisions of these regulations and may withdraw or revoke the privilege of access to District parklands or the use of any District facility for reasons of safety, security or resource protection, or from any person or group violating any provision of these regulations or any other applicable law or ordinance.

#### 800.2 Exceptions

The following regulations shall apply to all persons except:

- A. They shall not apply to employees of the District, District volunteers, or to District concessionaires or their employees engaged in and acting within the scope of their authorized duties and concession activities. However, District employees, District volunteers and District concessionaires and their employees shall abide by the laws of the State of California and all applicable county and/or District ordinances.
- B. They shall not apply to persons possessing special permission from or contract with the District specifically suspending a section or sections of the regulations providing said persons are in compliance with all conditions of the contract and all other regulations.

- C. They shall not apply to lessees if such use is expressly provided for in the terms and conditions of their leases, and complies with all other applicable county and state regulations.
- D. They shall not apply to public safety employees of Federal, State, County, or City, special district governments acting within the scope of their authorized duties and with the knowledge and explicit permission of the District.

### 800.3 Violation of Regulations—Sanctions

#### A. General Provisions

1. A violation of any of the provisions of this ordinance is an infraction subject to the procedures described in Sections 19(c) and 19(d) of the California Penal Code
2. The General Manager shall have the authority to revoke use privileges upon a finding of violation of any regulation contained in this Chapter or any other applicable county ordinance or state law.
3. The General Manager or his or her designee shall have the authority to eject from any District parkland or facility any person acting in violation of the regulations contained in this Chapter.

#### B. Penalties

Except as provided herein, an infraction is punishable by (i) a fine not exceeding \$50 for a first violation; (ii) a fine not exceeding \$100 for a second violation of the same ordinance provisions within one year; (iii) a fine not exceeding \$250 for each additional violation of the same ordinance provision within one year.

1. Every violation of this Chapter constituting a misdemeanor is punishable by a fine not in excess of \$500 or by imprisonment in the County Jail for not more than six months, or by both.
2. Each person shall be guilty of a separate offense for each and every day during any portion of which any violation of any provision of this Chapter is committed, continued, or permitted by any such person, and shall be punished accordingly.
3. Malicious injury or destruction of any real or personal property, which constitutes vandalism under the provisions of Section 594 of the Penal Code of the State of California, shall be prosecuted as a violation of Penal Code Section 594 and shall be punishable as either a misdemeanor or a felony, as provided in Penal Code Section 594. Under Penal Code Section 594, if vandalism results in damage of \$1,000 or more, the vandalism may constitute a felony punishable by a fine of \$1,000 or up to a year in state prison, or both.

#### C. Closure of Facilities.

The General Manager shall have the authority to close any District parkland or facility or portion thereof and require the exit of all persons therein when he determines that conditions exist in said facility or portion hereof which present a hazard to the facility or to public safety. (SCC 36 § 2 (part), 1971)

- D. Any judge or commissioner of a judicial District lying wholly or in part within the District shall have jurisdiction over all prosecutions under this article for violations adopted by the Board of Directors.

## 802 DEFINITIONS

The definitions hereinafter set forth shall govern the construction of this ordinance.

**Alcoholic Beverage** - Includes any liquid intended to be ingested by a person which contains ethyl alcohol, including but not limited to, alcoholic beverages as defined in Section 23004 of the Business and Professions Code.

**Artifact Objects** – Objects used or modified by humans, including but not limited to, arrow points, projectile points, dart points, stone, bone, wood or shell implements, utensils, tools, pottery, cloth, agricultural implements or any other prehistoric or historic objects.

**All Terrain Vehicle (ATV)** - See “Motor Vehicle”

**Authorized Personnel** - The General Manager of the District, any peace officer, or designated persons and/or employees of the District acting under the authority of the General Manager.

**Board** - The Board of Directors of the Groveland Community Services District.

**Concessionaire** - Any person who through contract, lease, or other written agreement with the District is authorized to operate recreational facilities or programs or sell a product in District facilities or parklands.

**Cultural Feature** - Any item that is linked in some way to human history. This includes but is not limited to: buildings (entire or partial), foundation remnants, walls, mortar rocks, caves, hieroglyphics, art work, carvings, signs, letters, and plantings such as trees and landscaping.

**District** - The Groveland Community Services District (GCSD), an independent special District. Includes all lands, waters and facilities owned, controlled, operated, or managed by GCSD, which shall hereinafter be referred to as Facilities or Parklands.

**Dog Control** - Dogs are presumed to NOT be under control when:

1. They run at large in leash-required areas or enter dog-prohibited areas.
2. They threaten, harass or harm other animals or wildlife.
3. They display threatening behavior. This includes but is not limited to growling, barking, chasing, lunging, or jumping.

4. They physically harm people or property directly or indirectly by their actions.
5. They touch or jump on other park users who have not invited or engaged in interaction with the dog.
6. They do not return promptly when called while in an approved dog off leash area.
7. They are out of sight of the owner or handler.
8. They are not handled by a person that is physically capable of restraining the dog.

Facility - Any building, structure, plant, pipelines, ponds, spray fields, parking areas, or picnic areas, owned, controlled, managed or leased by the District for the benefit of the general public or necessary for its operational needs.

Fee Area - An entire facility, park or part thereof, where access is limited to persons who have paid a fee established by the District for the use of such area.

Graffiti - Any unauthorized inscription, word, figure, mark or other design that is written, marked, etched, scratched, carved, drawn or painted on real or personal property owned or managed by District.

Grinding (Skates and Scooters) - To ride or slide along an edge (such as a curb, bench, rail, coping etc.) using any surface of the skate that is not a wheel.

Littering - The discarding, dropping or scattering of rubbish, including but not limited to, beverage containers and closures, wrappers, wastepaper, tissue, newspapers or magazines, charcoal, cigarettes, cigars, matches or any flaming or glowing material or any rubbish anywhere other than a proper disposal container thereof. This includes any matter which escapes or is allowed to escape from a container, receptacle, package, vehicle or clothing pocket.

Open Space - Shall mean all lands under the ownership, management or control of the Groveland Community Services District that are left in a natural vegetative state with management emphasis on wildlife and habitat protection.

Parkland - Any lands or waters, including but not limited to Mary Laveroni Community Park, Leon Rose Ball Field, Groveland Skate Park, Groveland Dog Park, open space, preserves, trails, streams, creeks, wetlands or ponds which are owned, controlled, or managed by the District for the benefit of the general public or necessary for its operational needs.

Person - Any natural person, partnership, association, corporation, club, organization, or public agency.

Sound Amplifying - Any machine or device for the amplification of the sound of the human voice, music, or any other sound. This shall not include standard automobile radios when used and heard only by the occupants of the vehicle in which the radio is installed, or small personal/portable devices for playing music cassettes, compact discs or radio receiving e.g. "boom box," so long as they do meet sound amplification standards.

Trail - All designated hiking, biking, and equestrian paths, lanes, staging areas and related trail system facilities.

Vandalism - Any action that:

1. Defaces District property with graffiti or other inscribed material.
2. Damages or destroys any real or personal property owned by District.

Vicious Animal - Any animal that demonstrates any of the following behaviors is presumed vicious:

1. Any unprovoked attack which requires a defensive action by a person to prevent bodily injury or property damage when such person is conducting himself or herself peacefully and lawfully.
2. Any unprovoked attack which results in property damage or in an injury to a person when such person is conducting himself or herself peacefully and lawfully.
3. Any unprovoked threat of attack on another animal.
4. Any unprovoked attack on another animal.
5. Any aggressive behavior which constitutes a threat of bodily harm to a person when such person is conducting himself or herself peacefully and lawfully. This includes but is not limited to growling, barking, chasing, lunging, or jumping.

## 803 RESERVATION OF PARK FACILITIES

The District owned facilities at Mary Laveroni Community Park and Leon Rose Ball field may be reserved for special events by members of the public, given the provisions contained within this chapter are met. All applications are subject to approval by the General Manager or his/her appointed representative.

### 803.1 Park Use Application

In order to reserve a park facility, all applicants must submit a Park Use Application to District staff stating:

- A. The name, address, and telephone number of the applicant;
- B. The beneficiary of any funds raised at the proposed event and/or the name and address of the person, group, organization or corporation sponsoring the activity;
- C. The nature of the proposed activity;
- D. The dates, hours, and park facility desired;
- E. An estimate of attendance; and any other information which the General Manager may find reasonably necessary to make a fair determination as to whether to grant use.

### 803.2 Required Insurance Coverage

No permit shall be issued until the applicant has supplied the District with a copy of a valid Certificate of Liability Insurance evidencing public liability and property damage insurance coverage for the event with liability limits of not less than \$300,000.00 per person and \$1,000,000.00 per occurrence, and property damage limits of not less than \$100,000.00 per occurrence with an aggregate coverage of \$200,000.00. If alcoholic beverages are to be served or sold by applicants, the liability limit per person shall be \$500,000.00.

### 803.3 Standards for Approval of Application

The General Manager approves an Application for Park Use when he finds all of the following:

- A. That the proposed activity or use will not unreasonably interfere or detract from the promotion of public health, welfare, safety, and recreation;
- B. That all conditions including, where applicable, the payment of fees, approval of the Board of Directors, and insurance coverage, are met;
- C. That the proposed activity or use is not reasonably anticipated to incite violence, crime, or disorderly conduct;
- D. That the proposed activity or use will not entail unusual, extraordinary, or burdensome expense or security operation by the District; and
- E. That the facilities requested for the proposed activities have not been reserved for other use.

### 803.4 Park Use

- A. It shall be unlawful for any person, group, commercial entity, or agency, to use, occupy, or otherwise remain in any District Facility, Open Space or Parkland for any event or activity for which the District charges a fee or requires application unless that person has paid the required fee and/or has received application approval, unless approved by the General Manager.
- B. No person, group, commercial entity, or agency, whether public or private shall hold, conduct, organize, take part in, address any meeting, organized gathering, celebration, parade, service, exercise, organized sporting event or any other group activity in or on District Facilities, Open Space or Parklands without approval when the activity or event includes any of the following:
  - 1. Is advertised or noticed in any newspaper or other publication, poster or flyer; or
  - 2. Fees are collected, required or admission charged for participation; or
  - 3. Is an activity that is commercial or for profit; or

4. Involves an activity or use that is normally prohibited for the requested Facility, Parkland or Open Space.
- C. All persons for whom a Park Use Application has been approved shall abide by all conditions set forth in this Ordinance as well as all District rules and regulations. Failure to do so will result in revocation of use privileges, and may result in citation.

### 803.5 Park Use for Large Events

In addition to meeting all other the requirements of this Ordinance, applicants wishing to reserve a park facility for a special event with expected attendance of greater than 1,000 people, hereafter called a large event, must do the following:

- A. Initial Meeting with GCSD: A special meeting shall be held with GCSD staff at least 45 days prior to the event to review the event information and park use requirements.
- B. Agencies to Contact: The event organizer must contact the following agencies, as appropriate to the event, for review and approval of the application.
  1. Sheriff's Office for law enforcement
  2. CHP for external event traffic control
  3. Community Sheriff's Unit (CSU) for internal and external event traffic control
  4. GCSD Fire Department
  5. Caltrans for traffic controls, signage, barricades, cones, etc.
  6. Groveland/Big Oak Flat Unified School District
  7. County Health & Human Services for medical tent and ambulance service
  8. ABC for alcohol sales permit
  9. County Environmental Health for food services
- C. Traffic Plan: The event organizer must provide a sketch of venue and surrounding area with traffic pattern, location of officers, flaggers, detours, shuttle bus routes, parking, etc.
- D. Sanitation: The event organizer must submit a plan for garbage clean-up during and after the event, which may include the delivery and removal of trash containers. The plan must arrange for the delivery, periodic cleaning, and removal of public toilets, including handicap units of sufficient number to accommodate anticipated attendance, and for the periodic cleaning of permanent Park or Ball Field restroom facilities during and after the event.
- E. Parking: The event organizer must make arrangement for additional parking including handicap spaces, and sufficient attendants.
- F. Communications: A system for two-way communications may be needed to provide for traffic and crowd control.

- G. Insurance: The certificate of liability insurance shall name the District as an additional insured.

## 803.6 Priority of Use

Any person using a park facility or portion thereof which may be reserved, but who has not obtained approval shall vacate said area when those who have reserved the facility through application present themselves.

## 804 PARK AND RECREATION FEES

### 804.1 Purpose

Section 61115 of the Government Code of the State of California provides that the District may charge for park and recreational services and facilities provided by the District so long as the charges do not exceed the cost of providing the service. The purpose of this Section is to provide for park and recreation fees to be charged by the District for various park and recreational services and facilities in amounts reasonably necessary to recover the cost of operating the District parks and providing various park and recreational services and facilities.

### 804.2 Establishment of Park and Recreational Fees

By resolution duly adopted by the Board of Directors of the District, the Board of Directors may enact a schedule of fees to be charged for usage of park and recreational services and facilities provided by the District and amend such schedule of fees at any time.

### 804.3 Criteria

User fees for park and recreational services and facilities provided by the District within District facilities shall comply with the following criteria:

- A. User fees for park and recreational facilities and services provided by the District shall be charged in amounts reasonably necessary to recover the cost of providing the facilities and services. Examples of the types of facilities and services for which fees may be charged include, but are not limited to, the following: parking; reservation of buildings and other facilities for exclusive use; participation in organized athletic programs and other recreational programs.

### 804.4 Violations

- A. It is unlawful for any person to enter or remain in any District facility for which fees may be charged without having paid the required fee, unless previously approved by the General Manager.

- B. Whenever the General Manager or his or her designee determines that parking or standing of vehicles in District open space or park and recreational facilities would be disruptive to users or create a dangerous condition, then the General Manager or such designee shall provide for the erection and posting of signs indicating that the parking or standing of vehicles is prohibited, limited or restricted. It is unlawful for any person to park a vehicle or allow a vehicle to stand in a District open space, park, or recreational facility in violation of the prohibitions of any such sign authorized by this Section.

#### 804.5 Schedule of Fees

The Schedule of Fees may be established and periodically amended by duly adopted resolution of the Board of Directors of the District and shall be applicable to all District open space, park and recreational facilities during the hours of operation of those facilities. The current Schedule of Fees is contained in Appendix 800-A—Schedule of Fees for Parks Department Facilities. The General Manager shall determine the hours of operation of District open space, park and recreational facilities based on the following criteria:

- A. Weather conditions;
- B. Seasonal recreation activities scheduled or expected to occur at the parks or recreation facilities;
- C. Nature and extent of public use of the open space, park or recreational facilities;
- D. Cost effectiveness of operation of the parks or recreation facilities.

### 805 REGULATED ACTIVITIES

#### 805.1 Recklessness

It shall be unlawful to engage in any activity in a negligent, unsafe or reckless manner or in a way that endangers the life, health or property of any person in any District Facility or Parkland.

#### 805.2 Weapons

- A. It shall be unlawful for any person to possess within any District Facility, Parkland or open space, or to fire or discharge, or cause to be discharged, across, within, or into any portion of a District Facility or Parkland, any firearm, gun, rifle, shotgun, bow and arrow, cross bow, sling shot, paintball gun, blowgun, BB gun, pellet gun, air or gas weapon, or any other projectile weapon.
- B. It shall be unlawful for any person to use or possess in any District Facility, Parkland or open space any hatchet, ax, machete, knife with a blade over 3 inches, spear or any other edged weapon.

- C. It shall be unlawful to use or have in any District Facility, Parkland or open space any weapon or instrument likely to, or capable of, producing great bodily injury by any means of force.
- D. It shall be unlawful to use or have any plastic, wood or metal object intended to mimic a weapon of any kind or description in any District Facility, Parkland or open space without a Permit.
- E. The provisions of this section shall not apply to any of the following cases:
  - 1. The possession of firearms or dangerous weapons at a place of residence or business located within the District by a person in the lawful possession of the residence or business.
  - 2. The discharge of firearms designated by the General Manager specifically for the purposes of Wildlife management, pest control and the destruction of domestic animals presenting a danger to the public or Wildlife.
  - 3. Peace officers and authorized staff in the discharge of their duties.

### 805.3 Fire

- A. Upon the finding of an Extreme Fire Hazard by a local fire officer or District staff, no person shall smoke or build fires of any kind in any District Facility, Parkland or open space.
- B. Upon the finding of an Extreme Fire Hazard by a local fire officer or District staff, any District Facility, Parkland or open space may be closed to public use and/or evacuated.
- C. It shall be unlawful to fail to obey, in a prompt manner, an evacuation order after a finding of Extreme Fire Hazard has been rendered.
- D. It shall be unlawful to enter, use or travel through areas of any District Facility, Parkland or open space that have been closed by a local fire officer or District staff, upon finding an Extreme Fire Hazard exists.
- E. It shall be unlawful to build, light, or maintain any open outdoor flame or fire or barbecue in any District Facility, Parkland or open space, except in those devices provided and specifically designated for that purpose, without express permission from the General Manager.
- F. It shall be unlawful to use any personal cooking appliances, including but not limited to, a gas or propane stove, portable barbecue, hibachi or tow-behind barbecue, in any District Facility, Parkland or open space without express permission from the General Manager.
- G. It shall be unlawful to leave a fire unattended in any District Facility, Parkland or open space at any time.

- H. It shall be unlawful to leave burning fuel such as wood or charcoal in an existing fireplace, fire pit or barbecue grill in any District Facility, Parkland or open space.
- I. It shall be unlawful to dispose of coals in garbage cans or refuse bins. Fuels must be completely out before being disposed of. If no disposal facility is available extinguished coals shall be left in the barbecue device.
- J. It shall be unlawful to dispose of lighted cigarettes, cigars, matches or any flaming or glowing material until completely extinguished and then only in a place or container for the proper disposal thereof.

#### 805.4 Fireworks

GCSD supports County of Tuolumne on the use of fireworks within GCSD jurisdiction.

#### 805.5 Malicious Mischief

It shall be unlawful for any person to vandalize any object in any District Facility, Parkland or open space. It shall be unlawful for any person to purposefully rock or tip over any portable restroom in any District Facility or Parkland.

#### 805.6 Use of District Property

With respect to District property, no person shall:

- A. Dig up, pick, remove, mutilate, injure, cut, or destroy any turf, tree, plant, shrub, bloom, flower, artifact, or archeological site, or any portion thereof;
- B. Cut, break, injure, deface, or disturb any building, sign, fence, bench, structure, apparatus, equipment, or property, or any portion thereof, or
- C. Without express permission from the General Manager, make or place on any tree, plant, shrub, bloom, flower, building, sign, fence, bench, structure, apparatus, equipment, or property, or any portion thereof, any rope, wire, mark, writing, printing, sign, card, display, or similar inscription or device.

#### 805.7 Refuse

No person shall dump, deposit, or release any bottles, broken glass, ashes, paper, boxes, cans, dirt, rubbish, waste, garbage, refuse, or trash in or on any District Facility, Parkland or open space, except that refuse which is incidental to the use of the facility may be deposited in the receptacles provided therefore. For purposes of this section, an incinerator, stove, fire ring, barbecue, or other device used to contain fires or for cooking is not a proper receptacle for refuse or other waste material.

## 805.8 Water Pollution

While within the boundaries of any District park or open space facility, no person shall throw, discharge, or otherwise place or cause to be placed in the waters of any pond, lake, stream, bay, or other body of water or in any tributary, stream, or drain flowing into such waters, any substance, matter, or thing, liquid or solid, including, but without limitation to, particles or objects made of paper, metal, glass, garbage, rubbish, rubber, fuel, food matter, wood, fiber, and plastics.

## 805.9 Restrooms

The District maintains restrooms for the convenience and hygiene of the public at its park and ball field. The following are rules and regulations associated with the use of these restroom facilities:

- A. It shall be unlawful for any person to use a restroom or locker room facility intended for the opposite sex. This shall not apply to children aged 5 (five) and under accompanied by a competent Adult or care-giver authorized by the parent or guardian. Further, no person shall remain in or about such facilities nor shall any persons use such facilities for purposes other than those intended.
- B. It shall be unlawful to operate any photographic device of any kind in any District restroom or locker room Facility.
- C. It shall be unlawful to deface restroom facilities.

## 805.10 Smoking

No person shall smoke any substance in any area designated as a nature trail or nature area or in or on any other District Facility where smoking is prohibited.

## 805.11 Alcohol

- A. It shall be unlawful for any person under twenty-one years of age to be in possession of an alcoholic beverage while such person is in or upon any District Facility, Parkland or open space. Violation of the provisions of this section shall constitute an infraction.
- B. The Board of Directors of District may, by resolution, designate or authorize the General Manager to designate certain District Facilities, including park and open space facilities, to be designated as areas within which alcohol possession is prohibited on a case by case basis.

## 805.12 Skateboard/In-line Skate/Roller Skate/Scooter Use

- A. It shall be unlawful for any person under 18 (eighteen) years of age to operate any wheeled device, including but not limited to Roller Skates, In-Line Skates, Skateboards or Scooters in

any District Facility or Parkland without a properly fitted and fastened helmet, knee pads and elbow pads.

- B. It shall be unlawful to Grind or Slide any Skateboard, In-Line Skate, Roller Skate or Scooter across any object, including but not limited to, curbs, plant containers, concrete walls, rock walls, benches, picnic tables, stairway rails or any other object not intended specifically for this use, in any District Facility or Parkland.
- C. It shall be unlawful to use any Skateboard, In-Line Skate, Roller Skate or Scooter to ride off of or jump onto or off of any object in any District Facility or Parkland not specifically intended for that use, including but not limited to stairways, curbs, sidewalks, benches, car stops, bike racks, planters, picnic tables or retaining walls.
- D. It shall be unlawful to use any Skateboard, In-Line Skate, Roller Skate or Scooter within 25 feet of any public entrance to any District Building.

### 805.13 Climbing

It shall be unlawful to walk, stand, sit or climb upon monuments, buildings, railings, fences, gates or any structure not designated for such use in any District Facility or Parkland.

### 805.14 Camping

It shall be unlawful for any person or persons to camp or otherwise stay overnight in any District Facility, Parkland or open space without a Permit.

### 805.15 Animals

No person shall:

- A. Hunt, molest, harm, provide a noxious substance to, frighten, kill, trap, chase, tease, shoot, or throw missiles at any animal within the boundaries of any District building, park or open space facility, nor remove nor have in his possession the young, eggs, or nest of any such creature;
- B. Abandon any animal, dead or alive, within any District building, park or open space facility;
- C. Bring into, maintain or allow in or upon any District building, park or open space facility any dog, cat, or other animal unless such animal at all times is in full control of the handler and is kept on a leash of sufficient strength and durability that it cannot be broken by the animal so leashed (electronic leashes may be used outside of the District parks). Dogs may be kept off leash while within the Groveland Dog Park. However, the General Manager may designate areas and time in which persons may sell, demonstrate or train unleashed animals within District facilities so long as such animals remain under the full control of their owners' custody.

- D. Animal owners are liable for any damage to GCSD property or injury caused by their animals.
- E. Permit cattle, sheep, goats, horses, or other animals owned by him or in his possession to graze within the boundaries of any District park or open space facility without express approval of the Board of Directors;
- F. Ride a horse, pony, mule, burro, or any other animal upon, over or across any District park or open space facility, except at times and upon roads or trails designated for the riding of such animals as may be provided by the District by Permit;
- G. Permit any animal owned by him, or in his possession, to be brought onto or remain upon the premises of any District building, park or open space facility, if the General Manager or his or her designee has given oral or written notice to remove that animal from such premises. The General Manager may give such notice if such animal is known to the General Manager to have caused any injury or damage to any person or property while on District property
- H. Permit or suffer any animal owned by him, or in his possession, custody, or control, to defecate upon District property without immediately removing such animal feces, placing said feces in a sealed bag or other sealed container, and placing such bag or container with feces in a proper refuse receptacle. Persons with horses in their possession, custody, or control, at times and upon roads or trails designated for the riding of such animal, and, persons while relying on a guide dog, are exempt from the provisions of this subsection;
- I. A violation of any of the provisions of this section shall be punishable as follows:
  - 1. A first violation of any of the provisions of this section is punishable as an infraction; and
  - 2. A second or subsequent violation of the same provisions of Section 518 committed within thirty days of the previous violation shall be prosecuted as a misdemeanor.

#### 805.16 Real Property--Appropriation or Encumbrance

No person shall deposit any earth, sand, rock, stone, or other substance within or upon any District property, nor shall he dig or remove any such material from within any District property, nor shall he erect or attempt to erect any building, wharf, or structure of any kind by driving or setting up posts or piles, nor in any manner appropriate or encumber any portion of the real property owned, operated, controlled, or managed by the District, without permission from the General Manager.

## 805.17 Motorized Vehicles

- A. While within the boundaries of any District property, park or open space, no person shall drive or operate any automobile, motorcycle, motor scooter, trail bike, dune buggy, truck, or other motorized vehicle on roads or trails other than those designated for that purpose without permission from the General Manager.
- B. While within the boundaries of any District property, park or open space, no person shall drive any automobile, motorcycle, motor scooter, truck, or other motorized conveyance, except an authorized emergency vehicle, at a rate of speed exceeding twenty-five miles per hour, except as may be otherwise posted by the General Manager, or in any case at speeds exceeding safe conditions dictated by prevailing circumstances.
- C. No person shall park any automobile or other motorized vehicle within any District property, park or open space facility except in areas specifically designated as parking areas. In no case shall any person park a motorized vehicle in a manner that presents a hazard to the public.
- D. No person shall park or otherwise allow automobiles and other conveyances to remain within the boundaries of any District property, park or open space during the hours the property is closed without permission from the General Manager.
- E. No person shall abandon any motorized vehicle within the boundaries of District property, park or open space.
- F. No unauthorized person shall wash or repair any automobile or other motorized vehicle within the boundaries of any District property, park or open space.
- G. All motorized vehicles within the boundaries of any District property, park or open space shall be equipped with a properly installed muffler device which is in constant operation and which prevents excessive or unusual noise. No such muffler device or exhaust system shall be equipped with a cutout, bypass, or similar device.

## 805.18 Sound Amplification Equipment

Within any District property, facility, park or open space, no person shall use sound amplification equipment which produces noise in excess of the noise levels provided by these regulations without permission from the General Manager.

### 805.19 Radios, Tape Players on District Property

It is unlawful for any person to permit or cause any noise, sound, music or program to be emitted from any radio, tape player, tape recorder, record player or television outdoors on or in any District owned property, park or open space when such noise, sound, music or program is audible to a person of normal hearing sensitivity one hundred feet from said radio, tape player, tape recorder, record player or television.

- A. As used herein, “a person or normal hearing sensitivity” means a person who has a hearing threshold level of between zero (0) decibels and twenty-five (25) decibels HL averaged over the frequencies 500, 1,000 and 2,000 Hertz.
- B. This section shall not apply to the use of sound systems, radios, tape players, tape recorders, record players or televisions in the course of an assembly or festival for which application approval has been granted by the District pursuant to these regulations, or a parade for which a permit has been issued
- C. Any violation of the provisions of this section constitutes a public nuisance.

### 805.20 Hours of Use

The General Manager is authorized to promulgate reasonable hours for opening and closing for District Facilities, Parklands and Open Space. No person shall enter or remain in or on any District Facility, Parkland or Open Space after it is closed for public use without permission from the General Manager.

If gates are locked or secured it shall be unlawful to climb over, under or through the gate or fence or enter or exit any District Facility, Open Space or Parkland. It shall also be unlawful for any person to cut any fence, chain or lock, or add a lock to any District gate or fence.

### 805.21 Locks and Keys

No person other than one acting under the direction of the General Manager shall duplicate or cause to be duplicated a key used by the District for a padlock or door or gate lock of any type or description, nor shall any person divulge the combination of any lock so equipped to any unauthorized person.

### 805.22 Public Nuisance

Any violation of the provisions of this chapter constitutes a public nuisance. (SCC 414 §2, 1980)

## 806 GENERAL NUISANCE

### 806.1 Noise

- A. It shall be unlawful for any unauthorized person or persons to use or operate any radio receiving set, musical instrument, phonograph, CD player, television set, karaoke machine, or other device in such a manner as to disturb the peace, quiet, and comfort of any park user or any reasonable person of normal sensitivity in the area. The use of any such device or machine, such that the sound produced is audible at a distance in excess of 100 feet, shall be deemed a *prima facie* violation of this section.
- B. It shall be unlawful for any unauthorized person or persons to use or operate any radio receiving set, musical instrument, phonograph, CD player, television set, karaoke machine, or other device at a volume greater than 80 decibels at the device or speaker at any time.
- C. It shall be unlawful for any unauthorized person or persons to willfully make or cause to be made or continued, any loud, unnecessary or unusual noise which disturbs the peace and quiet or which causes discomfort or annoyance to any reasonable person of normal sensitivity utilizing any District Facility or Parkland or on adjacent private property.

### 806.2 Posting and Decorations

- A. It shall be unlawful for any person to cut, carve, paint, mark, paste or fasten on any tree, fence, wall, building, monument, or other property in any District Facility or Parkland, any bill, advertisement, directional or informational signs, or inscription whatsoever without prior authorization from the General Manager.
- B. It shall be unlawful in any District Facility or Parkland for any person to attach or place any materials, devices, or equipment for the purpose of decorating or for any other purpose without first having obtained prior authorization from the General Manager.
- C. It shall be unlawful for any person to place in or upon any Vehicle, left standing or parked, on any District Facility or Parkland any written materials, including but not limited to, advertisements, handouts, handbills, circulars, leaflets, pamphlets, paper, booklets or other printed or written material regardless of whether the content is commercial or non-commercial, without prior authorization from the General Manager. Each deposit of any written or printed material shall be deemed a separate violation.

### 806.3 Unauthorized Storage

- A. No person or group shall store, leave, or otherwise allow to remain on, at or in any District Facility or Parkland any materials, supplies, equipment, or other physical accessories without prior authorization from the General Manager.
- B. Any materials, supplies, equipment or other personal property left more than 24 (twenty-four) hours, without authorization, may be moved or towed and stored at owner's expense.

- C. Any materials, supplies, equipment or other personal property that have been moved or towed and stored as noted in §703(b), that remains unclaimed after 45 (forty-five) calendar days from date of notification or attempted notification of owner, shall become GCSD property and will be disposed of or sold, whichever is determined most appropriate, by the District.

#### 806.4 Disturbing the Peace

- A. It shall be unlawful for any person to engage in any course of conduct in any District Facility or Parkland after being advised by a District employee, Law Enforcement Officer, agent or Concessionaire having authority to regulate or manage the area, that such conduct does or could unreasonably or unnecessarily interfere with or obstruct the lawful use and enjoyment of such Facility or Parkland by other persons or impairs the ability of any Park District employee, agent or Concessionaire to perform his or her authorized duties and activities.
- B. It shall be unlawful to use any threatening, abusive, boisterous, loud, insulting, or indecent language or gesture that impairs or could impair the lawful use and enjoyment of District Facilities or Parklands by other persons.

#### 806.5 Failure to Obey

It shall be unlawful to refuse to leave the premises of any District Facility or Parkland when given a lawful order to do so by a District employee or a Law Enforcement Officer.

#### 806.6 Nudity

It shall be unlawful for any person to appear, swim, bathe, wade, sunbathe, walk or be in any District Facility or Parkland in such a manner of dress as is deemed inappropriate, lewd, or indecent by the General Manager or any other District Employee. This section shall not apply to children under the age of 5 (five) years or a woman in the process of breast feeding an infant.

### 807 VEHICLES

#### 807.1 Parking

- A. Any Vehicle parked or left standing in violation of this section may be removed in accordance with the California Vehicle code.
- B. It shall be unlawful for any person to park a Motor Vehicle in any District Facility or Parkland, except an authorized emergency Vehicle or when in compliance with the directions of a peace officer, in any of the following places:
  - 1. Where prohibited by "No Parking" signs.
  - 2. Where prohibited by "No Stopping" signs.
  - 3. Adjacent to any curb painted red.

4. Adjacent to any curb beyond the time indicated by paint or signs.
  5. Within 15 ft. of a fire hydrant.
  6. Blocking or obstructing any fire Trail or fire lane.
  7. Blocking or obstructing any Trail, sidewalk or pedestrian walkway.
  8. Blocking or obstructing any gate, entrance, or exit.
  9. On any lawn, turf, or landscaped area.
  10. On any area where grass and other vegetation is taller than 4 (four) inches in height.
  11. In any picnic area.
  12. In such a manner as to take up more than one designated parking place in any authorized area.
  13. In such a manner as to block or partially block the roadway of the parking area ie. Vehicle not pulled fully into parking space.
  14. Where a fee is charged and the fee is not paid.
  15. In any District parking area where a fee is charged, a Permit is issued as a receipt, and the Permit or receipt is not displayed in a conspicuous place upon the Vehicle as to be easily observed by a peace officer.
  16. In any District parking area for the purpose of commute parking.
  17. In any District parking area for the purpose of advertising or attempting to sell a Vehicle.
  18. In any area not intended by the District to be used for parking.
- C. It shall be unlawful for any person to park, abandon, or otherwise allow to remain any automobile or other conveyance in any District Facility or Parkland between the hours of 8:00 p.m. of one day and 6:00 a.m. of the following day, or hours otherwise posted.
- D. It shall be unlawful for any person to park a Vehicle in any District parking area if such person is not utilizing a District Facility or Parkland associated with said parking area.

## 808 NATURAL & CULTURAL RESOURCE PROTECTION

### 808.1 Wildlife Protection

- A. It shall be unlawful for any person to hunt, molest, disturb, injure, trap, take, fish, net, poison, harm, capture or kill any kind of Wildlife in any District Facility or Parkland.
- B. It shall be unlawful for any person to remove, destroy or in any manner disturb the natural habitat of any animal in any District Facility or Parkland.
- C. It shall be unlawful to allow a dog or other animal to chase or injure Wildlife in any District Facility or Parkland.
- D. It shall be unlawful to allow a dog or other animal to dig up burrows or disturb nests or dens of any Wildlife in any District Facility or Parkland.
- E. It shall be unlawful for any person to feed Wildlife at any time in any District Facility or Parkland.
- F. It shall be unlawful for any person to leave, release or abandon any Wildlife, whether dead or alive, in any District Facility or Parkland.
- G. It shall be unlawful for any person to collect or remove from any District Facility or Parkland any scat, bones, teeth, fur, feathers, nest, egg (whether hatched or un-hatched) or any other part of any Wildlife.

### 808.2 Flora Protection

- A. It shall be unlawful for any person to damage, destroy, injure, collect, dig up, pick, mutilate, cut, carve upon or remove any Flora in any District Facility or Parkland.
- B. It shall be unlawful for any person to bring into any District Facility or Parkland any Flora for the purposes of planting, dispersal or disposal without a Permit.
- C. It shall be unlawful for any person to collect any seeds or cuttings in any District Facility or Parkland without a Permit.
- D. It shall be unlawful for any person to tie any rope or other item to or attach any swing, rope or otherwise, to any tree in any District Facility or Parkland.

### 808.3 Geological Feature Protection

- A. It shall be unlawful for any person to damage, carve, dig up, collect or remove earth, rocks, sand, gravel, fossils, minerals, caves, or any geological article or feature in any District Facility or Parkland.

- B. It shall be unlawful for any person to collect or remove any water from any stream, creek, river, channel, canal, slough, pond, lake, permanent or ephemeral pool or puddle, wetland, bay, lagoon, or other stream or body of water in any District Facility or Parkland.

#### 808.4 Archaeological/Cultural/Artifact Protection

It shall be unlawful for any person to damage, injure, dig up, mutilate, cut, collect, relocate, remove or in any way disturb any paleontological, archaeological or Cultural Artifact or Feature in any District Facility or Parkland.

#### 808.5 Permission for Research or Collecting

Special Permission may be granted to remove, treat, disturb, or otherwise affect Wildlife or Flora or geological, cultural, archaeological, or paleontological materials for research, interpretive, educational, or park operational purposes. Permission for any collection activity must be in writing and obtained in advance.

### 809 SKATEBOARD/IN-LINE SKATE/ROLLER SKATE/SCOOTER USE

#### 809.1 General Provisions

- A. It shall be unlawful to Grind or Slide any Skateboard, In-Line Skate, Roller Skate or Scooter across any object, including but not limited to, curbs, plant containers, concrete walls, rock walls, benches, picnic tables, stairway rails or any other object not intended specifically for this use, in any District Facility or Parkland.
- B. It shall be unlawful to use any Skateboard, In-Line Skate, Roller Skate or Scooter to ride off of or jump onto or off of any object in any District Facility or Parkland not specifically intended for that use, including but not limited to stairways, curbs, sidewalks, benches, car stops, bike racks, planters, picnic tables or retaining walls.
- C. It shall be unlawful to use any Skateboard, In-Line Skate, Roller Skate or Scooter within 25 feet of any public entrance to any District Building.

#### 809.2 Skate Park Rules and Regulations

- A. Groveland Community Services District (“GCS D”) owns, operates, and maintains the Skate Park in Mary Laveroni Community Park. It is provided for the enjoyment of those who visit the Park. This Skate Park is a community facility, the design of which is attached hereto, marked Exhibit “A,” and incorporated herein by this reference. The Skate Park is a facility subject to all of the provisions of the GCS D Park Ordinance.
- B. The Skate Park is unsupervised. The use of coasting devices, such as skateboards, inline skates, roller skates, bicycles and scooters are considered hazardous activities that may result in death or serious injury. All users of the Skate Park voluntarily assume the risk of death or serious injury in use of the Skate Park facilities.

- C. It shall be unlawful for any person to operate any wheeled device, including but not limited to Roller Skates, In-Line Skates, Skateboards or Scooters on or in the Skate Park without a properly fitted and fastened helmet, knee pads and elbow pads. Failure to do so may result in the issuance of a citation under this ordinance.
- D. Use of skateboards, roller skates and inline skates at the same time as bicycles and scooters is prohibited. Users of skateboards, roller skates and inline skates shall have priority in the usage of the Skate Park over users of other permitted coasting devices, such as bicycles and scooters.
- E. The use of motorized vehicles within the Skate Park is prohibited.
- F. Children under 14 years of age are welcome to use the Skate Park, but must be accompanied by an adult at least 18 years of age to supervise them.
- G. It is unlawful for any person who is operating any coasting device on public sidewalks and parking areas on GCSD property to fail to yield the right-of-way to all pedestrians within or approaching the area or to use said device in such a manner which endangers the safety of any other person or property.
- H. It is unlawful for any person to use or operate a coasting device on any public park, playground or recreation area or other public property in which there are posted signs prohibiting the use of said coasting devices.
- I. It is unlawful for any person to operate or use or occupy the Skate Park before 7:00 a.m. or after dusk.
- J. It is unlawful to use alcoholic beverages and tobacco products while within the Skate Park facility or within fifty (50) feet of the Skate Park facility.
- K. No glass containers or food are permitted within the Skate Park facility.
- L. Additional ramps, jumps, obstacles, or any other equipment may not be brought into the Skate Park.
- M. No spectators are allowed within the Skate Park facility. Benches are provided outside the Skate Park facility for spectators.
- N. Use of the Skate Park is prohibited when conditions are unsafe. Examples of unsafe conditions include wet and/or icy surfaces or ramps, jumps, obstacles or rails that are unsecured. Unsafe conditions or damage to facility should immediately be reported to GCSD at (209) 962-7161. In an emergency, call 911.
- O. Persons using permitted coasting devices are considered pedestrians under the California Vehicle Code and are subject to all restrictions as outlined in said Vehicle Code when traveling on a road or sidewalk.

- P. Any damage, graffiti and/or littering, or other abuse to the Skate Park facilities may result in the closure of the Skate Park. Parents may be held financially responsible for damages caused by the inappropriate actions or activities of their children in or around the Skate Park.
- Q. Violation of these rules may result in the closure of the Skate Park. Individuals not abiding by these rules may be cited and fined pursuant to the provisions of Government Code Section 61064. Violation of these rules may also result in restriction from further use of the Skate Park facility after an administrative hearing.
- R. It shall be unlawful and a violation of this ordinance for any individual to damage, deface, destroy or alter any such sign posted within the Skate Park facility.

GCS D reserves the right to revoke the use of the Skate Park and to amend the rules as needed from time to time.

## 810 LEON ROSE BALL FIELD

### 810.1 Rules and Regulations

- A. It shall be unlawful to consume alcoholic beverages of any kind in dugouts or on the Ball Field.
- B. No food or beverages shall be brought onto the premises when concession stand operation is scheduled.
- C. No horses, dogs, or other animals shall be allowed on the ball field.
- D. All children under the age of 18 years shall be supervised by an adult at all times.
- E. Use of metal cleats on the field is strictly prohibited
- F. Field Lights shall be turned off by 10:30 p.m. and the premises shall be secured and vacated by 11:00 p.m.

## 811 GROVELAND DOG PARK

### 811.1 Rules and Regulations

- A. All users are required to obtain a Dog Park Permit from the GCS D Administration Office prior to entry.
- B. Owners must cleanup their dog's waste and dispose it in the provided trash receptacles.
- C. Dogs must be leashed when entering and exiting the Dog Park
- D. Owners must carry a leash and leash their dog at the first sign of aggression.

- E. Dogs must wear collars which display their current rabies tag and dog license.
- F. Owners must keep their dog in view and under control at all times. Owners are responsible for any injury or damage to property, other dogs, or the public.
- G. Owners must leave unhealthy dogs and those in heat at home.
- H. Owners are recommended to not let puppies under six months of age use the Dog Park.
- I. Children under the age of 12 must be accompanied by an adult when using the Dog Park.
- J. Dog treats are permitted; please refrain from bringing other food items into the Dog Park.
- K. All state, county, and GCSD ordinances will be enforced.

#### 811.2 Dog Park Permit Fees

The Board of Directors has established a fee to use the Groveland Dog Park. These fees are used to off-set the costs associated with operating and maintaining the Dog Park facilities. Dog Park access is by permit, which can be obtained from the District Administration Office. Dog Park permit fees are provided in Appendix 800-A—Schedule of Fees for Parks Department Facilities. The following is required to obtain a Dog Park permit:

- A. A current rabies certificate and dog license from the county in which the dog is registered.
- B. The name, address, phone number and email address of the dog's registered owner.
- C. Payment of the appropriate annual permit fee, per the current Schedule of Fees. The permit shall be issued on annual basis that covers the period from January 1<sup>st</sup> through December 31<sup>st</sup>.
- D. The permit must be worn by owner (or person supervising the dog in the absence of the owner).

## SECTION 900 MISCELLANEOUS POLICIES & PROCEDURES

### 901 WATER CONSERVATION & DROUGHT MANAGEMENT POLICIES

The District is committed to promoting water conservation. This policy is presented in the District's Urban Water Management Plan, which is maintained under separate cover. The Urban Water Management Plan is made part of the District's Operational Policies and Procedures Manual by reference.

### 902 FIRE DEPARTMENT FEE FOR SERVICE POLICIES

#### 902.1 Introduction

The District is situated along a major corridor entering and leaving Yosemite National Park. Each year over 500,000 park visitors pass through Groveland. This traffic places a financial burden on Groveland Fire Department. The California Vehicle Code (Sections 100-680, 2450-2454, 16450-16457, and 17300) allows the District to recover costs from those served by the Fire Department who are not already paying customers of the District. In the following sections, various categories of fee for service are outlined. The fees adopted by the Board of Directors can be found in Appendix 900-A—Fire Department Fees for Service.

#### 902.2 Motor Vehicle Accidents

##### Level 1—Scene Safety & Investigation

This level includes scene safety and investigation, as well as traffic control, patient contact hazard control. This will be the most common billing level. This occurs almost every time a fire department responds to an accident.

##### Level 2—Cleanup & Material Used

This level includes Level 1 services as well as cleanup and material used (sorbents used, hazardous clean-up and disposal). We will bill at this level if the department has to clean up any gasoline or other automotive fluids that are spilled as a result of the accident.

##### Level 3—Car Fire

This level includes scene safety, fire suppression, breathing air, rescue tools, hand tools, hose, tip use, foam, structure protection, and clean up gasoline or other automotive fluids that are spilled as a result of the accident.

##### Level 4—Extrication

This level includes Levels 1 & 2 services as well as extrication (heavy rescue tools, ropes, airbags, cribbing etc.). The department will bill at this level if it has to free/remove anyone from the vehicle(s) using any equipment. The department will not bill at this level if the patient is simply unconscious and department is able to open the door to access the patient. This level is to be billed only if equipment is deployed.

##### Level 5—Advanced Response

This level includes Levels 1, 2, and 3 services, as well as air care (multi-engine company response, mutual aid, and helicopter). The Department will bill at this level any time a helicopter is utilized to transport the patient(s).

## 902.3 Hazardous Materials Response

### Level 1—Basic Response

Billing will include engine response, first response team, perimeter establishment, evacuations, first responder setup and command.

### Level 2—Intermediate Response

Billing will include engine response, first response team, haz-mat certified team and appropriate equipment. Other billable tasks include:

- Perimeter establishment, evacuations, first responder set up and command,
- Level A or B suit donning, breathing air and detection equipment, and
- Set up and removal of decontamination center and wash down.

### Level 3—Advanced Response

Billing will include engine response, first response team, haz-mat certified team and appropriate equipment. Other billable tasks include:

- Perimeter establishment, evacuations, first responder set up and command.,
- Level A or B suit donning, breathing air and detection equipment and robot deployment,
- Set up and removal of decontamination center and wash down,
- Detection, recovery and identification of material, and
- Disposal and environment clean up.

In addition to the above, billing will also include any disposal fees of material and contaminated equipment and material used at scene. This billing level includes three (3) hours of on scene time, with an additional hourly rate per team, as needed.

## 902.4 Arson Investigation

The Fire Department can field an Arson Response Team. The team may also assist the County or State arson investigation teams. The team may be called up to perform the following tasks:

- Scene Safety.
- Investigation.
- Source Identification.
- Identification Equipment.
- Mobile Detection Unit.
- Arson Report.

The billing begins when the arson investigator responds to the incident and is billed for logged time only.

## 902.5 Structure Fires

Structures fires within District boundaries are not billed. However, responses to structure fires outside the District will be billed to the home/business owner on an hourly rate per engine. These charges include the following tasks:

- Scene Safety

- Investigation
- Traffic Control
- Patient Contact
- Hazard Control

### 903 STRICT SAFETY PROGRAM

The District is committed to strict safety programs. This policy is presented in the District's Injury and Illness Prevention Program (IIPP). This policy has been developed in consultation with the California Occupational Safety and Health Administration and the District's insurance carrier. The IIPP is made part of the District's Operational Policies and Procedures Manual by reference.

## Appendix 100-A CONFLICT OF INTEREST CODE OF THE GROVELAND COMMUNITY SERVICES DISTRICT

The Political Reform Act (Government Code Section 81000 et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) which contains the terms of a standard conflict of interest code that can be incorporated by reference in an agency's code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Exhibit A designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the GROVELAND COMMUNITY SERVICES DISTRICT.

Designated employees shall file statements of economic interests with the GROVELAND COMMUNITY SERVICES DISTRICT, who will make the statements available for public inspection and reproduction [Government Code Section 81008]. Statements for all designated employees will be retained by the GROVELAND COMMUNITY SERVICES DISTRICT.

### **Regulations of the Fair Political Practices Commission, Title 2, Division 6 of the California Code of Regulations:**

#### **18730. Provisions of Conflict of Interest Codes.**

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the attached exhibits referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code Section 87300 or the amendment of a conflict of interest code within the meaning of Government Code Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code Section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions. The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 California Code of Regulations Section 18100, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this Conflict of Interest Code.

(2) Section 2. Designated Employees. The persons holding positions listed in Exhibit A are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

(3) Section 3. Disclosure Categories. This code does not establish any disclosure obligation for those designated employees who are also specified in Government Code Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economic interests pursuant to Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 87200, et seq. In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

(A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Government Code Sections 87200 et seq.; and

(C) The filing officer is the same both agencies.<sup>1</sup>

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in Exhibit A specify which kinds of financial interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those financial interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in Exhibit A. It has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.<sup>2</sup>

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this Code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this Code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1.

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<sup>1</sup>Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code Section 81004.

<sup>2</sup>See Government Code Section 81010 and 2 California Code of Regs. Section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

- (1) File a written resignation with the appointing power; and
- (2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements.

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code, and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements.

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office with a date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Government Code Section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to 2 Cal. Code Regs. Section 18754.

(D) Contents of Leaving Office Statements.

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investments and Real Property Disclosure.

When an investment or an interest in real property<sup>3</sup> is required to be reported,<sup>4</sup> the statement shall contain the following:

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<sup>3</sup>For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

- (1) A statement of the nature of the investment or interest;
- (2) The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
- (3) The address or other precise location of the real property;
- (4) A statement whether the fair market value of the investment or interest in real property exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000)

(B) Personal Income Disclosure. When personal income is required to be reported,<sup>5</sup> the statement shall contain:

- (1) The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
- (2) A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);
- (3) A description of the consideration, if any, for which the income was received;
- (4) In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
- (5) In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,<sup>6</sup> the statement shall contain:

- (1) The name, address and a general description of the business activity of the business entity;
- (2) The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

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<sup>4</sup>Investments and interests in real property which have a fair market value of less than \$2,000.00) are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10% or greater.

<sup>5</sup>A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

<sup>6</sup>Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10% or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing body of any public institution of higher education, unless the member is also an elected official.

Subdivisions (a), (b) and (c) of Government Code Section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code Section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of \$420.

No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$420 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subsections (e), (f), and (g) of Government Code Section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial

institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

(1) Loans made to the campaign committee of an elected officer or candidate for elective office.

(2) Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

(3) Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$500) at any given time.

(4) Loans made, or offered in writing, before January 1, 1998.

#### (8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

(1) Loans made to the campaign committee of the elected officer.

(2) Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

(3) Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

#### (8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

(1) If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

(2) If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

a. The date the loan was made.

b. The date the last payment of one hundred dollars (\$100) or more was made on the loan.

c. The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.

(B) This section shall not apply to the following types of loans:

(1) A loan made to the campaign committee of an elected officer or a candidate for elective office.

(2) A loan that would otherwise not be a gift as defined in this title.

(3) A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.

(4) A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.

(5) A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth One Thousand Dollars (\$1,000.00) or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$420 or more provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.3) Section 9.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.5) Section 9.5. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of Section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value one thousand dollars (\$1,000) or more.

(10) Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act must be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code Section 83114 and 2 Cal. Code Regs. Sections 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code Sections 81000 to 91015. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code Section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code Section 91003.

NOTE: Authority Cited: Section 83112, Government Code . Reference: Sections 87103(e), 87300-87302, 89501, 89502, 89503 Government Code

## EXHIBIT A

### PART I – DESIGNATED EMPLOYEES

<u>Position</u>	<u>Disclosure</u>	<u>Category</u>
Board Members		1-5
General Manager		1-5
Admin/Finance Manager		1-5
District Engineer		1-5
District Fire Chief		1-5
Consultants		1-5

### PART II – DISCLOSURE CATEGORIES

1. Investments, business positions in any business entity, and sources of income, including gifts, loans and travel payments, from persons or entities which provide services, facilities, materials, supplies, machinery or equipment of the type utilized by the District.
2. All interests in real property located within the jurisdiction of the District and/or within a two mile radius of any property owned by the District.
3. Investments, business positions in any business entity, sources of income, including gifts, loans and travel payments, and interests in real property related to persons or businesses which provide services similar to those provided by the District including, but not limited to private water, sewer, fire suppression and/or park and recreational services.
4. Investments, business positions in any business entity, sources of income, and/or interests in real property related to business entities or persons who are:
  - a. Owners of interests in real property located within the District; or
  - b. Engaged in the real estate sales and/or development business within the jurisdictional boundaries of the District.
5. Investments and business positions in business entities and sources of income, including gifts, loans and travel payments, from persons or entities which provide financial services of the type utilized by the District, including but not limited to financial institutions and/or investment vehicles that are of the type in which this District is empowered to invest its funds.

The General Manager of the District may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this

section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. Such determination shall be a public record and shall be retained for public inspection in the same manner and locations as this conflict of interest code.

## EXHIBIT B

All interests in real property as well as investments and business positions in business entities and income from sources which provide facilities, services, supplies, or equipment of the type utilized by the District, including but not limited to:

- Pipe, valves, fittings, etc.
- Pumps, motors, etc.
- Meters and other water measurement equipment
- Construction and building materials
- Fire protection equipment
- Ambulances, medical supplies and/or rescue equipment
- Refuse or recycled material collection and/or processing equipment and supplies
- Park maintenance equipment or supplies, playground equipment
- Engineering services, including hydrology services
- Construction contractors
- Safety equipment and facilities including personal protective equipment
- Hardware tools and supplies
- Freight and hauling
- Motor vehicles, heavy equipment, special vehicles and parts and services thereto
- Petroleum products
- Photographic services, supplies and equipment
- Janitorial services
- Water quality testing
- Pesticides and herbicides
- Communications equipment and services
- Electrical equipment, including pumping equipment
- Computer hardware and software
- Architectural services
- Water treatment equipment, supplies and services
- Custom farming services such as weed abatement, etc.
- Telemetry equipment
- Appraisal services
- Printing, reproduction, record keeping, etc.
- Office equipment
- Accounting services
- Real estate agents/brokers and investment firms
- Title companies
- Public utilities
- Canal and pipeline maintenance services
- Insurance companies

**GROVELAND COMMUNITY SERVICES DISTRICT****ORDINANCE NO. 03A-10****ORDINANCE OF THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT REGULATING THE FILING OF CLAIMS AGAINST THE DISTRICT WHICH ARE EXEMPT FROM THE GOVERNMENT CLAIMS ACT (Government Code Section 810-996.6)**

Be it ordained by the Board of Directors of the GROVELAND COMMUNITY SERVICES DISTRICT as follows:

*PURPOSE AND POLICY*

The purpose of these policies is to establish uniform procedures for the filing of claims against the District which are not governed by the Government Claims Act (Gov. Code ' 810–996.6); hereinafter the “Act.” The Act and Section 106 of the District’s Operational Policy Manual establish uniform procedures for the filing of claims against the District for money or damages, whether in contract or tort. The purpose of this Ordinance is to require that all claims filed with the District for nonmonetary relief, refunds of taxes, assessments or fees and charges levied by the District, or any other action not covered by the Act as specified in Section 2.0 of this Ordinance, comply with the claims presentation requirements specified in the Act, this Claims Ordinance, and the District’s Operational Policy Manual, Section 106 “Claims Against the District,” (the “Operational Policies”) which are incorporated herein by this reference.

In general, the Act, this Ordinance and the District’s operational policies require that a legal action against the District may not be commenced or maintained in a court of law unless a written claim has first been timely presented to the Board of Directors of the District and rejected in whole or in part. Compliance with the procedures specified in the Act and in this Ordinance is mandatory in order for the claimant to commence and maintain a judicial action against the District for any of the causes of action described in Section 2.0 of this Ordinance. The purpose of the provisions of this Ordinance is to give the District an opportunity to settle justifiable claims against the District before legal action is brought. In addition, the provisions of this Ordinance permit the District to conduct an early investigation of the facts on which a claim is based, thereby maximizing the ability of the District to defend itself against unjust claims and to correct conditions or practices which may give rise to a claim.

**SECTION 1.0***DEFINITIONS*

The definitions contained in this section govern the construction of this Ordinance.

1.1 “Board” means the Board of Directors of the Groveland Community Services District.

1.2 “District” means the Groveland Community Services District.

1.3 “Date of Accrual of Cause of Action”

For the purpose of computing the time limits for filing claims prescribed in this Ordinance, the date of the accrual of a cause of action to which a claim relates is the date upon which the cause of action would be deemed to have accrued within the meaning of the applicable statute of limitations, if there were no requirement that the claim be presented to and enacted upon by the District before an action could be commenced against the District on such claim. The date upon which a cause of action for indemnity

accrues shall be the date upon which a defendant is served with a complaint giving rise to the defendant's claim of indemnity against the District.

## **SECTION 2.0**

### *GENERAL PROVISIONS*

#### **2.1 Required Presentation of Specific Claims against District; Exceptions:**

All claims against the District specified below shall be presented in accordance with the procedures specified in Section 3.0 of this Ordinance as follows:

- A. Any claim against the District seeking relief other than money or damages, such as a request for an injunction to stop continuing District activity or a mandatory injunction seeking a court order compelling the District to perform specified actions;
- B. Petitions for issuance of a writ of mandate by a court compelling the District and its employees to perform a mandatory statutory duty, such as compliance with CEQA requirements in approving public projects;
- C. Actions which seek declaratory relief or the court's declaration of the relative rights and obligations of parties contracting with the District, including the District;
- D. Actions alleging employment discrimination by the District or its employees, including harassment and sexual harassment claims; and actions by employees against the District for back pay, or benefits;
- E. All claims against the District with respect to actions claiming violations of federal law;
- F. Claims under the Revenue and Taxation Code or other statute prescribing procedures for the refund, rebate, exemption, cancellation, amendment, modification, or adjustment of any special tax, assessment, fee, charge, rate or any portion thereof, or of any penalties, costs, or other charges related thereto;
- G. Claims in connection with the filing of a Notice of Lien, Statement of Claim, or Stop Notice under any law relating to the liens of contractors, laborers or suppliers;
- H. Claims by employees of the District for fees, salaries, wages, mileage or other expenses and allowances;
- I. Claims for money or benefits under any public retirement or pension system of which the District is a member;
- J. Claims for principal or interest upon any bonds, notes, warrants, or other evidences of indebtedness including Certificates of Participation, lease financing agreements, and installment sale agreements;
- K. Claims that relate to a special assessment constituting a specific lien against the property assessed and that are payable from the proceeds of the assessment;
- L. Claims against the District filed by the state or by another local public entity.

#### **2.2 Exceptions from Claims Filing Requirement**

The following claims are exempt from the claims presentation requirements of this Ordinance.

- A. Claims for the recovery of wages, penalties or forfeitures pursuant to the Prevailing Wage Law at California Labor Code Section 1720 et seq.;
- B. Claims for which Workers Compensation is authorized as the exclusive remedy pursuant to Labor Code Section 3200 et seq.

### 2.3 Prohibited Claims

- A. Pursuant to the authority of California Constitution Article XIII Section 32, this Claims Ordinance does not permit the filing of, and the District does not recognize any liability for the filing of class action claims against the District under the Revenue and Taxation Code or other statute seeking refunds, rebates, exemptions, cancellations, modifications, or adjustment of any special tax, assessment, fee, charge or penalty charged or levied by the District.

Claims of individuals for such refunds, rebates, exemptions or adjustments shall be filed pursuant to the provisions of this Ordinance.

## SECTION 3.0

### *PRESENTATION AND CONSIDERATION OF CLAIMS*

#### 3.1 Preparation of Claim Form

A claim shall be presented by the claimant or by a person acting on his or her behalf and shall show all of the following:

- (a) The name and address of the claimant;
- (b) The date, place and other circumstances of the occurrence or transaction which gave rise to the claim asserted;
- (c) A general description of the obligation, injury, damage or loss incurred so far as it may be known at the time of presentation of the claim;
- (d) The name or names of the District employee or employees responsible for the circumstances causing the alleged damage to the claimant.

The claim shall be signed by the claimant or the person acting on the claimant's behalf. Reference is made to Appendix 100-C of the District's Operational Policy Manual specifying the required contents of the Claim Form and providing a suggested form of Claim Form for filing by potential claimants.

#### 3.2 Time Limits for Presentation of Claim

All claims specified in Section 2.1 A-L of this Ordinance must be filed within six (6) months after accrual of the cause of action.

#### 3.3 Method of Presentation of Claim

The claimant may present the claim or an amendment to the claim by either delivering the document to the Board Secretary of the District at the District's office or mailing it to the Board Secretary at the address of the District's principal office. A mailed claim will be deemed filed effective on the date that a properly stamped and addressed envelope containing the claim is deposited in the mail. A delivered claim will be deemed filed effective on the date of delivery.

#### 3.4 Consideration of Claim by District

Upon presentation of the claim to the District in accordance with the procedures set forth herein, District staff will take one or more of the following actions with respect to consideration of the claim:

A. Notice of Insufficiency of the Claim

Within twenty (20) days after the claim has been presented, the District shall give the claimant written notice of any substantial defects or omissions of the content of the claim that prevent the claim from complying with the requirements of this Ordinance.

B. Investigation of Claim

The General Manager shall authorize an investigation to be conducted regarding the facts and circumstances surrounding the claim as to potential District liability for the damages specified in the claim, as well as nature, extent and amount of damage claimed by the claimant. In those circumstances in which the claim requests that the District take specific action, the investigation shall include an evaluation of such requested action on District operations. This investigation may be conducted under the auspices of or with the cooperation of the District's insurance coverage provider and District Legal Counsel.

3.5 Board Action on Claim

The Board of Directors of the District is authorized, within 45 days after the claim has been submitted to the District, to take any of the following actions:

- (a) Reject the claim entirely;
- (b) Allow the claim in full;
- (c) Allow the claim in part and reject the balance of the claim;
- (d) Compromise the claim or settle the claim if the liability or amount due is disputed;
- (e) Take no action, thus permitting the claim to be denied by operation of law pursuant to Section 912.4(c) of the Act.

3.6 Notice of Board Action on Claim

Upon final action by the Board on any claim, or on any Application for Leave to Present a Late Claim, written notice of the Board's action shall be mailed to the claimant at the address specified in the Claim Form. Giving of such notice limits the statute of limitations applicable to any judicial action which the claimant may file in the event of a rejected claim to six months after the date of the written Notice of Rejection of the Claim from the District to the claimant.

3.7 Notice and Return of Late Claim

When a claim that is required under the provisions of this Ordinance to be presented six months after accrual of the cause of action is presented late, the Board Secretary shall give notice to the claimant that the claim was not timely filed and that the claim is being returned without further action. This notice shall be sent within forty-five days after receipt of the claim and this notice shall advise the claimant that claimant's only recourse is to apply without delay for leave to present a late claim to the Board for consideration. Said notice shall also advise the claimant of the procedure for filing an Application for Leave to File a Late Claim pursuant to the provisions of this Ordinance and Sections 911.2 through 911.8 of the Act.

3.8 Summary of Late Claim Procedure

The late claim procedure is comprised of the following steps:

- A. The claimant must file an Application for Leave to File a Late Claim with the District. The application must be presented within a reasonable time not to exceed one year after accrual of the cause of action, and shall state the reasons for the delay in presenting the claim.

- B. The Board of Directors of District has forty-five days within which to grant or deny the Application for Leave to File a Late Claim. The claimant and the Board may mutually agree to extend this period of time during which the Board is required to act on the application so long as such agreement is made before the expiration of the 45-day period. Failure of the Board to take any action within forty-five days operates as a denial of the application. If the Board approves the application, the Board of Directors will agendize consideration of rejection or acceptance of the claim in full or in part at a subsequent regular meeting of the Board.
- C. The Board shall grant the Application for Leave to File a Late Claim if it finds that: (1) the failure to present the claim was due to the mistake, inadvertence, surprise or excusable neglect of the claimant and (2) that  
  
the District was not prejudiced in its defense of the claim by the failure to present the claim within the 6-month time requirement.
- D. If the Board denies the Application for Leave to File a Late Claim, the claimant has six months in which to file a petition with the court for an order excusing claimant from complying with these claims presentation requirements.

3.9 Method of Notice regarding Action on Claim

All communications between the District and the claimant after the date the claim is filed with the District shall be by first class mail, postage prepaid, mailed to the address of the claimant as specified in the Claim Form.

**SECTION 4.0**

*COMMENCEMENT OF LEGAL ACTION AGAINST DISTRICT*

4.1 Legal Action against District Prohibited in Absence of Presentation of Claim and Board Action Thereon

No lawsuit for money or damages or other relief as specified in Section 2.1 A-L of this Ordinance may be brought against the District until a written claim therefor has been presented to the District in accordance with the provisions of this Ordinance and has been acted upon by the Board, or has been deemed to have been rejected by the Board in accordance with the provisions of this Ordinance.

4.2 Effect of Claimant's Acceptance of Settlement on Right to Maintain Suit

When a claim is allowed in full, and/or the claimant accepts the amount or remedy allowed by the Board, no suit may be maintained by the claimant on any part of the cause of action to which the claim relates.

If the claim is allowed by the Board in part and the claimant accepts the amount or remedy offered by the Board, no suit may be maintained by the claimant on that part of the cause of action which is represented by that portion of the claim upon which the parties agree to a remedy or resolution.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the GROVELAND COMMUNITY SERVICES DISTRICT, County of Tuolumne, State of California, this \_\_\_\_\_ day of \_\_\_\_\_, 2010, by the following vote:

- AYES:
- NOES:
- ABSENT:

## Appendix 100-C INSTRUCTIONS FOR FILING A CLAIM

Please type or print clearly with a ballpoint pen all the information requested on Claim Form (Exhibit A). The following provides specific instructions for completing each section of the Claim Form:

1. Name and Mailing Address of Claimant: State full name and mailing address of the person/persons claiming damage or injury.
2. Dollar Amount of Claim: State the total amount you are claiming as a result of the alleged damage/injury. If the damage/injury is continuing or is anticipated in the future, indicate with a “+” following the dollar amount. If the total amount is unspecified or exceeds ten-thousand dollars (\$10,000), designate the appropriate court jurisdiction for the claim.
3. Date that the Damage/Injury Occur: State the exact month, day, year, and appropriate time (if known) of the incident that cause the alleged damage/injury.

Under State law, claims relating to causes of action for personal injury, wrongful death, property damage and crop damage must be presented to the Board of Directors no later than six (6) months after the incident date. Please note that evidence of “presentation” includes a clear postmark date on an envelope or a certification of personal service.

When filing a claim beyond the six- (6-) month period, the Claimant must explain the reason the claim was not filed within the six- (6-) month period. This explanation is called an “Application for Leave to Present a Late Claim.” In considering the claim, the Board will first decide whether the late claim application should be granted or denied. (See Gov. Code Section 911.4 for the legal acceptable reasons a claim may be filed late.) Only if it is granted will the Board then consider the merits of the claim.

Claims relating to any cause of action other than personal injury, wrongful death, property damage and crop damage must be presented no later than one (1) year after the incident date. See Gov. Code Section 911.2. The following provides specific instructions for completing each section of the Claim Form:

1. Where Did the Damage/Injury Occur? Include the city, county and street address where the damage/injury allegedly occurred.
2. How Did the Damage/Injury Occur? Provide in full detail the circumstances that led up to the incident. Identify all facts that support the claim. Include the name of the agency(ies) and employee(s) that allegedly caused the damage/injury, as well as a specific identification as to any condition of public property that allegedly caused the damage/injury.
3. What Damage/Injury Occurred? Provide in full detail a description of the damage/injury that allegedly resulted from the incident.

4. How was the Amount of the Claim Computed? Provide a breakdown of how the total amount of the claim was computed. The Claimant may declare expenses incurred and/or future, anticipated expenses. If available, copies of all bills, payment receipts and cost estimates must be attached to the claim.
5. Official Notices and Correspondences. Provide the name and mailing address of the person to whom all official notices and other correspondence should be sent, if other than Claimant. This official contact person can be the Claimant or a representative of the Claimant.
6. Signature. The Claim must be signed by the Claimant or by the attorney/representative of the Claimant. The Board will not accept the claim without a proper signature. Gov. Code Section 910.2 provides: "The Claim shall be signed by the Claimant or by some other person on his/her behalf."
7. If more space is required, the Claimant may write or type on separate piece(s) of paper.

Exhibit 100-C-A--Claim Form

Groveland Community Services District  
P.O. Box 350  
Groveland, CA 95321-0350

I. The Name and Post Office Address of the claimant:

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II. The Post Office Address to which the person presenting the claim desires notices to be sent:

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Daytime Telephone: \_\_\_\_\_

Evening Telephone: \_\_\_\_\_ Message Telephone: \_\_\_\_\_

III. The Date, Place, and other Circumstances of the occurrence or transaction, which gave rise to the claim asserted:

Date of Occurrence: \_\_\_\_\_ Time of Occurrence \_\_\_\_\_

Place of Occurrence: \_\_\_\_\_

Circumstances:

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IV. A General Description of the Indebtedness, Obligation, Injury, Damage or Loss incurred so far as it may be known at the time of presentation of the claim:

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V. The Name or Names of the Public Employee or Employees causing the injury, damage, or loss, if known:

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VI. Amount of Claim: \$ \_\_\_\_\_ (if less than \$10,000.00)  
Jurisdiction of Claim: \_\_\_\_\_ Municipal Court (Claims to \$25,000)  
\_\_\_\_\_ Superior Court (Claims over \$25,000)

Basis of Computation:

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VII. Declaration:

I declare under penalty of perjury under the laws of the State of California that the above information is true and correct.

Signature of Claimant or Representative: \_\_\_\_\_

Date: \_\_\_\_\_

Note: If more space is required to answer these questions, please write in black ink or type on separate pieces of paper.

## Exhibit 100-D-1A—Notice of Insufficiency

Form Letter #1

Alternative A

[Letterhead and Date]

NOTICE OF INSUFFICIENCY

Dear

Your claim, which was received by the [insert title of Board or Officer] on [date], failed to comply substantially with certain Government Code sections. It was insufficient for the following reasons:

[Give reasons for insufficiency]

For your information, consult Sections 910, 910.2, 910.4 and 910.8 and other sections of the Government Code pertaining to the filing of the claims against a public entity. Due to certain time requirements filing claims, these deficiencies should be corrected immediately.

---

Signature

---

Title

Exhibit 100-D-1B—Notice of Insufficiency

Form Letter #1  
Alternative B  
[Letterhead and Date]

NOTICE OF INSUFFICIENCY

Dear

This is to advise you that your claim against the [insert title of Board or Officer] is being returned. The claim fails to substantially comply with the requirements of California Government Code Sections 910 or 910.2; it is insufficient for the reason(s) checked below:

- The claim fails to state a cause of action.
- The claim fails to state the name and post office address of the claimant.
- The claim fails to state the post office address to which the person presenting the claim desires notice to be sent.
- The claim fails to state the date/place/or other circumstances of the occurrence or transaction that gave rise to the claim presented.
- The claim fails to state the injuries, damages or losses believed to have been incurred as a result of the incident.
- The claim fails to state the name(s) of the public employee(s) causing the injury, damage or loss (if known).
- The claim fails to state the amount claimed as of the date of presentation, the estimated amount of any prospective injury or loss so far as known, or the basis of computation of the amount claimed.
- The claim is not signed by the claimant or by some person on his/her behalf.
- Other, specifically: \_\_\_\_\_.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

Exhibit 100-D-2—Rejection of Claim

Form Letter #2  
[Letterhead and Date]

REJECTION OF CLAIM

Dear

Notice is hereby given that the claim which you presented to the [insert title of Board or Officer] on [date] was rejected on [date] by [title of Board or Officer or Operation of Law].

WARNING

Subject to certain exceptions, you have only six (6) months from the date this Notice was personally delivered or deposited in the mail to file a court action in a municipal or superior court of the State of California on this claim. See Government Code Section 945.6.

You may seek the advice of an attorney of your choice in connection with this matter. If you desire to consult an attorney, you should do so immediately.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

Exhibit 100-D-3—Rejection of Untimely Claim

Form Letter #3  
[Letterhead and Date]

REJECTION OF UNTIMELY CLAIM

Dear

The claim, which you presented to the [title of Board or Officer] on [date], is being returned because it was not presented within six (6) months after the event or occurrence as required by law. See Section 901 and 911.2 of the Government Code. Because the claim was not presented within the time allowed by law, no action was taken on the claim.

Your only recourse at this time is to apply without delay to the Groveland Community Services District for leave to present a late claim. See Sections 911.4 to 912.2, inclusive, and Section 946.6 of the Government Code. Under some circumstances, leave to present a late claim will be granted. See Government Code Section 911.6.)

You may seek the advice of an attorney of your choice in connection with the matter. If you desire to consult an attorney, you should do so immediately.

---

Signature

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Title

Exhibit 100-D-4—Denial of Application to Present a Late Claim

Form Letter #4  
[Letterhead and Date]

DENIAL OF APPLICATION TO PRESENT A LATE CLAIM

Dear

Notice is hereby given that the application to present a late claim which you presented to the [insert title of Board or Officer] on [date] was denied on [date] by [title of Board or Officer] or [by operation of law].

WARNING

If you wish to file a court action in this matter, you must first petition the appropriate court for an order relieving you from the provisions of Government Code Section 945.4 (claims presentation requirement). See also Government Code Section 946.6. Such petition must be filed with the court within six (6) months from the date your application for leave to present a late claim was denied.

You may seek the advice of an attorney of your choice in connection with this matter. If you desire to consult an attorney, you should do so immediately.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

Exhibit 100-D-5—Denial of Untimely Application to Present a Late Claim

Form Letter #5  
[Letterhead and Date]

DENIAL OF UNTIMELY APPLICATION TO PRESENT A LATE CLAIM

Dear

The application which you presented to [title of Board or Officer] on [date] is being returned to you herewith, without any action having been taken on it.

The application is being returned because it was not presented within one (1) year after the accrual of the cause of action. To determine whether you have any further remedy or whether further procedures are open to you, you may wish to consult with an attorney of your choice. If you desire to consult an attorney, you should do so immediately. See Government code Section 911.4.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

Form #6  
[Alternative #1]\*

State of California  
County of Tuolumne

I am employed in the County of Tuolumne, State of California. I am over the age of 18 and not a party to the within cause or claim; my business address is:

\_\_\_\_\_  
\_\_\_\_\_.

I served the foregoing document [name of document; e.g. "Rejection of Claim"] by depositing a true copy thereof in the United States Mails in \_\_\_\_\_, State of California, on \_\_\_\_\_, 20\_\_\_\_, enclosed in a sealed envelope with the postage thereon fully prepaid, addressed as follows:

\_\_\_\_\_ [name and address of Claimant or Claimant's attorney].

I declare under penalty of perjury that the foregoing is true and correct.

Executed this [day] of [month], 20\_\_\_\_, at \_\_\_\_\_,

\_\_\_\_\_  
[Type or Print Name]

\_\_\_\_\_  
[Signature]

\* Use Alternative #1 only if declarant personally deposits in U.S. mail.

[Alternative #2]

State of California  
County of Tuolumne

I am employed in the County of Tuolumne, State of California. I am over the age of 18 and not a party to the above-entitled cause; my business address is:

\_\_\_\_\_  
\_\_\_\_\_.

I am familiar with the practice of [name of public entity or business] for collection and processing of correspondence for mailing with the United States Postal Service. Under that practice, correspondence is deposited with the United States Postal Service the same day it is submitted for mailing.

I served the foregoing document [name of document; e.g. "Rejection of Claim"] by placing a true copy thereof for collection and mailing, in the course of ordinary business practice, with other correspondence, of [name of public entity or business], located at [address of public entity or business], on [date], enclosed in a sealed envelope, with the postage fully prepaid, addressed as follows: \_\_\_\_\_

[name of Claimant or Claimant's attorney]

\_\_\_\_\_  
[address of Claimant or Claimant's attorney]

I declare under penalty of perjury that the foregoing is true and correct.

Executed this [day]\_\_\_\_ of [month]\_\_\_\_\_, 20\_\_\_\_, at \_\_\_\_\_,  
California.

\_\_\_\_\_  
[Type or Print Name]

\_\_\_\_\_  
[Signature]

## Appendix 200-A FEES FOR COPYING PUBLIC DOCUMENTS

Cost per Copy:		
8-½ x 11 and 8-½ x 14		\$ .25
8-½ x 17		\$ .50
Mailing Service Fee		\$ 1.50
Standard Envelope		\$ 0.15
Postage per Ounce		\$ 0.39
Board Agenda Mail-Out Service Charge per Year (actual time spent)		
Agenda Sheet-	12 x (\$ .25 x 2)	\$ 6.00
Envelopes-	12 x \$ .15	\$ 1.80
Stamps-	12 x \$ .39	\$ 4.68
Labor-	12 x 5 minutes x \$35 per hour (address envelope, stamp and mail)	\$ 35.00
TOTAL:		\$44.28
Board Package (approximate cost)		
100 pages x \$ .25		\$ 25.00

EXACT CHANGE PLEASE

Subject to Change

## Appendix 200-B CATEGORIES OF DISTRICT RECORDS & RECORD RETENTION SCHEDULE

### Categories of District Records and Record Retention Schedule

Type of Record	Years	Remarks
<b>Correspondence</b>		
Chronological Correspondence	2	
General Correspondence to the Public	3	
Reports Received from Third Parties	3	
Public Records Act Requests	2	
<b>Financial</b>		
Expense Reports	2	Or until audited, whichever is first
Budgets	2	Or until audited, whichever is first
Billing/Accounting Reports	2	Or until audited, whichever is first
Budget Change Proposals	2	Or until audited, whichever is first
Audits	P	Permanent
Invoices	2	Or until audited, whichever is first
Fees/Receipts	2	Or until audited, whichever is first
Checks/Ledgers/Registers	2	Or until audited, whichever is first
Federal Grants or Loans	Active+7	Active until claim paid plus 7 years until audited, whichever is first
Cost Recovery–State Grants and Loans	Active+4	Active until claim paid plus 4 years until audited, whichever is first
Other Grants	Active+2	Active until end of grant year
Contracts for Professional Services	Active+7	Government Code Section 60201
Construction Contracts	Active+4	Active period ceases on completion and acceptance of construction
Purchase Orders	Active+4	Active period ends upon payment District receipt of goods and/or services
District Employee and Board Member Travel Expenses	Active+7	Period of activity ceases upon date of payment
<b>Equipment/Supplies/Space</b>		
Inventory	Active	Active until revised
Service Orders/Authorizations	Active+2	Active until service performed and payment made
Vendor Information	Active	Active until revised
Inspection Reports	Active	Active until revised
Equipment Maintenance	Active +4	Active until maintenance complete and paid for
Hardware/Software	Active	Active until revised or superseded

Documentation		
Vehicle Files	2	
<b><u>Personnel</u></b>		
Job Descriptions	Active	Active until revised
Employee Records	Active+1	Active until employee leaves/terminates; confidential destruction
Attendance	Active+1	Active until employee leaves/terminates; confidential destruction
Training	3	
Applications	2	
Interview Documents	2	
Affirmative Action Policies	Active	Active until revised
Performance Evaluations	Active+1	Active until employee leaves/terminates; confidential destruction
Labor Relations	2	
Overtime Logs	2	
Grievances and Complaints	Active+2	Active until grievance process completed
<b><u>Policy/Procedure/Organization</u></b>		
Policies (All)	Active	Active until revised
Procedures (All)	Active	Active until revised
Compliance Requirements	Active	Active until revised
Organization Charts	Active	Active until revised
Mission Statements	Active	Active until revised
Agendas	3	
Minutes of Meetings	P	Permanent
Staff Reports (Administrative, Engineering, Parks and Recreation, Fire)	3	
Studies	2	
Feasibility Analyses	5	
Request for Proposals and Responses Thereto	3	
Reports re Activities of Committees and/or Conference Attendance	3	
Safe and Security Policies	Active	Active until revised
Minutes of Public Hearings	P	Permanent
District Strategic Plans and Goals	Active	Active until revised or superseded
<b><u>Fire Safety</u></b>		
General Policies, Procedures, Orders	Active+2	Active until revised or superseded
Inspections and Fire Prevention Activities	Active+2	Active until inspection or fire prevention activity completed

Investigations	Active+4	Active until investigation complete investigation report completed
Mutual Aid	Active+2	Active until agreement terminated
Records Regarding Vehicles, Equipment and Supplies	Active+2	Active until vehicle, equipment or supplies consumed or disposed of
Incident Reports	Active+3	Active until report completed
<b>Public Works</b>		
<b>Parks</b>		
Records re Maintenance and Operations	Active+2	Includes work orders, inspection, repairs, cleaning, reports, complai
Proposed Plans and Specifications	Active+2	Plans and specifications for new s expansions, and improvements to existing sites
Accident Reports	Active+2	Active until accident report comple
<b>Water/Wastewater</b>		
Engineering Documents	P	Permanent
Maps of Infrastructure	P	Permanent
Standard Design Specifications	Active+4	Active until revised
Plans and Specifications for New Improvements	Active+4	Active until improvement represen by plans and specifications is app for construction
Daily Records	Active+2	Daily records generated by water wastewater systems in normal co of business
Rates and Rate Studies	Active+4	
Billing/Customer Records	Active+2	Customer billings, correspondence complaints
Connection Records	P	Permanent water and wastewater system maps; water and wastewa connections
Master Plans	Active+5	
NPDES Permits	P	Permanent
RWQCB Correspondence and Orders	Active+4	
Surveys of Water/Wastewater Systems	Active+5	Statistics, reports and correspond re analysis and capacity of water/wastewater systems
Bacteriological Tests	Active+5	Compliance records, analysis of bacterial content, corrections
Chemical Analyses	Active+10	Compliance records, analysis of chemical content, corrections
Quality	Active+12	Water/wastewater compliance documentation including sampling analysis, reports, surveys, docum evaluations

<b><u>Reports</u></b>		
Conservation	Active+2	
Consumption	Active+2	
Discharge Monitoring	Active+5	
Drinking Water Corrections	Active+10	
Public Education	Active+10	
Quality Parameters	Active+12	
<b><u>Records Management</u></b>		
Records Retention Schedule	Active	Active until revised
Records Destruction Authorization	4	
Forms File	Active+1	Active until revised/rescinded/superseded
<b><u>Legislation/Regulations/Legal</u></b>		
Bill Analysis	3	
Research Information	3	
Proposed Legislation/Regulations	3	
Legal Opinions	Active+4	Active until issues resolved
Litigation	Active+2	Active until litigation complete
Reports from Legislative Advocate	3	
<b><u>Public Relations</u></b>		
Newspaper/Web Articles re District	2	
Press Releases	2	

“Active” retention is for records that remain “active”, or of administrative, fiscal, historic or legal utility to the District, until some event occurs which renders such records of no further utility to the District. After such an event occurs such records are disposed of pursuant to the District’s Records Retention Policy.

## Appendix 200-C RECORDS RETENTION & STORAGE SUMMARY

	Title or Description			Retention Periods		
	Records affecting title to real property or liens thereof.					
	Records required to be kept permanently by statute.					
	Minutes, ordinances & resolutions of Board.					
	Documents with lasting historical, administrative, legal, fiscal, or research value.					

	Correspondence, operational reports and information upon which District policy has been established.					
	Duplicates of 5, above, when retention is necessary for reference.					
	Records requiring retention for more than five (5) years, but no more than fifteen (15) years by statute or administrative value.					
	Duplicates needed for administrative purposes for five (5) to fifteen (15) years.					
	All other original District records, or instruments, books or papers that are considered public documents not included in Groups 1 through 8.					
	Duplicates and other documents not public records required to be maintained for administrative purposes.					
	Duplicate records requiring retention for administrative purposes such as reference material for making up budgets, planning and programming.					
	Reference files (copies of documents which duplicate the record copies filed elsewhere in the District; documents					

	which require no action and are non-record; rough drafts, notes, feeder reports, and similar working papers accumulated in preparation of a communication, study or other document, and cards, listings, indexes and other papers used for controlling work).					
	Transitory files, including letters of transmittal (when not a public record), suspense copies when reply has been received, routine requests for information and publication, tracer letters, feeder reports, and other duplicate copies no longer needed.					
	Original documents disposable upon occurrence of an event or an action (i.e., audit, job completion, completion of contract, etc.) or upon obsolescence, supersession, revocation.					
	Policy files and reference sets of publications.					
	Duplicates or non-record documents required for administrative needs but destroyable on occurrence of an event or an action.					

- OP = Original or photographic copy.
- ES = May be destroyed if stored in electronic media.
- I = Indefinitely

### EASEMENT AGREEMENT—PUBLIC UTILITY EASEMENT

This Easement Agreement—Public Utility Easement (“Agreement”) is entered into on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between GROVELAND COMMUNITY SERVICES DISTRICT, a political subdivision of the State of California and a community services district formed and operating pursuant to the provisions of Government Code Section 61000 et seq., (hereinafter referred to as “Grantee” or “District”), and \_\_\_\_\_, a \_\_\_\_\_ (hereinafter referred to as “Grantor”).

### RECITALS

1. Grantor is the owner of certain real property located within the jurisdictional boundaries of Groveland Community Services District, located in the County of Tuolumne, State of California (hereinafter the “District”), consisting of property particularly described in Exhibit A which is attached hereto and incorporated herein by this reference (hereinafter the “Property”).

2. Grantor has filed an application with District requesting that District provide water and/or sewer services to the Property, and desires to grant a certain real property interest in the form of an easement to District to construct, install, maintain and operate water and/or sewer system improvements to serve the Property, together with the right of ingress and egress from the Property (hereinafter the “Easement”).

3. Grantee District hereby finds that it is in the public interest to enter into this Easement Agreement in order to provide the necessary water and/or sewer system improvements to the Property requested by Grantor, and in order to retain continuing property rights to access, maintain, operate, improve, repair, assess, and reconstruct water and/or sewer system improvements to provide services to the Property.

NOW THEREFORE in consideration of the promises and of the mutual obligations and agreements herein contained, the Parties hereto agree as follows:

1. THE PROPERTY

A. The legal description of the Easement granted by Grantor to Grantee District pursuant to the terms of this Agreement is attached hereto as Exhibit B and incorporated herein by this reference.

B. Grantor and District hereby agree that this Easement (including a right of way for ingress and egress thereto) may be surveyed by a mutually agreed upon licensed surveyor at the sole cost of District, and such survey shall then replace Exhibit B and become a part hereof and shall control and describe the Easement in the event of any discrepancy between such survey and the description contained in Exhibit B hereto.

2. GRANT OF PERPETUAL EASEMENT

A. For valuable consideration, the receipt of which is hereby acknowledged, Grantor hereby grants to District a perpetual nonexclusive, easement and right of way in gross for the construction, reconstruction, repair, maintenance, enlargement, testing, removal, and/or operation of a water or sanitary sewer pipeline or pipelines, and all appurtenances thereto, in, under, over, along, above, and across the Property. Said perpetual nonexclusive easement in gross includes, but is not limited to the right to install, operate, maintain, repair, replace, add to, or delete from water/sewer transmission facilities including but not limited to transmission lines, electronic data acquisition and control, communication, and all related appurtenances and work auxiliary thereto, and all incidental rights thereto in, over, under, across, upon, and within the Easement.

B. Grantor also hereby grants to Grantee District a perpetual nonexclusive right of ingress and egress over and across a portion of the Property to the extent necessary to utilize the Easement. These rights of ingress and egress shall exist over that portion of the Property described in Exhibit B attached hereto. Grantor, for itself and its successors and/or assigns, does hereby further grant to Grantee District the unrestricted right, at all times, without notice, to access the easement area and a reasonable area adjacent thereto at any time to repair, replace, inspect, enlarge, change, maintain, test and/or remove the water or sanitary sewer facilities of Grantee District. In so doing, Grantor does hereby grant to Grantee District the right to move, damage, destroy and/or disassemble any landscaping and/or improvements, including but not limited to buildings, fences, asphalt paving, trees, irrigation systems, lighting systems, and/or other similar improvements which might have been installed in said easement area, including improvements installed with the knowledge and consent of Grantee District. Grantee District shall not incur any liability of any nature whatsoever to Grantor or to any person or entity entitled to possession of said Property, or holding a lien against, or security interest in improvements on the Property, due to the activities of Grantee District pursuant to the provisions of this paragraph.

3. TERM

The Easement granted in this Agreement shall be a perpetual easement.

4. USE OF THE PROPERTY

A. Grantor and District agree that District may use the Property only for the purpose of constructing, installing, maintaining, repairing, and operating water/sewer system improvements together with all appurtenances thereto including electronic data acquisition and control, communication and related facilities necessary to provide water/sewer services to the

Property.

5. WAIVER OF LIABILITY

A. Grantor, for itself, its successors and assigns, hereby releases and voluntarily waives any and all claims it may have now or in the future against District alleging liability for personal injury or property damage arising out of the District's construction, repair, replacement, maintenance, operation, testing, inspection, enlargement and/or removal of its water or sewer system improvements located within the Easement.

6. MISCELLANEOUS PROVISIONS

A. Grantor represents, covenants and warrants that Grantor is seized of good and sufficient title to the Property and has full authority to enter into and execute this Easement Agreement and convey an easement in gross with respect to the Property to District. Grantor further covenants that there are no undisclosed liens, judgments or impediments of title on the Property that would affect this easement or this Agreement. District represents, covenants and warrants that District has full authority to enter into and execute this Agreement and accept said Easement.

B. It is agreed and understood that this Agreement contains all of the agreements, promises and understandings between the Grantor and District, and there are no verbal or oral agreements, promises or understandings other than those contained in this Agreement. Grantor and District agree that no verbal or oral agreements, promises or understandings other than those contained in this Agreement shall or will be binding upon either Grantor or District. This Agreement and the performance hereof shall be governed, interpreted, construed and regulated under the laws of the State of California.

C. If any portion of this Easement Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, then such portion shall be deemed modified to the extent necessary in such court's opinion to render such a portion enforceable and, as so modified, such portion of the balance of this Agreement shall continue in full force and effect.

D. If either party hereto institutes any action or proceeding in court to enforce any provision hereof, or any action for damages by reason of any alleged breach of any of the provisions hereof, then the prevailing party in any such action or proceeding shall be entitled to receive from the losing party such amount as the court may adjudge to be reasonable attorneys' fee for the services rendered to the prevailing party, together with its other reasonable litigation costs and expenses.

E. In addition to the other remedies provided for in this Agreement and by law, Grantor agrees that District shall be entitled to a remedy of injunction for any violation of any of the covenants, conditions or provisions contained herein.

IN WITNESS WHEREOF, Grantor and District have duly executed this Easement Agreement on the date and year first above written.

Grantor:

Date: \_\_\_\_\_ By: \_\_\_\_\_

Grantee:

GROVELAND COMMUNITY SERVICES DISTRICT

Date: \_\_\_\_\_ By: \_\_\_\_\_

EASEMENT AGREEMENT

This Easement Agreement ("Agreement") is entered into on the \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and between GROVELAND COMMUNITY SERVICES DISTRICT, a political subdivision of the State of California and a community services district formed and operating pursuant to the provisions of Government Code Section 61000 et seq., (hereinafter referred to as "Grantee" or "District"), and \_\_\_\_\_, a \_\_\_\_\_ (hereinafter referred to as "Grantor").

RECITALS

1. Grantor is the owner of certain real property located within the jurisdictional boundaries of Groveland Community Services District, located in the County of Tuolumne, State of California (hereinafter the "District"), consisting of property particularly described in Exhibit A which is attached hereto and incorporated herein by this reference (hereinafter the "Property").

2. Grantee District has requested that Grantor consent to the grant of an easement to Grantee District to construct, install, maintain and operate (park and recreational improvements) (community facility improvements) (fire suppression facilities and improvements) \_\_\_\_\_ to serve the Property, together with the right of ingress and egress from the Property (hereinafter the "Easement").

3. Grantee District hereby finds that it is in the public interest to enter into this Easement Agreement in order to provide the necessary \_\_\_\_\_ improvements to the Property, and in order to retain continuing property rights to access, maintain, operate, improve, repair, assess, and reconstruct (park and recreational improvements) (fire suppression facilities and improvements) (community facility improvements) \_\_\_\_\_ to provide services to the Property.

NOW THEREFORE in consideration of the promises and of the mutual obligations and agreements herein contained, the Parties hereto agree as follows:

1. THE PROPERTY

A. The legal description of the Easement granted by Grantor to Grantee District pursuant to the terms of this Agreement is attached hereto as Exhibit B and incorporated herein by this reference.

B. Grantor and District hereby agree that the Easement (including a right of way for ingress and egress thereto) may be surveyed by a mutually agreed upon licensed surveyor at the sole cost of District, and such survey shall then replace Exhibit B and become a part hereof and shall control and describe the Easement in the event of any discrepancy between such survey and the description contained in Exhibit B hereto.

## 2. GRANT OF PERPETUAL EASEMENT

A. For valuable consideration, the receipt of which is hereby acknowledged, Grantor hereby grants to District a perpetual nonexclusive easement and right of way in gross for the construction, reconstruction, repair, maintenance, enlargement, testing, removal, and/or operation of (park and recreational improvements) (fire suppression facilities and improvements) (community facility improvements) and all appurtenances thereto, in, under, over, along, above, and across the Property. Said perpetual nonexclusive easement in gross includes, but is not limited to the right to install, operate, maintain, repair, replace, add to, or delete from such facilities and improvements including but not limited to transmission lines, electronic data acquisition and control, communication, and all related appurtenances and work auxiliary thereto, and all incidental rights thereto in, over, under, across, upon, and within the Easement.

B. Grantor also hereby grants to Grantee District a perpetual nonexclusive right of ingress and egress over and across a portion of the Property to the extent necessary to utilize the Easement. These rights of ingress and egress shall exist over that portion of the Property described in Exhibit B attached hereto. Grantor, for itself and its successors and/or assigns, does hereby further grant to Grantee District the unrestricted right, at all times, without notice, to access the easement area and a reasonable area adjacent thereto at any time to repair, replace, inspect, enlarge, change the facilities of Grantee District. Grantee District shall not incur any liability of any nature whatsoever to Grantor or to any person or entity entitled to possession of said Property, or holding a lien against, or security interest in improvements on the Property, due to the activities of Grantee District pursuant to the provisions of this paragraph.

## 3. TERM

The Easement granted in this Agreement shall be a perpetual easement.

## 4. USE OF THE PROPERTY

A. Grantor and District agree that District may use the Property only for the purpose of constructing, installing, maintaining, repairing, and operating (park and recreational improvements) (fire suppression facilities and improvements) (community facility improvements)

\_\_\_\_\_ together with all related Facilities necessary to provide such services.

5. WAIVER OF LIABILITY

A. Grantor, for itself, its successors and assigns, hereby releases and voluntarily waives any and all claims it may have now or in the future against District alleging liability for personal injury or property damage arising out of the District's construction, repair, replacement, maintenance, operation, testing, inspection, enlargement and/or removal of its improvements located within the Easement.

6. MISCELLANEOUS PROVISIONS

A. Grantor represents, covenants and warrants that Grantor is seized of good and sufficient title to the Property and has full authority to enter into and execute this Easement Agreement and convey an easement in gross with respect to the Property to District. Grantor further covenants that there are no undisclosed liens, judgments or impediments of title on the Property that would affect this easement or this Agreement. District represents, covenants and warrants that District has full authority to enter into and execute this Agreement and accept said Easement.

B. It is agreed and understood that this Agreement contains all of the agreements, promises and understandings between the Grantor and District, and there are no verbal or oral agreements, promises or understandings other than those contained in this Agreement. Grantor and District agree that no verbal or oral agreements, promises or understandings other than those contained in this Agreement shall or will be binding upon either Grantor or District. This Agreement and the performance hereof shall be governed, interpreted, construed and regulated under the laws of the State of California.

C. If any portion of this Easement Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, then such portion shall be deemed modified to the extent necessary in such court's opinion to render such a portion enforceable and, as so modified, such portion of the balance of this Agreement shall continue in full force and effect.

D. If either party hereto institutes any action or proceeding in court to enforce any provision hereof, or any action for damages by reason of any alleged breach of any of the provisions hereof, then the prevailing party in any such action or proceeding shall be entitled to receive from the losing party such amount as the court may adjudge to be reasonable attorneys' fee for the services rendered to the prevailing party, together with its other reasonable litigation costs and expenses.

E. In addition to the other remedies provided for in this Agreement and by law, Grantor agrees that District shall be entitled to a remedy of injunction for any violation of any of the covenants, conditions or provisions contained herein.

IN WITNESS WHEREOF, Grantor and District have duly executed this Easement Agreement on the date and year first above written.

Grantor:

Date: \_\_\_\_\_ By: \_\_\_\_\_

Grantee:

GROVELAND COMMUNITY SERVICES DISTRICT

Date: \_\_\_\_\_ By: \_\_\_\_\_

Appendix 500-C EASEMENT AGREEMENT TO THIRD PARTY

EASEMENT AGREEMENT

This Easement Agreement (Agreement) is entered into on the \_\_\_\_ day of \_\_\_\_\_, 2010 by and between GROVELAND COMMUNITY SERVICES DISTRICT, a political subdivision of the State of California and a community services district formed and operating pursuant to the provisions of Government Code Section 61000 et seq., (hereinafter "Grantor") and \_\_\_\_\_, a \_\_\_\_\_, (hereinafter referred to "Grantee").

RECITALS

A. Grantor is the owner of certain real property located in the County of Tuolumne, State of California, consisting of property particularly described in Exhibit A which is attached hereto and incorporated herein by this reference (hereinafter the "Property").

B. Grantee is a \_\_\_\_\_.

C. Grantee desires to acquire certain rights in the Property by means of an easement for the installation, construction, operation, maintenance and repair of (Example: electrical or communication facilities; facilities, materials and equipment for supply and distribution of natural gas; etc.) \_\_\_\_\_ and related appurtenances together with the right of ingress and egress from the Property.

D. Grantor hereby finds that it is in the public interest to grant an easement to Grantee for the purposes specified in Recital C in consideration for which Grantor will receive consideration as specified in Section 4 hereof. \_\_\_\_\_

NOW THEREFORE in consideration of the promises and of the mutual obligations and agreements herein contained, the parties hereby agree as follows:

1. THE PROPERTY

A. The legal description of that portion of the Property to be subject to the easement granted by Grantor to Grantee pursuant to the terms of this Agreement is attached hereto as Exhibit A and incorporated herein by this reference.

B. Grantor and Grantee hereby agree that the Property (including a right of way for ingress and egress thereto) may be surveyed by mutually agreed upon licensed surveyor at the sole cost of Grantee, and such survey shall then replace Exhibit A and become a part hereof and shall control and describe the Property in the event of any discrepancy between such survey and the description contained in Exhibit A hereto.

2. GRANT OF PERPETUAL EASEMENT

A. In consideration of the compensation to be provided by Grantee pursuant to provisions of Section 4 hereof, Grantor hereby grants to Grantee a perpetual exclusive easement in gross for public utility purposes which includes, but is not limited to the right to install, operate, maintain, repair, replace, add to, delete from, \_\_\_\_\_ facilities and related, pipes, power supplies, electronic data acquisition and control, communication, buildings, tanks, fencing and all related appurtenances and work auxiliary thereto, and incidental rights thereto in, over, under, across, upon, and within that portion of the real property described in Exhibit A attached hereto and incorporated herein by this reference, subject to all the other terms and conditions of this Agreement.

B. Grantor also hereby grants to Grantee a perpetual nonexclusive right of ingress and egress over and across a portion of the Property to the extent necessary to utilize this easement. These rights of ingress and egress shall exist over that portion of the Property described in Exhibit A attached hereto. In exercising the right of ingress and egress, Grantee must use reasonable care and must compensate Grantor for any damage resulting from the exercise of these rights of ingress and egress. Grantor and Grantee agree that such rights of ingress and egress shall be executed so as to cause the less practicable damage and inconvenience to Grantor.

C. The easement granted in this Agreement is an easement in gross to install (describe facilities to be installed in the easement) facilities together with related improvements.

D. Grantor reserves the right to use the Property for purposes which will not interfere with Grantee's rights and privileges granted pursuant to this Agreement. However, Grantor agrees that it shall not erect, construct, or maintain any building, structures, or concrete slab work, nor make any excavation within or drill or operate any well, nor plant any trees or other landscaping within or upon the easement described in this Agreement without first obtaining written consent of Grantee.

3. TERM

The easement granted in this Agreement shall be (a perpetual easement; or for a term of ninety-nine (99) years).

4. COMPENSATION

The parties hereto agree that the compensation payable by Grantee to Grantor in consideration for the grant of the easement from Grantor to Grantee pursuant to the terms of this Agreement shall consist of the following: \_\_\_\_\_

---

5. USE OF THE PROPERTY

A. Grantee may use the Property only for the purpose of constructing, maintaining and operating \_\_\_\_\_ facilities, together with all \_\_\_\_\_ and related facilities necessary to provide \_\_\_\_\_ services, and for any other uses which are incidental thereto. The construction of such facilities shall be at Grantee's sole expense. Grantee shall maintain the Property comprising the easement area in a reasonable and safe condition throughout the term of this Agreement. Grantee agrees not to expand the dimensions or height of its facilities on the Property in addition to Grantee's facilities as provided for in this Agreement, without the prior written approval of Grantor's Board of Directors, which approval shall not be unreasonably withheld or delayed.

B. Licenses and Permit. Grantee shall at Grantee's sole cost and expense obtain and maintain during the term of Agreement all required federal, state or local regulatory or governmental licenses or permits required for the construction, installation, maintenance or use of the \_\_\_\_\_ facilities.

C. It is understood and agreed that Grantee's ability to use the Property is dependent upon Grantee's obtaining all the certificates, permits, licenses and other approvals which may be required from any federal, state or local authority and/or any easements which are required from any third parties in addition to Grantor. Grantor shall cooperate with Grantee, but at no expenses to Grantor, in its efforts to obtain such approvals and/or easements and Grantor shall take no action which will adversely affect the status of the Property with respect to Grantee's proposed uses thereof. If any application by Grantee for any such certificate, permit, license, easement or approval is denied or rejected, or if any such certificate, permit, license, easement or approval is cancelled, or expires, or lapses or is otherwise withdrawn or terminated through no fault of Grantee, or if, due to technological changes or for any other use related reason, Grantee reasonably determines that it will be unable to use the Property for Grantee's intended purposes, then Grantee shall have the right to immediately terminate this Easement as provided below.

D. Grantee shall have the right, but not the obligation, at any time following the full execution of this Easement to enter the Property for the purpose of making necessary inspections and engineering surveys, including soil tests where applicable, and other reasonably necessary tests to

determine the suitability of the Property for Grantee's facilities and for the purpose of preparing for the construction of Grantee's \_\_\_\_\_ facilities. During any test or preconstruction work, Grantee will have insurance as set forth in Section 13 hereof. Grantee will notify Grantor of any proposed tests or preconstruction work and will coordinate the scheduling of same with Grantor. If Grantee determines that the Property is unsuitable for Grantee's contemplated use, then Grantee will notify Grantor and this Easement Agreement will terminate.

E. All of Grantee's construction and installation work on the Property shall be performed at Grantee's sole cost and expense and in a good and workmanlike manner. Title to Grantee's facilities and equipment placed on the Property by Grantee shall be held by Grantee. All of Grantee's facilities shall remain the property of Grantee and are not fixtures. Upon the expiration, cancellation or termination of this Agreement, Grantee shall surrender the Property to Grantor in the condition in which the Property existed upon execution of this Agreement, less ordinary wear and tear.

F. Grantor shall provide access to Grantee and its employees, agents, contractors and subcontractors, to the Property twenty-four (24) hours a day, seven (7) days a week, at no charge. Grantor represents and warrants that it has full rights of ingress to and egress from the Property, and hereby grants such rights to Grantee to the extent required to construct, maintain, install and operate Grantee's \_\_\_\_\_ facilities on the Property. Grantee's exercise of these rights shall not interfere with Grantor's use of the Property for District purposes.

## 6. TERMINATION

A. (Only applicable if the easement is not a perpetual easement). Grantee shall notify Grantor of Grantee's exercise of its right to terminate this Agreement pursuant to the provisions of Section 5C above, and this Agreement shall terminate upon Grantor's receipt of such notice. Such termination shall relieve both parties of any further obligations under this Agreement, although each shall continue to have any and all remedies for any breach of obligation which occurred prior to the date of termination.

B. Upon expiration or earlier termination of this Agreement, Grantee agrees to record a quitclaim deed or other instrument evidencing the termination of Grantee's easement interest in the Property.

## 7. TAXES

A. It is understood that Grantor is exempt from the payment of real property taxes on the Property pursuant to California Constitution Article XIII Section 3(b).

B. Possessory Interest Taxes. Under this Agreement the possessory interest subject to property taxation may be created. Notice is hereby given pursuant to Revenue and Taxation Code section 107.6 that such possessory interest may be subject to property taxation if created, and that the party in whom the possessory interest is vested may be subject to the payment of property taxes levied on such interest. Also, the interest created by this Agreement may be subject to

special taxation pursuant to the Mello-Roos Community Facilities Act of 1983 (Government Code section 53311 et seq.) and the party in whom the possessory tax levied on such interest pursuant to that Act. Grantee shall have the right in its own name, or to the extent necessary Grantor's name, to contest in good faith by all appropriate proceedings the amount, applicability or validity in any possessory tax assessment pertaining to the Property and Grantee's operations thereon.

In the event Grantee initiates such contest, Grantor shall responsibly cooperate with Grantee, provided such contest will not subject any part of the Property to forfeiture or loss.

If at any time payment of any tax or assessment becomes necessary and Grantee has exhausted its remedies with respect to contesting the amount, applicability or validity of any such tax or assessment pertaining to the Property, Grantee shall then timely pay such tax or assessment.

8. UTILITIES

Grantee shall be responsible directly to the serving entities for all utilities required by Grantee's use of the Property. Should electric power be provided by Grantor, Grantee shall install an electric meter and Grantee's usage shall be read by Grantor, or at Grantor's option, by Grantee, on a monthly basis, and the cost of electricity used by Grantee shall be paid by Grantee to Grantor as a payment separate from rent and shall be computed at the then current public utility rate assessed by that public utility responsible for providing electrical power to Grantee.

9. MAINTENANCE

Grantee shall be solely responsible for the maintenance of the Property comprising the easement and all improvements installed thereon, and shall solely responsible for all expenses incurred with connection with its use of Property. Grantee shall at its own expense throughout the term of this Agreement, or so long as it shall remain in possession of the Property, keep, maintain and replace in good repair all portions of the equipment located upon the Property. Grantee warrants that it will allow no debris or unused hardware to be left or stored on the Property.

10. STOP NOTICES AND/OR MECHANIC LIENS

Grantee shall promptly pay and discharge all claims for labor performed, supplies furnished, and services rendered at the request of Grantee and shall keep Grantor's Property free of all stop notices, mechanic and material-man's liens in connection therewith. Grantee shall provide at least ten (10) days prior written notice to Grantor before any labors performed, supplies furnished, or services rendered, and Grantor shall have the right to post notices of non-responsibility. If any such lien is filed, Grantee shall cause such lien to be released and removed within ten (10) days after the date of filing, and if Grantee fails to do so, Grantor make take such action as may be necessary to remove such lien, and Grantee shall pay Grantor such amounts expended by Grantor together with interest thereon at the maximum interest rate from the date of expenditure.

11. ASSIGNMENT

A. Should Grantor, at any time during the term of this Agreement, sell, lease, transfer or otherwise convey all or any part of the Property to any person other than Grantee, then such transfer shall be under and subject to this Agreement and all of Grantee's rights hereunder, and any transfer by Grantor of any portion of the Property subject to the easement created by this Agreement shall be under and subject to the right of Grantee in and to such easement.

B. Grantee may not assign or otherwise transfer all or any part of its interest in this Agreement or the easement, without the prior written consent of Grantor, such consent not to be unreasonably withheld.

12. INDEMNIFICATION

Grantee hereby agrees to defend, indemnify, hold harmless and protect Grantor, its officers, directors, agents, employees, and invitees, from and against any and all claims, losses, damages, demands, liabilities, suits, costs (including attorneys' fees), penalties, judgments or obligations as a result of personal injury and/or property damage in connection with or arising out of Grantee's development, construction, occupation, use, operation, maintenance and/or removal of its facilities on the Property. This indemnification is effective and shall apply whether or not any such action is alleged to have been caused in part by the Grantor as a party indemnified hereunder. This indemnification shall not include any claim arising from the sole negligence or willful misconduct of the Grantor, its officers, directors, agents or employees. The provisions of this paragraph shall survive the termination or expiration of this Agreement.

13. INSURANCE

i. Property Insurance

Grantee shall obtain and maintain insurance coverage to protect all personal property, trade fixtures and equipment located in or about the Property, and on Grantee's improvements and utility installations thereon from theft, fire, or other loss or damage customarily covered by such property insurance policies. Such insurance shall be full replacement cost coverage.

ii. Liability Insurance

1. Grantee shall obtain and keep in force a commercial general liability policy of insurance protecting Grantee and Grantor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Property and the easement rights thereon. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$5 million per occurrence and shall include all the coverages typically provided by the Broad Form Comprehensive General Liability Endorsement. The limits of said insurance shall not, however, limit the liability of Grantee nor relieve Grantee of any obligation hereunder, including indemnification obligations to

Grantor. All insurance carried by Grantee shall be primary to and not contributory with any similar insurance carried by Grantor with regards to the Property, and Grantor insurance shall be considered excess insurance only. Grantee shall also obtain workers' compensation insurance as required by law and automobile liability insurance with a combined single occurrence limit of \$1 million per accident.

2. Grantee shall provide Grantor with certificates evidencing the existence and the amounts of the required insurance coverages. No such policy shall be cancelled or subject to modification except after thirty (30) days prior written notice to Grantor. Grantee may comply with these insurance obligations by endorsement to any blanket policy of insurance carried by Grantee, so long as such blanket policy meets all the requirements set forth herein.

#### E. DEFAULT

A. The occurrence of any one or more of the following events shall constitute an Event of default hereunder by Grantee.

1. The failure by Grantee to timely provide the compensation to Grantor for this Agreement and easement or such failure shall continue for a period of thirty (30) days after written notice thereof as received by Grantee from Grantor.

2. The failure by Grantee to observe or perform any of the express or implied covenants or provisions of this Agreement to be observed or performed by Grantee where such failure to continue for a period of thirty (30) days after written notice thereof is received by Grantee from Grantor; provided, however, that it shall not be deemed an Event of Default by Grantee if Grantee shall commence to cure such failure within said thirty (30) day period and thereafter diligently prosecute such cure to completion.

B. If there occurs an Event of Default by Grantee, in addition to any other remedies available to Grantor at law or in equity, Grantor shall have the option of any of the following remedies:

1. Terminate by written notice Grantee's right to possession of the Property and thereby terminate this Agreement and terminate the Easement provided for in this Agreement pursuant to a condition subsequent that Grantee continue to pay to Grantor the compensation provided for in this Agreement and that Grantee continue to abide by all the terms and conditions of this Agreement as a condition of continuing to enjoy the benefits of the Easement granted to Grantee by Grantor pursuant to the terms of this Agreement; or

2. To have this Agreement and the Easement described herein to continue in full force and effect with Grantee at all times having the right to possession of the Property.

#### F. NOTICES

All notices hereunder must be in writing and, unless otherwise provided herein, shall be deemed valid if sent by certified mail, return receipt requested, addressed as follows (or to any other mailing address which the party to be notified may designate to the other party by such notice). Should Grantor or Grantee have a change of address, the other party shall immediately be notified as provided in this paragraph of such change.

Grantee: \_\_\_\_\_  
Attention: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, California \_\_\_\_\_

Grantor: Groveland Community Services District  
Attention: General Manager  
18966 Ferretti Road  
Groveland, CA 95321-0350

16. MISCELLANEOUS PROVISIONS

A. Grantor represents, covenants and warrants that Grantor is seized of good and sufficient title to an interest in the Property and has full authority to enter into and execute this Agreement and convey an easement in gross with respect to the Property. Grantor further covenants that there are no undisclosed liens, judgments or impediments of title on the Property that would affect this Agreement or the easement. Grantee represents, covenants and warrants that Grantee has full authority to enter into and execute this Agreement and said easement.

B. It is agreed and understood that this Agreement (together with the Grant Deed attached hereto and marked Exhibit B and incorporated herein by this reference) contains all the agreements, promises and understandings between the Grantor and Grantee, and no verbal or oral agreements, promises or understandings shall or will be binding upon either Grantor or Grantee, and any addition, variation or modification of this lease shall be void and ineffective unless made in writing and signed by the parties hereto.

C. This Agreement and the performance hereof shall be governed, interpreted, construed and regulated by the laws of the State of California.

D. This Agreement, and each and every covenant and condition herein, is intended to benefit the Property and shall extend to and bind the heirs, personal representatives, successors and assigns of the parties hereto.

E. If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, then such portion shall be deemed modified to the extent necessary in such court's opinion to render such a portion enforceable and, as so modified, such portion of the balance of this Agreement shall continue in full force and effect.

F. If either party hereto institutes any action or proceeding in court to enforce any provision hereof, or any action for damages by reason of any alleged breach of any of the provisions hereof, then the prevailing party in any such action or proceeding shall be entitled to receive from the losing party such amount as the court may adjudge to be reasonable attorneys' fee for the services rendered to the prevailing party, together with its other reasonable litigation costs and expenses.

G. In addition to the other remedies provided for in this Agreement, Grantor and Grantee shall be entitled to immediate restraint by injunction of any violation of any of the covenants, conditions or provisions herein contained.

H. Force Majeure. If the performance of this Agreement, or of any obligation hereunder is prevented, restricted, or interfered with by reason of lightning, earthquake or other act of God, embargos, government ordinances or requirements, civil or military authorities, acts or omissions of carriers, inability to obtain necessary materials or services from suppliers, power outages or brownouts, mechanical or electronic communication failures, acts of terrorism, or other causes beyond the reason control of the party whose performance is affected (excluding financial conditions, negligence or willful misconduct), then the party affected, upon giving prompt notice to the other party shall be excused from such performance on a day-to-day basis to the extent of such prevention, restriction, or interference (and the other party will likewise be excluded from performance of its obligations on a day-to-day basis to the extent such party's obligations relate to the performance are preventive, restricted, or interfered); provided that the parties so affected shall use reasonable efforts to avoid or remove such causes of nonperformance and both parties shall proceed to perform their obligations under this Agreement whenever such causes are removed or cease.

IN WITNESS WHEREOF, Grantor and Grantee have duly executed this Agreement on the day and year first above written.

Grantor: GROVELAND COMMUNITY SERVICES DISTRICT, a political subdivision of the State of California

By: \_\_\_\_\_

Grantee: \_\_\_\_\_,  
a \_\_\_\_\_

By: \_\_\_\_\_

RIGHT-OF-WAY AND ENTRY AGREEMENT

THIS RIGHT-OF-WAY AND ENTRY AGREEMENT ("Agreement") is entered into on the \_\_\_\_\_ day of \_\_\_\_\_, 2010, by and between GROVELAND COMMUNITY SERVICES DISTRICT, a political subdivision of the State of California and a community services district formed and operating pursuant to the provisions of Government Code Section 61000 et seq., hereinafter referred to as "GCSD," and \_\_\_\_\_, a California \_\_\_\_\_, hereinafter referred to as "\_\_\_\_\_."

RECITALS

1. GCSD is the owner of fee simple title to certain real property located in the community of Groveland, County of Tuolumne, State of California, consisting of \_\_\_\_\_ (describe property and property address), which property is more specifically described in Exhibit A attached hereto and incorporated herein by this reference (hereinafter referred to as the "Property").

2. \_\_\_\_\_ is a California \_\_\_\_\_ engaged in the business of \_\_\_\_\_, and desires to have access to the Property to be utilized for the following purposes: \_\_\_\_\_.

NOW, THEREFORE, in consideration of the promises and of the mutual obligations and agreements herein contained, the Parties hereby agree as follows:

1. GRANT OF RIGHT TO USE THE PROPERTY.

GCSD hereby grants to \_\_\_\_\_ the right to utilize that portion of the Property specified on Exhibit A for the purpose of: \_\_\_\_\_. This grant of a right to use a portion of the Property for such purposes includes all agents of \_\_\_\_\_. The right of ingress and egress over the Property is only granted to the extent necessary for \_\_\_\_\_ to utilize a portion of the Property for the purposes of: \_\_\_\_\_.

2. TERM.

This grant of a right to use the Property shall commence on \_\_\_\_\_ and terminate on \_\_\_\_\_ unless further extended by mutual written agreement of the Parties.

3. COMPENSATION.

\_\_\_\_\_ agrees to pay as compensation and consideration for the grant of right for use of the Property of GCSD the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_.00) for the use of the Property for the Term, which amount shall be paid in one lump sum as of the date of the execution of this Agreement. In addition, \_\_\_\_\_ agrees to reimburse GCSD for its administrative time and expense and legal expenses incurred in reviewing \_\_\_\_\_'s request to use the Property and drafting this Agreement. Said expenses amount to \_\_\_\_\_ Dollars (\$\_\_\_\_\_.00). Such expenses are also due and payable on the date of execution of this Agreement.

Should the term of this Agreement be extended for any period beyond \_\_\_\_\_, \_\_\_\_\_ hereby agrees to pay compensation to GCSD in consideration for use of the Property in the amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_.00) for each additional thirty-day period of use from and after \_\_\_\_\_, at the rate of \_\_\_\_\_ Dollars (\$\_\_\_\_\_.00) per day.

4. USE OF THE PROPERTY.

\_\_\_\_\_ may only use the Property for the purposes of:

\_\_\_\_\_  
\_\_\_\_\_ shall maintain the Property in a reasonable and safe condition throughout the term of this Agreement. \_\_\_\_\_ agrees to perform at its own expense any replacements or repairs necessary in order to return the Property to the condition it was in immediately prior to \_\_\_\_\_ obtaining a right to utilize the Property as of \_\_\_\_\_.

5. ASSIGNMENT.

\_\_\_\_\_ may not assign or otherwise transfer all or any part of its interest in this Agreement or the right to use the Property without the prior written consent of GCSD, such consent not to be unreasonably withheld.

6. INDEMNIFICATION.

\_\_\_\_\_ hereby agrees to defend, indemnify, hold harmless and protect GCSD, its officers, directors, agents, employees, and invitees, from and against any and all claims, losses, damages, demands, liabilities, suits, costs (including attorneys' fees), penalties, judgments or obligations in connection with or arising out of the use of the Property by \_\_\_\_\_ or any of its agents, employees, or subcontractors, and/or ingress and egress to and from the Property during the term of this Agreement. This indemnification is effective and shall apply whether or not any such action is alleged to have been caused in part by GCSD as the party indemnified hereunder. This indemnification shall not include any claim arising from the sole negligence or willful misconduct of GCSD, its officers, directors, agents or employees. The provisions of this paragraph shall survive the termination or expiration of this Agreement.

7. INSURANCE.

A. Property Insurance.

\_\_\_\_\_ shall obtain and maintain insurance coverage to protect all personal property, equipment, materials, and trade fixtures located in or about the Property during the Term of this Agreement from theft, fire, or other loss or damage customarily covered by such property insurance policies. Such insurance shall be full replacement cost coverage.

B. Liability Insurance.

1. \_\_\_\_\_ shall obtain and keep in force a commercial general liability policy of insurance protecting \_\_\_\_\_ and GCSD as an additional insured against claims for bodily injury, personal injury and property damage based upon and arising out of \_\_\_\_\_'s use of the Property during the Term of this Agreement. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$1 Million per occurrence and shall include all the coverages to be provided by the Broad Form Comprehensive General Liability Endorsement. The limits of said insurance shall not, however, limit the liability of \_\_\_\_\_ nor relieve \_\_\_\_\_ of any obligation of indemnification under this Agreement.

2. \_\_\_\_\_ shall provide GCSD with certificates evidencing the existence and amounts of the required insurance coverages prior to obtaining physical access to the Property.

8. MISCELLANEOUS PROVISIONS.

A. GCSD represents, covenants and warrants that it has good and sufficient title to the Property and has full authority to enter into and execute this Agreement and convey a right of use of the Property to \_\_\_\_\_.

B. It is agreed and understood that this Agreement contains all the agreements, promises and understandings between GCSD and \_\_\_\_\_ and there are no verbal or oral agreements, promises or understandings other than those contained in this written Agreement.

C. This Agreement and the performance hereof shall be governed, interpreted, construed and regulated by the laws of the State of California.

D. If either Party hereto institutes any action or proceeding in court to enforce any provision hereof, or any action for damages by reason of any alleged breach of any of the provisions hereof, then the prevailing party in any such action or proceeding shall be entitled to receive from the losing party such amount as the court may adjudge to be reasonable attorneys' fees for the services rendered to the prevailing party, together with its other reasonable costs and expenses.

GROVELAND COMMUNITY SERVICES DISTRICT,  
a political subdivision of the State of California

By: \_\_\_\_\_  
James A. Goodrich, General Manager

Date: \_\_\_\_\_

\_\_\_\_\_  
a California \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

**GROVELAND COMMUNITY SERVICES DISTRICT**

**ORDINANCE NO. 03B-10**

**ORDINANCE OF THE BOARD OF DIRECTORS OF THE GROVELAND  
COMMUNITY SERVICES DISTRICT REGULATING ENCROACHMENTS  
UPON DISTRICT PROPERTY**

Be it ordained by the Board of Directors of the Groveland Community Services District as follows:

Purpose and Policy.

This Ordinance regulating encroachments upon District Property sets forth the procedures to be followed by a member of the public to obtain permission from the District to access District Property for the purpose of gaining access to other property, or for the purpose of constructing and/or maintaining any improvements, structures or objects which are partially located on District Property, easements, or rights of way including, but not limited to landscaping, building extensions, fences, retaining walls, culverts, pipelines, or other structures or improvements. This Ordinance also specifies the criteria that the District will utilize in issuing Encroachment Permits for authorized uses of District Property which do not interfere with the District's use of such property for the provision of public services.

The District's Operational Policies at Section 503 are hereby made a part of this Ordinance and incorporated herein by this reference.

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- 1.9 Permit--Refusal or revocation.**
- 1.10 Delay or defects in construction or installation of improvements.**
- 1.11 Costs of completion and/or repair deducted from performance security.**
- 1.12 Performance security--Refund.**
- 1.13 Appeal.**

## **1.14 Violation.**

### **1.1 Definitions.**

- A. "District Property" includes all or any part of District-owned property, rights of way and/or easements.
- B. "Encroach" means to construct, erect or maintain in, over or under any District public place, right-of-way, easement, roadway, parking strip and/or sidewalk, including the airspace above them, any structure or object of any kind or character, including but not limited to, building extensions, fences, retaining walls, landscaping, culverts, bridges, pipelines, or other structures or improvements. "Encroach" also means to obtain access over District Property for permissible purposes.
- C. "Encroachment" means any structure or object or improvement of any kind or character, including but not limited to, building extensions, fences, retaining walls, landscaping, culverts, bridges, pipelines, or other structures or improvements located on District Property. "Encroachment" also means to obtain access over District Property for permissible purposes.
- D. "Excavation" means the movement or removal of earth, rock, pavement or other material in, on or under the ground. The term includes, but is not limited to auguring, backfilling, digging, ditching, drilling, grading, plowing-in, ripping, scraping, trenching and tunneling. Both an "Excavation" and the products of such an Excavation located on District Property shall constitute an "Encroachment."

### **1.2 Encroachments--Restricted.**

It is unlawful for any person to undertake any excavation or place an encroachment in, under or over any District Property whether or not currently improved, except in the manner and mode provided in this Ordinance. An Encroachment Permit is required to encroach upon any portion of District public property.

The District will issue Encroachment Permits for authorized uses of District Property which do not interfere with the District's use of such property for the provision of public services. Such Encroachment Permits only permit limited access to District Property for temporary periods of time.

### **1.3 Exemptions.**

The provisions of this Ordinance shall not apply to work done by any person performing work for the District at its request.

#### **1.4 Permit application--Information required.**

A District resident or property owner within the District must complete the District's form of Application for Encroachment Permit and receive an Encroachment Permit from the District in the following circumstances: (1) whenever a resident or property owner desires to install or construct physical improvements, including but not limited to landscaping, fencing, retaining walls, culverts, bridges, pipelines, or other structures or improvements on District Property; (2) whenever a District resident or property owner desires to secure temporary access over District Property in order to access other property; (3) whenever a District resident or property owner desires to excavate, or deposit the displaced soil from an excavation on District Property. The form of Application for Encroachment Permit is attached hereto, marked Exhibit \_\_\_ and incorporated herein by this reference. The Application requires the following information:

- A. Name and address of the applicant, the owner or other person responsible for the proposed encroachment, and the contractor or other person responsible for installing or constructing any physical improvements upon District Property; actually making the proposed encroachment;
- B. Location of the encroachment;
- C. Nature of the encroachment, whether for the purposes of constructing and/or maintaining structures or improvements on District Property, utilizing District Property to secure access to other property;
- D. Estimated time for commencement and completion of any construction work or installation of improvements on District Property; and/or duration of access across District Property to obtain access to other property;
- E. Site plans showing relationship of proposed improvements to be installed on District Property;
- F. Other information as may be required by the District;
- G. Signature of the applicant, property owner, and contractor.

#### **1.5 Permit fee.**

The fees for processing and reviewing the permit application and conducting the necessary inspections shall be established by resolution of the Board of Directors.

#### **1.6 Performance security required--Amount.**

- A. Prior to issuance of any encroachment permit authorizing construction and/or installation of any structure or improvement on District Property, such an applicant shall be required to deposit performance security with the District in the form of a

performance bond, irrevocable letter of credit, or cash or cashier's check in the amount of seventy-five percent (75%) of the estimated cost of the work to be performed pursuant to the encroachment permit. The estimated cost of the work shall be determined in writing by a licensed engineer or licensed contractor and is subject to the approval of the District. The security shall guarantee the faithful performance of all terms and conditions of the permit.

- B. If the amount of security is inadequate to restore or repair any damage to District property caused by incomplete or improper work done by the Permittee, the District may require Permittee to deposit additional security in an amount sufficient to pay the costs of any restoration of or repair to District Property. Failure by the Permittee to post additional security required by the District may result in revocation of the Encroachment Permit.
- C. The District, in its sole discretion, may waive or vary the security required by this Section for minor encroachments or utility installations.

### **1.7 Indemnification.**

The Permittee shall assume the defense of, and indemnify and save harmless, the District, its officers, employees and agents, and each and every one of them from and against all actions, liability, damages, claims, losses or expenses of every type and description to which it may be subjected or put to by reason of or resulting from: (1) the performance of, or failure to perform, the work or any other obligations of the Encroachment Permit by the Permittee, any subcontractor or the Permittee's agents or employees; (2) any alleged negligent act or omission of the Permittee, any subcontractor, the Permittee's agents or employees, in connection with any acts performed or required to be performed pursuant to the Encroachment Permit; (3) any dangerous or defective condition arising or resulting from any of the actions or omissions of the Permittee, Permittee's agents or employees in carrying out the provisions of the Encroachment Permit. This indemnification is effective and shall apply whether or not any such action is alleged to have been caused in part by the District as a party indemnified hereunder. This indemnification shall not include any claim arising from the sole negligence or willful misconduct of the District or its employees.

### **1.8 Insurance.**

If, in the opinion of the District, the construction or installation work proposed in any permit application or the proposed use of District Property entails any undue risk of injury, death, or damage to any member of the public, the District may, prior to issuing such permit, require the applicant to provide proof of liability insurance in the amount specified by the District, naming the District, its employees, officers, officials, and volunteers as additional insureds.

Any applicant for an encroachment permit allowing construction or installation work on District Property shall certify that it, or its licensed contractor will have in place workers' compensation coverage for any and all employees or contractors performing such work, or will be self insured for such purposes.

## **1.9 Permit--Refusal or revocation.**

- A. Any application for an encroachment permit may be denied, and any encroachment permit may be revoked, by written order of the General Manager of the District, effective immediately, a copy of which shall be mailed to the Applicant/Permittee at the addresses specified in the permit, upon any one or more of the following grounds:
1. Violation of any of the provisions of this Ordinance;
  2. Misrepresentations of any material fact in the application;
  3. Violation of the terms or conditions of the permit;
  4. Failure to provide sufficient performance security, or to increase the performance security provided when requested by District.
- B. Any encroachment permit may be revoked at any time, without cause, by resolution of the Board of Directors adopted after mailing a notice of intention to revoke the permit to the Permittee at the address specified in the permit at least ten days prior to the adoption of the resolution.

## **1.10 Delay or defects in construction or installation of improvements.**

If any work to be constructed or improvements to be installed on District Property constituting the encroachment are not completed within the time allowed by the Encroachment Permit, or are not constructed or maintained pursuant to District specifications as provided in the Encroachment Permit, the District shall notify the Permittee in writing of the deficiency. If the Permittee does not remedy the deficiency within the time specified in the written notice, the District shall have the following options: (1) immediately revoke the Encroachment Permit; (2) utilize the Permit to use a performance security to complete the work in a timely fashion, whether by notifying the surety on the performance bond to complete the work, or utilizing cash deposits or the revocable letter of credit to reimburse the District for its costs to complete any such work in a timely fashion and in accordance with the conditions of the Encroachment Permit.

## **1.11 Costs of completion and/or repair deducted from performance security.**

If the District completes, remedies, repairs or removes any structure, object or improvement constituting an encroachment on District Property as provided herein, all costs incurred by District in performing such work shall be deducted from the Permittee's performance security. If the amount of the performance security is insufficient to fully reimburse the District for all costs incurred in completing, repairing, or removing such work, the Permittee shall be liable for reimbursement to the District of all costs incurred by District in completing the construction, installation, alteration and/or repair of the improvements constituting the encroachment. If the amount of performance security posted by the Permittee is insufficient to cover such additional costs, District will require an additional

cash deposit from Permittee in an amount sufficient to reimburse the District in full for all such costs incurred. Failure of the Permittee to post such additional security when required by District will result in revocation of the Encroachment Permit.

#### **1.12 Performance security--Refund.**

Upon satisfactory completion of all the terms and conditions of the Encroachment Permit, any remaining portion of the performance security shall be returned to the Permittee. Unless required by prior agreement or law, the amount returned will not include interest.

#### **1.13 Appeal.**

- A. The actions of the General Manager in refusing to issue an encroachment permit, failing to act upon an application for an encroachment permit within thirty (30) days after it is filed and deemed complete by the General Manager, imposing unreasonable terms or conditions on the permit, or revoking an encroachment permit may be appealed to the Board of Directors by filing a notice of appeal with the clerk of the board within ten days following the action being appealed.
- B. The notice shall state one or more of the grounds for an appeal set forth in this section relied on by the appellant. The clerk shall within thirty (30) days of notice schedule the appeal to be heard by the Board of Directors and shall notify the appellant and the General Manager of the date and time of the hearing on the appeal. At the time fixed for the hearing, the Board of Directors may take such action on the permit as th Board finds just and may continue the hearing on the appeal from time to time by order entered into its minutes specifying the date and time of the continued hearing.

#### **1.14 Violation.**

- A. Any person violating any provision of this Ordinance shall be guilty of an infraction and shall be punishable by a fine not exceeding one hundred dollars (\$100.00) for the first violation, and a fine not exceeding two hundred dollars (\$250.00) for a second violation within one (1) year. The third and each successive violation of this Ordinance in the period of one (1) year shall constitute a misdemeanor and shall be punishable by a fine not to exceed five hundred dollars (\$500.00) or by imprisonment in the county jail for a term not to exceed six (6) months, or by both such fine and imprisonment. Each day any violation of this Ordinance continues shall constitute a separate offense.
- B. The violation of any provision of this Ordinance shall constitute a public nuisance subject to abatement in any manner authorized by law.

**GROVELAND COMMUNITY SERVICES DISTRICT**

**APPLICATION FOR ENCROACHMENT PERMIT**

TO: Groveland Community Services District  
18966 Ferretti Road  
Groveland, CA 95321-0350

The undersigned hereby applies for an encroachment permit to obtain access to District- owned property, easements and/or right of way (“District Property”) at the following described location and for the following activities and purposes:

**Location:** \_\_\_\_\_

**Description of Activities and Purposes:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**(Attach additional sheets, plans, etc., if needed)**

**Applicant:** \_\_\_\_\_  
**Name (please print)**

**Estimated duration of activities:** \_\_\_\_\_

**Conditions of Permit:**

1. Applicant agrees to perform all activities in accordance with the requirements and conditions set forth in the Encroachment Permit and any **Special Conditions** (Item 8 below) herein, subject to inspection and approval of the District Representative.
2. Applicant will contact the District Office at least 24 hours prior to commencing activities on District Property in order that an inspection may be scheduled.
3. Applicant agrees to maintain District Property in a reasonable and safe condition throughout the term of this Permit.

4. Applicant agrees to comply with all local ordinances concerning the activities to be undertaken on District Property and the use thereof, including but not limited to District Ordinance No. \_\_\_\_\_.

5. Applicant agrees to perform at Applicant's own expense any replacements or repairs necessary to return District Property to the condition it was in as of the date of issuance of this Permit.

6. The Applicant shall assume the defense of, and indemnify and save harmless, the District, its officers, employees and agents, and each and every one of them from and against all actions, liability, damages, claims, losses or expenses of every type and description to which it may be subjected or put to by reason of or resulting from: (1) the performance of, or failure to perform, the work or any other obligations of this Permit by the Applicant, any subcontractor or the Applicant's agents or employees; (2) any alleged negligent act or omission of the Applicant, any subcontractor, the Applicant's agents or employees, in connection with any acts performed or required to be performed pursuant to this Permit; (3) any dangerous or defective condition arising or resulting from any of the actions or omissions of the Applicant, Applicant's agents or employees in carrying out the provisions of this Permit. This indemnification is effective and shall apply whether or not any such action is alleged to have been caused in part by the District as a party indemnified hereunder. This indemnification shall not include any claim arising from the sole negligence or willful misconduct of the District or its employees.

7. **Special Conditions:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

This Application for Encroachment Permit does not constitute the Encroachment Permit or District consent to access District Property for the purposes described in this Application. District permission to perform activities on District Property and the terms and conditions of Applicant's use of District Property will be specified in a separate Encroachment Permit signed by an authorized representative of the District and also by the Permittee. By his or her signature below, the Applicant acknowledges that this Application does not constitute District permission to perform the list of activities on District Property. In executing this Application, Applicant acknowledges that it has received and reviewed a copy of the District's Encroachment Ordinance No. 09-10-\_\_\_ and agrees to abide by all the terms and conditions of said Ordinance.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Applicant

GROVELAND COMMUNITY SERVICES DISTRICT  
ENCROACHMENT PERMIT

No. \_\_\_\_\_

Date: \_\_\_\_\_  
\_\_\_\_\_

In response to your Application and subject to all the terms, conditions and restrictions written below, the General Provisions attached hereto, or any and all printed general and special specifications, PERMISSION IS HEREBY GRANTED TO \_\_\_\_\_

(hereinafter referred to as the "Permittee") by Groveland Community Services District (hereinafter referred to as the "District"), to encroach upon District's Property described as \_\_\_\_\_ and as depicted in Exhibit B attached hereto, for the following purposes : \_\_\_\_\_

TERMS, CONDITIONS AND RESTRICTIONS:

1. Permittee shall comply with District's Encroachment Ordinance No. 09-10-\_\_\_\_, a copy of which is attached hereto and incorporated herein by this reference.
2. District Property subject to the easement shall be restored to its condition as of the date of the issuance of this Permit, or better.
3. Any and all construction work performed and/or improvements installed on District Property pursuant to this Permit shall be constructed and completed to the satisfaction of District, which shall be notified before any work is started by advising the General Manager in writing.
4. Permittee's use of District Property is limited to those purposes and those activities specifically described in this Permit. Failure of Permittee to comply with this condition may result in revocation of this Permit.

5. Administrative costs incurred by the District in reviewing Permittee's Application for Encroachment Permit and issuing this Encroachment Permit, together with all costs of any inspections required by the District due to activities conducted by Permittee on District Property pursuant to this Permit shall be estimated by District and such amounts shall be deposited by Permittee with District prior to the issuance of this Permit.

6. The District assumes no maintenance responsibility for the construction work, improvements, or other encroachments permitted on District Property pursuant to the terms of this Permit. The Permittee assumes any and all maintenance responsibility for the Property subject to the encroachment during the term of the permitted encroachment, including any construction work or improvements constructed on the Property, so long as such encroachment is permitted on District Property.

7. The Permittee shall assume the defense of, and indemnify and save harmless, the District, its officers, employees and agents, and each and every one of them from and against all actions, liability, damages, claims, losses or expenses of every type and description to which it may be subjected or put to by reason of or resulting from: (1) the performance of, or failure to perform, the work or any other obligations of this Permit by the Permittee, any subcontractor or the Permittee's agents or employees; (2) any alleged negligent act or omission of the Permittee, any subcontractor, the Permittee's agents or employees, in connection with any acts performed or required to be performed pursuant to this Permit; (3) any dangerous or defective condition arising or resulting from any of the actions or omissions of the Permittee, Permittee's agents or employees in carrying out the provisions of this Permit. This indemnification is effective and shall apply whether or not any such action is alleged to have been caused in part by the District as a party indemnified hereunder. This indemnification shall not include any claim arising from the sole negligence or willful misconduct of the District or its employees. This indemnification shall survive the termination of this Permit.

8. Upon completion of the activities and purposes specified herein, the Permittee shall contact the designated representative of the District, who will specify an expiration date for this Encroachment Permit.

9. This Permit is to be strictly construed according to its terms and no use of District Property for purposes or activities other than those specified herein is authorized hereby. The Encroachment Permit General Provisions attached hereto as Exhibit A are hereby incorporated herein by this reference.

10. This Permit authorizes Permittee to encroach on District Property for the purposes specified herein until such purposes and activities have been completed, but in no event later than \_\_\_\_\_, 2010. This Encroachment Permit expires as of that date.

///

///

GROVELAND COMMUNITY SERVICES DISTRICT

By: \_\_\_\_\_

I agree to abide by all terms and conditions of this Encroachment Permit and District Ordinance No. \_\_\_\_\_.

\_\_\_\_\_  
Permittee

## EXHIBIT A

### GROVELAND COMMUNITY SERVICES DISTRICT ENCROACHMENT PERMIT GENERAL PROVISIONS

1. Definition: The term “encroachment” as used in this Permit is as defined in District’s Encroachment Ordinance No. 09-10-\_\_\_ (hereinafter the “Encroachment Ordinance”). This Permit is revocable on five days notice.
2. Acceptance of Provisions: It is understood and agreed by the Permittee that the doing of any work, or the performance of any activity, or the granting of any access under the authority of this Permit shall constitute an acceptance by Permittee of the provisions, terms and conditions of this Permit and the District’s Encroachment Policies.
3. No Precedent Established: This Permit is granted upon the condition that the permission granted to use District Property for the purposes specified herein shall not be construed as establishing any precedent with respect to what constitutes permissible uses of District Property.
4. Notice Prior to Commencing Use: Notice shall be given to District at least two days in advance of the date Permittee’s use of District Property pursuant to this Permit is to begin.
5. Keep Permit on the Site: This Permit shall be kept at the site of the encroachment on District Property permitted hereby, and must be shown to any representative of the District or any law enforcement officer on demand.
6. Storage of Material: No material shall be stored on District Property except as otherwise authorized by this Permit.
7. Clean Up District Property: Upon completion of the use of the District Property permitted hereby, Permittee shall remove all debris (soil, concrete, pavement, wood, etc.), rubbish, or other materials and District Property subject to the encroachment shall be restored to its condition as of the date the Permit was issued.
8. Satisfaction of District: Any work constructed or improvements installed within the encroachment shall be completed to the satisfaction of the District. District may periodically inspect the District Property subject to the encroachment, and the cost of any such inspection shall be reimbursed to District out of the deposit paid by Permittee upon the issuance of this Permit.
9. Insurance Requirements: In order to fund Permittee’s indemnity obligations under Section 6 of the Permit, Permittee shall carry and maintain during the life of this Permit, such public liability, property damage and contractual liability insurance and workers’ compensation insurance as specified below:

- A. Public Liability and Property Damage Insurance. The Permittee shall furnish public liability and property damage insurance which includes, but is not limited to, personal injury, property damage, losses relating to independent contractors, products and equipment, explosion, collapse and underground hazards, in a minimum amount not less than a combined single limit of One Million Dollars (\$1,000,000.00) for one or more persons injured and property damaged in each occurrence.

The public liability and property damage insurance furnished by the Permittee shall also name the District as an additional insured and shall directly protect, as well as provide the defense for the District, its officers, agents and employees, as well as the Permittee, all subcontractors and suppliers, if any, from all suits, actions, damages, losses or claims of every type and description to which they may be subjected by reason of, or resulting from the Permittee's operations in the activities and purposes authorized by this Permit, and all insurance policies shall so state. Said insurance shall also specifically cover the contractual liability of the Permittee. Said insurance shall also specify that it acts as primary insurance.

If the Permittee fails to maintain such insurance, this Permit may be revoked at the discretion of District on written notice to Permittee.

- B. Workers' Compensation Insurance: If the Permittee's Application for Encroachment Permit proposes that construction be performed on District Property, then Permittee shall be permissibly self-insured or shall carry full workers' compensation insurance coverage for all persons employed, either directly or through subcontractors, in carrying out the activities and/or purposes contemplated by this Permit, in accordance with the Workers' Compensation Insurance Act contained in the Labor Code of the State of California.

If the Permittee fails to maintain such insurance, the District may take out insurance to cover any compensation which the District might be liable to pay under the provisions of the Workers' Compensation Insurance Act by reason of an employee of the Permittee being injured or killed while engaged in the course and scope of his employment. If the Permittee fails to maintain such insurance, this Permit may be revoked at the discretion of District on written notice to Permittee.

By execution of this Permit, the Permittee certifies as follows:

**“I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code. I will comply with such provisions before commencing the performance of the work of this contract.”**

As part of the execution of this Permit, the Permittee agrees to furnish to the District a certified copy of the insurance policies it has taken out for public liability, property damage and workers' compensation insurance set forth above for the period covered by this Permit. Such insurance shall be placed with an insurance carrier acceptable to the District under terms satisfactory to the District. Said certified policies of insurance shall be furnished to the District prior to commencing the activities and/or purposes contemplated by this Permit. Each such certified policy shall bear an endorsement precluding the cancellation or reduction in coverage of any such policy before the expiration of thirty (30) days after the District shall have received notification of such cancellation or reduction.

Should the Permittee fail to obtain and keep in force the insurance coverage hereinabove required, the District shall have the right to revoke this Permit forthwith and without regard to any other provisions of this Permit.

10. Performance Bond: If the terms of this Permit allow the Permittee to conduct construction activity on District Property, the Permittee shall, prior to issuance of this Permit, file with District a performance bond, cash deposit, or irrevocable letter of credit in lieu of bond, in the amount of one hundred percent (100%) of the estimated cost of the construction work to be performed on District Property pursuant to the terms of this Permit. Any such bond or irrevocable letter of credit shall name District as Obligee. Failure to comply with these requirements will result in revocation of this Permit.
11. Making Repairs: Repairs to District Property necessitated by Permittee's use of District Property shall be performed by employees of the District and the expenses thereof shall be charged to Permittee. All costs incurred by District with respect to laborers, supervisors and inspectors with respect to such repair work shall be reimbursed to District out of the cash deposit paid by Permittee upon issuance of this Permit. To the extent such deposit exceeds the costs incurred by the District in issuing this Permit, inspecting the Property, and repairing the Property, if necessary, will be refunded to Permittee upon the expiration of this Permit.

The District will give reasonable notice of its election to make such repairs. If the District does not so elect, the Permittee shall make such repairs promptly at its sole expense. In every case, the Permittee shall be responsible for restoring any portion of District Property which has been disturbed to its former condition as of the date of issuance of this Permit.

12. Maintenance: The Permittee agrees by the acceptance of this Permit to exercise reasonable care to maintain the Property subject to this encroachment, and any improvements placed thereon during the period of the permitted encroachment as authorized by the terms of this Permit. The Permittee shall undertake all such maintenance and/or repairs at its own expense.
13. Relocation: Relocation of any improvement constructed upon District Property pursuant to this Encroachment Permit, if required by future District operations, shall be at the sole expense of the Permittee. The District shall provide Permittee with notice as to the date by which any improvements constructed pursuant to the Encroachment Permit must be removed

or relocated. If Permittee fails to remove or relocate any such improvement within such period of time, District may remove or relocate such improvement in its discretion and charge the costs thereof to Permittee, which costs Permittee hereby agrees to reimburse to District upon demand. District may also exercise its rights to revoke this Permit.

I agree to abide by the above terms.

Dated:

---

Permittee

FACILITIES REIMBURSEMENT AGREEMENT

SECTION 1--INTRODUCTION

If owners of parcels not within the development which are within the "Area of Benefit," as shown on the attached Exhibit, request or require service from the water/sewer pipeline extensions constructed by the Developer, the District will collect for the Developer an amount computed from the formula outlined below, plus a three percent (3%) administration fee or \$250.00, whichever is larger. The reimbursement fee will be paid to the Developer and the District will retain the administration fee. The District will not be in any way obligated to ascertain or determine the proper payee.

The Reimbursement Formulas use "lot-unit," as defined below, to calculate the Reimbursement Fee

- A. Each R-1 and R-A (single family) zoned lot and each single-family lot in a planned unit development is one lot-unit.
- B. Each multiple residential zoned lot {R-3} is two lot-units.
- C. Each multiple residential zoned parcel {R-3} is two lot-units for each one-half acre or fraction thereof.
- D. Each commercial-zoned lot {C-1} is two lot-units.
- E. Each commercial-zoned parcel {C-1} is two lot-units for each one-half acre or fraction thereof.
- F. Each recreational zoned parcel {K} is two lot-units.

The Reimbursement Formula used to calculate the Reimbursement Fee is:

**Reimbursement Fee = UNIT COST x LOT UNITS, where,**

UNIT COST = Total Construction Cost divided by the Total Number of Lot-Units for all adjacent properties (Assessment Area)

LOT UNITS: Number of Lot-Units assessed for individual lot or parcel, and would include the developer's lot or parcel implementing the extension/improvement

## SECTION 2—DISBURSEMENTS

District will pay Owner/Applicant its share of the collections as such is received during the terms of the reimbursement agreement. Such payment shall be paid to Owner/Applicant within thirty (30) days after collection by District.

## SECTION 3—DURATION

All obligations for reimbursement shall cease at the end of ten (10) years following the date of completion of construction of the reimbursement facilities.

## SECTION 4—ASSIGNMENTS

The Developer's rights to reimbursement funds shall not be transferable or assignable without the express written consent of the District Board of Directors.

## SECTION 5—OTHER PARCEL OWNERS

Parcel owners within the "Assessment Area" are not required to obtain service from or through the extension constructed by the Developer; and if they choose service via a separate extension or through another pipeline or connection, District will not be required to collect any reimbursement from them for the Developer's pipeline extension.

# APPLICATION FOR GCSD SERVICES

(Application must be made on this form)

**Main Extension Application is for:**       Sewer       Water       Fire       Parks  
**Application Fee:**      \$ 200.00

**Administrative Fee:**      \$ 500.00

**Engineering Deposit:**      \$ 1,500.00

**Water Meter Size:** \_\_\_\_\_ inches  
**Water Participation Fee (\$1,827 to \$36,542.00\*):**      \$ \_\_\_\_\_

**Water Meter Charge (\$210 to \$2715\*):**      \$ \_\_\_\_\_

**Service Box Charge (\$400 to \$1200\*):**      \$ \_\_\_\_\_

**Sewer Participation Fee (\$7.000):**      \$ \_\_\_\_\_

**Total Paid (Check/Cash):**      \$ \_\_\_\_\_ (\*)  
Depends on Meter Size)

**Contact Information:**

Applicant: \_\_\_\_\_  
Owner: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_

**Property To Be Served:**

Property Address: \_\_\_\_\_ Phone: \_\_\_\_\_  
Assessor's Parcel No: \_\_\_\_\_ PML Unit/Lot: \_\_\_\_\_

Attach Proposed Plan Plot Plan with Topographic Information (include photos if available).

This application is made to the District Engineer of GCSD for his investigation of the feasibility of installation of a water/sewer main extension to serve the property of the applicant/owner.

Applicant has received  Water Ordinance 2-08 and/or  Sewer Ordinance 1-08, and  GCSD Policy for Small Residential and Commercial Development (Section 602 of the GDSD Operational Policies & Procedures Manual), and understands that the provisions of said Ordinance establish the rules and regulations for water/sewer service by GCSD.



**Appendix 600-C AGREEMENT FOR WATER/SEWER IMPROVEMENTS  
(SMALL DEVELOPMENTS)**

**AGREEMENT FOR WATER/SEWER SYSTEM IMPROVEMENTS  
(SMALL DEVELOPMENTS)**

THIS AGREEMENT for Water/Sewer System Improvements (hereinafter the "Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 20\_\_, by and between GROVELAND COMMUNITY SERVICES DISTRICT, a community services district formed and operating pursuant to the provisions of Government Code Section 61000 et seq. (hereinafter "District"), and \_\_\_\_\_, (hereinafter "Applicant").

**RECITALS**

1. Applicant is the owner of certain real property located within the jurisdictional boundaries of the District as more particularly described in Exhibit A attached hereto (hereinafter the "Property") upon which the Applicant proposes to construct the following residential/commercial project: \_\_\_\_\_

\_\_\_\_\_ (the "Project"). Applicant has filed a written Application with District requesting that District provide water/sewer service to the Project.

2. District and Applicant desire to enter into this Agreement to define the terms and conditions under which Applicant will design, construct and convey to District a Water/Sewer Main Extension or other Water/Sewer System Improvements in accordance with the District's Standard Design Specifications at the Applicant's sole cost and expense, in consideration for which District will agree to provide water/sewer service to Applicant's Project, and accept conveyance of such Water/Sewer System Improvements for future maintenance and operation by District

NOW, THEREFORE, the Parties hereto agree as follows:

1. Design and Construction of Water/Sewer System Improvements.

Applicant desires to design and construct a Water/Sewer Main Extension or other Water/Sewer System Improvements in accordance with the District's Standard Design Specifications and any other applicable regulations of the County of Tuolumne or any state or federal agency having jurisdiction over the water/sewer service provided within the District's boundaries, at the Applicant's sole cost and expense. The general description of the Water/Sewer System Improvements necessary to provide service to Applicant's Project is described on Exhibit B attached hereto and incorporated herein by this reference (hereinafter "the Improvements"). The Applicant shall file with the District the proposed Plans and Specifications for the Improvements which must be prepared and stamped by a California Registered Civil Engineer.

The Plans and Specifications for the Improvements shall be approved in writing by the District's Engineer. Applicant agrees that construction of the Improvements shall not commence until the Plans and Specifications for the Improvements have been approved in writing by District. The Applicant shall submit two (2) complete sets of fully engineered Plans and Specifications detailing the Improvements, together with a copy of the tentative Parcel Map or other development approval issued by Tuolumne County for the parcels to which water/sewer service will be supplied. Any changes or corrections to the Plans and Specifications by the District's Engineer shall be incorporated into the Final Plans and Specifications approved by District.

2. Reimbursement of District Costs and Expenses.

Exhibit C attached hereto and incorporated herein by this reference specifies the estimated development review fees and charges payable by the Applicant to District to reimburse the District for all estimated administrative, engineering, design, legal, environmental, consulting and inspection costs incurred by the District in processing the Applicant's Application, reviewing and revising the Plans and Specifications for the Improvements submitted by Applicant, and inspecting and supervising the construction of the Improvements.

By execution of this Agreement, Applicant and District acknowledge that the Applicant has advanced funds to the District to be applied to the estimated amount of such costs to be incurred by the District. District has established a separate trust fund (hereinafter the "Fund") for the purpose of accepting advances of funds by Applicant to District to be used by District to pay those costs and expenses incurred by District in reviewing, revising, modifying, approving, inspecting and accepting the Improvements to be designed and constructed by Applicant to serve the Project.

In order to begin performing such tasks, the Parties hereto acknowledge that Applicant has advanced the District the sum of \$\_\_\_\_\_ which has been deposited by District into the Fund. As District incurs the direct and indirect costs and expenses associated with its review of Applicant's Project specified in Exhibit C, District shall disburse from the Fund the sums required to reimburse the District for such costs and expenses. From time to time Applicant shall make additional advances to the District within fifteen (15) days following receipt from District of a written notice which will request an additional advance to cover the costs of District to perform its development review tasks with respect to Applicant's Project. Applicant shall make such subsequent advances as requested by District up to a total of \$\_\_\_\_\_. If Applicant does not deliver the requested additional funding amount to District within fifteen (15) days, District will have no obligation to proceed with its review and approval of the Applicant's Application and Plans and Specifications until such additional advances are received. Upon request District will provide to Applicant a summary of how the Applicant's advances have been spent and the unexpended balance remaining. If the amount of the deposit at any time is insufficient to reimburse the District for all the costs it has incurred with respect to Applicant's Project with respect to engineering, design, legal, environmental, inspection and other costs attributable to the Improvements, the Applicant shall replenish the funds advanced upon written demand of the District which shall specify the amount of funds necessary to cover such additional costs. The District shall have no obligation to continue its processing of the Application or its

acceptance of the Project until such additional deposit has been received. To the extent the funds advanced by Applicant exceed the final amount of costs incurred by District in reviewing and processing the Applicant's Application and Plans and Specifications for the Improvements, any balance will be refunded to Applicant upon completion of construction and acceptance of the Improvements by District.

### 3. Commencement of Construction.

Commencement of construction of the Improvements cannot proceed until Final Plans and Specifications submitted by the Applicant have been approved in writing by District. District will not approve the Final Plans and Specifications submitted by Applicant unless and until all costs incurred by District in reviewing the Application and the Plans and Specifications of the Applicant have been reimbursed in full through advances paid by Applicant pursuant to Section 2 hereof.

After the District has issued written approval of the Final Plans and Specifications for the Improvements, the District will schedule a pre-construction meeting between representatives of the District and Applicant. At the meeting the Applicant will be required to present to District the signed contract for construction of the Improvements with a licensed contractor licensed to do the type of work necessary to properly construct the Improvements. Said contract shall include a provision that the contractor be required to pay prevailing wages to all laborers performing work on the Project. The District may request evidence that the contractor has satisfactorily constructed or installed projects of similar magnitude or comparable difficulty to the proposed Improvements before approving the Applicant's selection of the licensed contractor to construct the Improvements. The District retains the right to reject any licensed contractor selected by Applicant to construct the Improvements for the Project.

At the time of the pre-construction meeting, the Applicant shall also present evidence to District that all applicable permits have been obtained with respect to construction of the Improvements, all potential easements for the proposed Improvements have been obtained, and all underground utility lines and/or obstructions have been identified.

#### A. Permits, Easements and Related Costs.

The Applicant shall obtain all necessary county and state permits, including encroachment permits, required for the construction of the Improvements as a condition precedent to District approval of construction of the proposed Improvements. The Applicant will also be required to present evidence to the District that all permanent and temporary easements necessary for the construction, maintenance and operation of the Improvements, and for ingress and egress to the proposed construction areas for the Improvements have been obtained in a form approved by District. Said easements shall be submitted to the District for approval and acceptance in writing prior to construction of the Improvements.

#### B. Underground Obstructions.

The District requires the Applicant to use Underground Service Alert to identify any underground utilities prior to beginning any construction of the Improvements or testing of the Improvements. All locations of underground utility lines or other underground obstructions shall appear on the Plans and Specifications for the Improvements, but must be verified by the Applicant in the field. The District does not assume any responsibility or liability whatsoever for the sufficiency or accuracy of information obtained by the Applicant with respect to locations of underground service lines or other obstructions.

#### C. Performance and Payment Bonds.

Applicant shall, at the time of entering into a contract for construction of the Improvements with an approved licensed contractor, provide two separate bonds to the District, each made payable to the District. These bonds shall be issued by a surety company admitted to do business in the State of California as an insurer and shall be maintained during the entire life of the construction agreement at the expense of Applicant. One bond shall be in the amount of one hundred twenty-five percent (125%) of the construction cost estimate for the Improvements approved by the District and shall guarantee the performance of all aspects of the construction contract. The second bond shall be the payment bond required by Division 3, Part 4, Title 15, Chapter 7 of the Civil Code of the State of California, and shall be in the amount of one hundred percent (100%) of the construction cost estimate approved by District for the construction of the Improvements, to guarantee the payment of wages and for materials, supplies or equipment used in the performance of the construction contract. Any alterations made in the specifications to the Improvements shall not operate to release any surety from liability on any bond required hereunder, and any surety on said bond shall waive the provisions of Section 2819 of the Civil Code. Prior to commencing work the Applicant shall provide a Certificate of Fact issued by the County of Tuolumne, County Clerk or show a Certificate of Authority issued by the State of California, Department of Insurance for any and all sureties issuing the bonds required by this section.

#### 4. Inspection of Construction.

The District shall have the right at any time to inspect the progress of the work for construction of the Improvements to serve the Project. The District's costs incurred in performing such inspection services shall be reimbursed by the Applicant pursuant to the provisions of Section 2 of this Agreement.

District does not, by inspection of the construction of the Improvements, represent the Applicant or provide a substitute for inspection and control of the work by Applicant. Any inspections and observations of the work by District are for the sole purpose of providing notice of the stage and quality of the work. Any failure of the District to note variances in the work from the Plans and Specifications does not excuse or exempt Applicant from complying with all terms of the Plans and Specifications. The fact that District inspects the construction of the work and notifies Applicant of deviations between the Improvements as constructed and the accepted Plans and Specifications shall not be deemed to constitute a guarantee by District that the Improvements have been built in accordance with the Plans and Specifications.

5. Construction Disputes.

Should any dispute arise between District and Applicant regarding construction methods, construction safety, conformity of the construction with the approved Plans and Specifications, and/or the nature and extent of required change orders, the decision of the District's Engineer shall be final and binding on all Parties.

6. Indemnification and Insurance.

A. Indemnification.

Applicant, and its successors and assigns hereby agree to defend and indemnify the District, its officers, agents and employees, and hold them harmless from any and all claims, actions, proceedings, liability, or damages, including any attorneys' fees, resulting from or arising out of any of the following: (1) the design and/or construction of the Improvements, including any claims relating to the products used or materials furnished in constructing such Improvements; (2) the District's approval of this Agreement; (3) the approval process for the Project pursuant to the California Environmental Quality Act (hereinafter "CEQA"), any environmental issues arising under CEQA with respect to the design, construction and/or approval of the Improvements, including any and all challenges brought against the Improvements by any third party pursuant to the provisions of CEQA.

This indemnification shall extend to any and all claims, actions, proceedings, or liability, including any attorneys' fees and court costs, arising out of the acts or omissions of Applicant, its agents, employees, or contractors, or seeking to attack, set aside, void or annul a District approval concerning the Improvements. This indemnification obligation shall apply regardless of whether the District prepared, supplied, or approved Plans and Specifications for the Improvements. This indemnification obligation shall also extend to any contention that the approval of the Applicant's construction of the Improvements by District is defective because a District Ordinance, Resolution, Policy, Standard or Plan is not in compliance with local, state or federal law. If the defense right is exercised, District Counsel shall have the absolute right to approve any and all counsel employed to defend the District. To the extent the District uses any of its own resources to respond to such a claim, action or proceeding, or to assist in the defense of District, the Applicant hereby agrees to reimburse District such costs upon demand. Such costs include, but are not limited to, staff time, court costs, District Counsel's time at its regular rate, or any other direct or indirect costs associated with responding to, or assisting in defense of, the claim, action, or proceedings. For any breach of this indemnification obligation by Applicant, its officers, agents or employees, the District may, with notice, terminate this Agreement, rescind its approval of the Applicant's Project and construction of the Improvements, and refuse to provide water or sewer system services to the Project until such time as Applicant complies with the indemnification obligation set forth in this section..

B. Insurance Requirements.

Applicant and any licensed contractor retained by Applicant to design and/or construct the Improvements shall carry and maintain during the life of this Agreement, such public liability, property damage and contractual liability insurance and workers' compensation insurance as specified below.

(1) Public Liability, Property Damage and Contract for Liability Insurance

Applicant shall furnish public liability and property damage insurance which includes, but is not limited to, personal injury, property damages, losses relating to independent contractors, products and equipment, explosion, collapse and underground hazards in a minimum amount of not less than a combined single limit of \$1 Million for one or more persons injured and property damage in each occurrence. Such insurance shall be provided on a standard ISO-CTL Broad form or equivalent form, as determined by District.

The public liability and property damage insurance furnished by Applicant shall also name the District as an additional insured and shall directly protect, as well as provide the defense for the District, its officers, agents and employees, as well as the Applicant, all general contractors, subcontractors and suppliers, if any, from all suits, actions, damages, losses or claims of every type and description to which they may be subjected by reason of, or resulting from Applicant's construction of the Improvements pursuant to this Agreement, and all insurance policies shall so state. Said insurance shall also specifically cover the contractual liability of Applicant. Said insurance shall also specify that it acts as primary insurance. Said policy shall not be excess or contributing with District insurance coverage in any way.

(2) Workers' Compensation Insurance

Applicant, and any licensed contractor retained by Applicant to design and/or construct the Improvements, shall be permissibly self insured or shall carry full workers' compensation insurance coverage for all persons employed, either directly or through subcontractors, in carrying out the work contemplated by this Agreement, in accordance with the Workers' Compensation Act contained in the Labor Code in the State of California.

(3) Certificates of Insurance

At the time of execution of this Agreement, Applicant agrees to furnish District Certificates of Insurance which certify the existence of a certified copy of the insurance policies Applicant and all of its licensed contractors have taken out for public liability, property damage and workers' compensation insurance as set forth above for the period covered by this Agreement. Such insurance shall be placed with insurance carriers acceptable to the District under terms satisfactory to the District. Said certified policies of insurance shall be furnished to the District prior to commencing the work contemplated by this Agreement. Each such certified policy shall bear an endorsement precluding the cancellation or reduction in coverage of any such policy before the expiration of thirty (30) days after the District shall have received written notice of such cancellation or reduction.

Should Applicant or any licensed contractor retained by Applicant to construct the Improvements, fail to obtain and keep in force the insurance coverages required herein, District shall have the right to cancel or terminate this Agreement forthwith, rescind its approval of Applicant's Project and construction of the Improvements, and refuse water supply and delivery to the Project until the terms of this Agreement have been complied with by Applicant and any licensed contractor(s) retained by Applicant.

7. Final Inspection and Reimbursement of District Costs.

Upon completion of construction of the Improvements, such Improvements shall be subject to final inspection and testing by the District. District shall provide written acceptance of the Applicant's Improvements as constructed only after each of the following conditions precedent have been satisfied: (a) reimbursement by Applicant to District of all administrative, engineering, environmental and legal costs incurred by the District in connection with interim and final inspection and testing of the various components of the Improvements including any and all testing of the Improvements as needed or required for the approval thereof by the District and any other regulatory agency having jurisdiction over the operation of the Improvement Project, including but not limited to the State Department of Health Services and the California Regional Water Quality Control Board; and (b) reimbursement of any other unreimbursed District costs and expenses pursuant to Section 2 of this Agreement. The District will not approve final inspection of the Improvements, agree to accept conveyance of the Improvements from Applicant upon completion, nor agree to provide water/sewer service to Applicant's Project until all costs and expenses required to be reimbursed by Applicant to District for administrative, engineering, legal, environmental, inspection and testing incurred by District with respect to the Improvements have been paid by Applicant to District.

8. Record Drawings, Statement of Accounts.

Applicant shall, as a condition precedent to District's acceptance of the Improvements and its obligations to provide service under this Agreement, provide to District the following:

A. A complete and final set of photo Mylar and digital record drawings for the Improvements satisfactory to the District, together with a copy of Final Approved Plans and Specifications and any contract documents utilized for construction of the Improvements. Said as-built plans shall also show any other utilities within the 15-foot wide easement for the Improvements conveyed to District.

B. A complete detailed statement of accounts, satisfactory to the District, specifying the amounts expended by Applicant for the design, installation and construction of the Improvements, itemized according to the various components of the Improvements, together with a list of any other materials and equipment comprising the Improvements being conveyed, and the respective values thereof.

9. Conveyance of Improvements to District upon Completion.

Upon completion of the Improvements in accordance with the Plans and Specifications and final approval by the District of the Improvements as constructed, the Applicant shall transfer absolute and unencumbered ownership of the completed Improvements and related real property, easements and rights of way to District. Applicant will execute and obtain all signatures of any other parties having any interest in the Improvements or the real property upon which the Improvements are located, and deliver a grant deed or other form of conveyance satisfactory in form and content to District transferring absolute and unencumbered ownership of the completed Improvements to the District together with all real property, interest in real property, easements, and any other existing property rights that are necessary or appropriate in the opinion of the District for ownership, maintenance and operation of the Improvements.

District will accept conveyance of the Improvements to District and record a Notice of Completion with the County Recorder only after all of the following provisions have been complied with by Applicant:

A. All costs of design and construction of the Improvements shall have been paid by Applicant, and the time for filing stop notices or other mechanics' liens shall have expired.

B. The Applicant shall convey title to the completed Improvements and any interest in real property, easements and/or rights of way free of all liens, encumbrances and charges, including mechanics' liens and stop notices relating to the construction of the Improvements, by appropriate documents of conveyance acceptable in form to the District and District Legal Counsel.

C. The Applicant has reimbursed the District for all costs incurred by District pursuant to Section 2 of this Agreement.

10. Default.

If Applicant fails to expeditiously advance construction of the Improvements, or performs work that does not comply with the requirements of this Agreement or the Final Approved Plans and Specifications for the Improvements, or fails to perform any task or produce any documents required by this Agreement, or is guilty of any other material breach of the terms of this Agreement, District may: (a) suspend work on the construction of the Improvements until such time as the default is remedied by Applicant; or (b) by written notice to Applicant terminate Applicant's right to perform all or any portion of the construction of the Improvements. If District terminates Applicant's right to perform such work, the District may have the work performed by others and charge the costs to Applicant. The costs of completion of the Improvements by District shall include reasonable reimbursement for additional executive, administrative, legal and engineering expenses incurred in providing for completion of the construction, together with all damages for delay and other damages sustained by the District as a result of Applicant's default. Applicant agrees to pay District all damages sustained as a result of default by Applicant in performing the terms of this Agreement. If Applicant fails to pay such damages sustained by District as a result of its default, District may terminate this Agreement immediately, and refuse to provide water and/or sewer service to the Project until all of the terms of this Agreement have been complied with by Applicant.

11. Warranties.

Applicant hereby agrees that the construction of the Improvements shall be in accordance with the Final Approved Plans and Specifications. Applicant unconditionally guarantees all materials and workmanship furnished under this Agreement, and agrees to replace at its sole cost and expense, and to the satisfaction of District, any and all materials or construction which may be defective through faulty, improper or inferior workmanship or materials. Applicant shall repair or replace to the satisfaction of District any or all such work that may prove defective in workmanship or materials, ordinary wear and tear excepted, together with any work which may be damaged or displaced in so doing. This guarantee shall remain in effect for one (1) year from the date of District's acceptance of the Improvements. This guarantee does not excuse Applicant for any other liability related to defective work discovered after the warranty period. Applicant shall transfer to District all manufacturer and supplier warranties relating to the Improvements, if any, upon completion of the work. As surety for Applicant's warranty obligation, Applicant shall provide a warranty bond in the amount of 25% of the final cost of the installed Improvements, which bond shall be released at the expiration of the 1-year warranty period.

In the event of failure of Applicant to comply with the above stated conditions within a reasonable time, District may have the defective work performed repaired by its own employees or a third party contractor, and charge the cost to Applicant. The Applicant hereby agrees to pay such costs and expenses immediately upon demand by District, which costs shall include reimbursement for any administrative, engineering, legal, and other consultant fees and costs incurred by District in enforcing this warranty.

12. Agreement of District to Serve Development.

Provided that Applicant complies with all of its obligations pursuant to this Agreement, after completion of the Improvements in accordance with the terms and conditions of this Agreement and District's acceptance of the Improvements and the recordation of a Notice of Completion with respect to the Improvements, District will render and provide water/sewer services to Applicant's Project as shown on Exhibits B-1 and B-2, and will bill Applicant for such services in accordance with all existing rules and regulations of the District specified in the District's then current Water/Sewer Ordinance(s). Charges payable by the Applicant for services rendered by District include the prepayment of applicable participation fees as specified in said Ordinance(s); the payment of the District's monthly service charges for such service, and payment of the District's monthly debt service charges applicable to the services provided Applicant by District.

13. No Water/Sewer Service Prior to Acceptance of Improvements and Conveyance to District.

The Applicant shall not allow any occupant or person to commence use of any part of the Improvements prior to acceptance of such Improvements by District by recording a Notice of Completion with the County Recorder.

14. General Provisions.

A. Relationship of District and Applicant.

It is understood that this Agreement is a contract that has been negotiated and voluntarily entered into by Applicant and District and that Applicant is not an agent of District. The District and Applicant hereby renounce the existence of any form of joint venture or partnership between them, and agree that nothing herein shall be construed to provide that District and Applicant are joint venturers or partners.

B. Assignment.

This Agreement shall inure to the benefit of and be binding upon the Parties hereto, and their respective heirs, successors and subsequent purchasers. Applicant shall not assign its interest in this Agreement without District's prior written approval, which approval shall not be unreasonably withheld after appropriate review and verification of assignee's capacity, qualification and capability to fulfill all obligations herein.

C. Remedies.

Should the Applicant or subsequent purchaser of the Project fail or refuse to complete the construction of the Improvements, or comply with any of the other terms of this Agreement including the warranty obligation specified in Section 11 hereof, the District, as one of its remedies in addition to those specified in Section 10 hereof, may request the County of Tuolumne, or any other applicable licensing agency, to halt the issuance of any building or occupancy permits for Applicant's Project until the costs of the Improvements have been funded by Applicant and construction of the Improvements have been completed by Applicant, and accepted by District pursuant to the terms and conditions of this Agreement.

D. Entire Agreement.

This Agreement constitutes the sole and only agreement between the Parties concerning the matters set forth herein. This Agreement supersedes any and all other agreements, either oral or in writing, between the Parties hereto with respect to the rendering of water/sewer services by District to Applicant and contains all the covenants and agreements between the Parties with respect to such services. Each Party to this Agreement acknowledges that no representations or promises have been made by any Party hereto which are not embodied herein, and that no other agreement or promise not contained in this Agreement shall be valid or binding.

E. Waiver.

The failure or omission by District to terminate this Agreement for any violation of its terms and conditions shall in no way bar, stop or prevent the District from terminating this Agreement thereafter, either for such or for any subsequent violation of any such terms, conditions or covenants.

The filing of a Notice of Completion or acceptance of the Improvements shall not be, and shall not be construed to be a waiver of any breach of any term, covenant or condition of this Agreement.

F. Severability.

If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

G. Amendment.

The terms of this Agreement may be modified or amended only in writing by mutual agreement on signature of District and Applicant. Said amendment shall be attached to this Agreement.

H. Attorneys' Fees.

In the event any action is initiated by either Party seeking to enforce any of the terms or provisions of this Agreement, the prevailing Party in such action shall be awarded reasonable attorneys' fees and costs.

15. Special Provisions.

A. Water/Sewer Participation Fees.

The following are the current participation fees (also referred to as "connection" fees), for water/sewer service for single family residence located within the District:

1. Water Service (3/4" water meter): \$1,827.00, plus \$610.00 for water meter and service box.
2. Sewer Service: \$7,000.00.
3. Applicants applying for water/sewer service for other than a single family residence, such as a multi-party residence or commercial project, or for a water meter larger than 3/4", shall be charged pursuant to the District's Water/Sewer Ordinance in effect at the time the Application for Services is received by District. The Applicant's Project shall pay the following water/sewer participation fees for the Project as follows:

\_\_\_\_\_  
\_\_\_\_\_

B. Reimbursement of District Administration, Engineering, Legal, Environmental and/or Inspection Costs.

(1) Total estimated administration costs \$ \_\_\_\_\_

- (2) Total estimated engineering costs \$ \_\_\_\_\_
  - (a) District Staff \$ \_\_\_\_\_
  - (b) Independent Engineering Consultant \$ \_\_\_\_\_
- (3) Total estimated project inspection costs \$ \_\_\_\_\_
- (4) Total estimated legal costs \$ \_\_\_\_\_
- (5) Total estimated environmental review, consulting and document preparation costs \$ \_\_\_\_\_

Applicant agrees to reimburse District for its administration, engineering, legal, environmental and/or inspection costs incurred in the District’s review, consideration, revision, approval, identification, inspection and acceptance of the Project according to the following fee schedule:

- (1) Administration Cost Deposit \$ 500.00
- (2) Engineering Deposit \$1,500.00
  - (a) Engineering Labor \$100 per hour
  - (b) General Manager Labor \$100 per hour
  - (c) Clerical Labor \$ 40 per hour
  - (d) Independent Engineering Consultant (per Proposal accepted by Board)
- (3) Inspection Deposit \$ \_\_\_\_\_
  - (a) Inspection Labor \$ 50 per hour
  - (b) Construction Labor \$ 50 per hour
  - (c) Clerical Labor \$ 40 per hour
- (4) Legal (then current hourly rate of District Counsel)
- (5) Environmental (per Proposal of Independent Consultant accepted by Board)

The Administration Fee is a one-time charge that covers District staff time involving assistance to the Applicant regarding agreement preparation, agenda scheduling and bookkeeping. The engineering, labor and inspection charges are for time expended for review of CEQA requirements, plan review, easement review, project management, and construction site inspections. Engineering or inspection time for work other than during normal working hours will be billed at one and one-half times the “per hour” labor rate specified above. Legal costs include reimbursement of all legal costs incurred by the District with respect to Applicant’s Project or design, construction and conveyance of the Improvements at the then current hourly rate charged by District Legal Counsel to District. Environmental costs include reimbursement to the District of all costs incurred in obtaining review and analysis of environmental issues related to Applicant’s Project and the design and construction of the Improvements by a qualified environmental consultant, at the rate charged by such environmental consultant to the District. These fees, charges, and deposits may periodically be changed when the Board of Directors amends its Water and Sewer Ordinances.

IN WITNESS WHEREOF, the authorized representatives of the Applicant and District have executed this Agreement on the dates indicated below.

GROVELAND COMMUNITY SERVICES

DISTRICT

Date: \_\_\_\_\_

\_\_\_\_\_  
General Manager

ATTEST:

Date: \_\_\_\_\_

\_\_\_\_\_  
District Secretary

APPLICANT

Date: \_\_\_\_\_

By: \_\_\_\_\_

## Appendix 600-D CHECK LIST FOR WATER/SEWER MAIN EXTENSIONS

Groveland Community Services District

### Checklist for GCSD Services

Owner: \_\_\_\_\_ APN: \_\_\_\_\_ Unit/Lot: \_\_\_\_\_

1.  Pay fee and submit completed Application for GCSD Services with all accompanying documentation attached (to Engineering to determine feasibility of project)
2.  Feasibility letter confirming if project is feasible or not (from District to Owner)
3.  Pay administration and engineering deposits (Owner)
4.  Executed Owner/Developer Agreement for Sewer/Water Improvements
5.  Initial submittal of construction plans for review (and/or approval) by District Engineer
6.  Letter confirming approval or requesting changes to submitted plans (from District to Owner)
7.  Easements recorded (if applicable) and if no subdivision or parcel map is involved
8.  Submit project cost estimate (based on prevailing wage rates) for approval by District Engineer
9.  Deposit Performance Bond (100%)
10.  Provide Contractor's Insurance Certificates naming District as Additionally Insured
11.  Provide District with reproducible construction plan (Mylar).
12.  Pre-construction conference with Contractor(s)
13.  Sewer Connection Fee must be paid before start of construction.
14.  Notice to District by Owner before start of construction (10 Days written notice); 5 full working days notice prior to initial inspection and 2 full working days thereafter
15.  Notice of Completion recorded (35 day waiting period)
16.  Easements recorded (if applicable), if subdivision or parcel map is involved.
17.  Final inspection by District Engineer
18.  Project Cost Certificate (from Owner or Developer's Engineer)
19.  Final set of Mylar "record drawings" for the project (from Owner or Developer's Engineer)

- 20.  Project approval by District Engineer
- 21.  District Engineer's recommendation to accept the project and General Manager's signature
- 22.  Refund of Performance Bond (minus 25% of actual project cost)
- 23.  Deposit Maintenance Bond (25% of actual project cost for 1 year)
- 24.  Refund of Maintenance Bond and balance of deposits (per District Engineer's recommendation)
- 25.  Enter project into District record (GCSD)

Groveland Community Services District

INSPECTION REPORT

WATER or SEWER MAIN EXTENSION PROJECT

Main Extension is for:  Sewer  Water

Service Address \_\_\_\_\_

Assessor's Parcel No: \_\_\_\_\_ PML Unit/Lot: \_\_\_\_\_

Owner: \_\_\_\_\_

Contractor: \_\_\_\_\_

On-site inspections confirm that the following items have been installed and/or performed correctly.

YES	NO		Date / Initial	Correction Requested
<input type="checkbox"/>	<input type="checkbox"/>	Pipe Type and Diameter	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	Pipe Bedding	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	Tracer Wire	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	Service Connection (Type/Number)	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	Backfilling	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	Compaction	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	Paving	_____	_____

Extension was installed according to approved plans. Date Inspection Completed: \_\_\_\_\_

By: \_\_\_\_\_

Mylar "Record Drawings" have been provided by Owners Engineer and accepted as complete by GCSD. Mylar "Record Drawings reviewed:



**ADVANCE FUNDING AGREEMENT  
REGARDING COSTS PERTAINING TO FACILITIES DEVELOPMENT PLAN FOR  
THE \_\_\_\_\_ TENTATIVE MAP**

THIS ADVANCE FUNDING AGREEMENT (the "Agreement") dated as of \_\_\_\_\_, 2008 is entered into by and between the Groveland Community Services District, a community services district and a political subdivision of the State of California, formed and acting pursuant to Government Code Section 61000 et seq., (the "District"), and \_\_\_\_\_, a \_\_\_\_\_ corporation, ("Developer"). District and Developer are hereinafter sometimes referred to collectively herein as the "Parties."

**RECITALS:**

A. Developer owns certain real property (the "Property") either within the District or proposed to be annexed to the District which it intends to develop as a \_\_\_\_\_ (residential/commercial) community to be known as \_\_\_\_\_ (the "Project"). A map depicting the location of the Property is attached hereto as Exhibit "A" and is incorporated herein by this reference.

B. The Property is located within the County of Tuolumne (the "County").

C. District is the public agency responsible for the development, operation, maintenance, repair, and improvement of water supply, water treatment, water conveyance, sewer collection, sewer treatment, recycled water, fire suppression services, park and recreation facilities and services, and community buildings located within its jurisdictional boundaries. District's Facilities Development Policies located at Section 600 of the District's Operational Policies requires Developer to plan, design, fund, construct, and warrant all water supply, distribution and treatment facilities (the "Water System Improvements"), all sewer collection and treatment facilities (the "Sewer System Improvements"), all recycled water system improvements ("Recycled Water System Improvements"), all fire suppression facilities and services (the "Fire Suppression Facilities and Services"), all park and recreation improvements and facilities (the "Park and Recreation Improvements and Services"), and community buildings (the "Community Building Facilities") to serve the residents of the Project. County has designated District as the public agency responsible for providing water, sewer, fire suppression, park and recreational facilities and services, and community buildings to the Project and its residents. It is therefore necessary that District and Developer agree on the nature, location, size, amenities, plans and specifications for the Water System Improvements, Sewer System Improvements, Recycled Water System Improvements, Fire Suppression Facilities and Services, Park and Recreation Improvements and Services, and Community Building Facilities to be constructed within the Project dedicated to District. Upon acceptance of all such improvement projects and dedication to District, District shall be responsible for all operation and maintenance of such Water System Improvements, Sewer System Improvements, Recycled Water System Improvements, Fire Suppression Facilities and Services, Park and Recreation Improvements and Services, Community Building Facilities (hereinafter the "Improvements") within the Project.

D. District has adopted by Ordinance its Facilities Development Policies which require Developer to enter into this Advance Funding Agreement and a Development Agreement with the District specifying the obligations of the Developer and the needs of the District with respect to planning, constructing, operating and maintaining the Improvements to serve the residents of the Project. Said Facilities Development Policies also enact a fee program by which fees are charged to each Developer to cover the administrative, engineering, legal, environmental and consulting costs incurred by District in the planning, design, financing and construction of the Improvements to serve the Project (the "Fee Program").

E. In order to comply with the Fee Program, Developer hereby agrees to advance funds to District to reimburse the administrative, engineering, legal, environmental and other consulting costs incurred by the District for those services and in those amounts as specified in the Scope of Work attached hereto as Exhibit "B."

F. In consideration of Developer's advance funding of such administrative, engineering, legal, environmental and other consulting costs incurred by District, District agrees to undertake and complete the work described in the Scope of Work.

G. District has established the Project Development Trust Fund (hereinafter the "Fund") for the purpose of accepting advances of funds by Developer to District to be used by District to pay those costs and expenses incurred by District in performing the activities described in the Scope of Work.

## **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the Parties agree as follows:

1. Recitals. Each of the above recitals is incorporated herein and is true and correct.
2. Scope of Work. The Parties agree that the Scope of Work attached hereto contains the summary of the primary tasks to be performed by District and its staff in reviewing, revising, modifying, approving, inspecting, and accepting the Improvements to be constructed by Developer to serve the Project; estimating the costs of planning, designing and constructing such Improvements and providing such services; and developing a financing plan to provide for the design, planning, construction, operation and maintenance of the Improvements constructed within the Project to serve its residents.

District will retain, at Developer's expense, the necessary consultants to perform the tasks outlined in the Scope of Work, including, but not limited to engineers, special tax consultants, attorneys, architects, environmental consultants and any other consultants deemed necessary by District.

3. Advance Funding. In order to begin performing the tasks outlined in the Scope of Work, Developer will advance to District the sum of \_\_\_\_\_ (\$\_\_\_\_\_) within fifteen (15) days after full execution of this Agreement. From time to time, Developer shall make additional advances to the District within fifteen (15) days following receipt from District of a written notice which will request an additional advance to cover the costs of District to perform the tasks outlined in the Scope of Work. Developer shall make such subsequent advances as requested by

District up to a total of \$\_\_\_\_\_. If Developer does not deliver the requested funding amount to District within such fifteen (15) day period, District will have no obligation to proceed with the tasks outlined in the Scope of Work unless or until such additional advances are received. Should Developer decide to abandon the Project, Developer shall be responsible to pay all costs and expenses incurred by the District or any District consultant or advisor relating to the tasks outlined in the Scope of Work until work with respect to the tasks outlined in the Scope of Work ceases following the receipt of Developer's notice of abandonment. In the event of Developer's decision to abandon the Project or otherwise refuse to deliver the requested additional funding amount to District as requested by District within the applicable 15-day period, Developer hereby consents to, and hereby waives, any protest it may have to the following remedies to be exercised by District: (1) recording in the office of the County Recorder a Certificate declaring the amount of the charges and penalties unpaid and due from Developer, which, from the time of recordation, shall constitute a lien against all real property of Developer owned in Tuolumne County; and (2) to the preparation and filing of a report with the County Auditor of Tuolumne County requesting that the amount of charges and penalties unpaid by Developer be collected on the Property Tax Roll by the Tuolumne County Tax Collector in the same manner as property taxes, all as provided in Government Code Section 61115(b) and (c).

The District will provide written notice to Developer when the balance of remaining advances is reduced to Five Thousand Dollars (\$5,000.00). District will provide to Developer upon request the summary of how the advances have been spent and the unexpended balance remaining.

The District shall give Developer thirty (30) days written notice in the event that the funds required to pay the costs and expenses of District exceed the total amount set forth above. Prior to such notice District shall be available to meet with the Developer to discuss the need for additional advances, including amounts, timing, and tasks to be completed. At such time the District shall provide the Developer with an estimate of additional costs and expenses to be incurred by the District to complete the tasks outlined in the Scope of Work. The Developer shall, within fifteen (15) days following receipt from District of such estimate, advance additional funds to pay such estimate costs and expenditures of the District. If the District does not receive additional advances for such costs and expenditures within such 15-day period, the District shall cease all work and effort related to the tasks outlined in the Scope of Work until such time as the Developer has advanced additional funds to pay such estimated costs and expenditures.

4. Deposit and Expenditure. District shall immediately deposit all advances from Developer into the Fund upon receipt from Developer. As District incurs the direct and indirect costs and expenses associated with the tasks specified in the Scope of Work, District shall disburse from the Fund the sums required to pay said costs and expenses. The General Manager of District shall have sole discretion as to the disbursement of said Funds, limited only by the provisions of this Agreement.

5. Reimbursement. If, for any reason, the Developer abandons the Project, and Developer delivers notice thereof to District pursuant to Paragraph 6 hereof, and in the manner described in Paragraph 7 hereof, District shall promptly return to Developer any funds advanced by Developer for those particular tasks outlined in the Scope of Work which will not be implemented to the extent such funds have not been expended or committed under contract for any authorized purpose by the time such tasks are either not implemented or abandoned.

6. Indemnification. Developer shall assume the defense of, and indemnify and save harmless, the District, its officers, employees and agents, and each and every one of them, from and against all actions, liability, damages, claims, losses, or expenses of every type and description to which they may be subjected or put to by reason of or resulting from: (1) performance of, or failure to perform, the work or any other obligations of this Agreement by Developer, any subcontractor or Developer's agents or employees; (2) any negligent act or omission of Developer, any subcontractor, Developer's agents or employees, in connection with any acts performed or required to be performed pursuant to this Agreement; (3) any dangerous or defective condition arising or resulting from any of the actions or omissions of Developer, Developer's agents or employees carrying out the provisions of this Agreement. This indemnification is effective and shall apply whether or not any such action is alleged to have been caused in part by the District as the party indemnified hereunder. This indemnification shall not include any claim arising from the sole negligence or willful misconduct of the District or its employees.

Developer further agrees to indemnify, defend and hold harmless the District, its officials, officers, employees, agents and consultants from any and all administrative, legal or equitable actions or other proceedings instituted by any person not a party to this Agreement challenging the validity of this Agreement, or otherwise arising out of or stemming from this Agreement, its approval, and/or the process relating thereto, including, but not limited to, any legal proceeding alleging that the District has failed to comply with the California Environmental Quality Act ("CEQA") with respect to this Agreement or the Project.

7. Notices. Any notice to be provided pursuant to this Agreement shall be delivered to the following addresses:

Developer: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_

District: Groveland Community Services District  
18966 Ferretti Road  
Groveland, CA 95321-0350  
Attention: General Manager  
Telephone: (209) 962-7161  
Facsimile: (209) 962-4943

Each party may change its address for delivery of notice by delivering written notice of such change of address to the other party.

8. Assignment. Developer may not assign its interest in this Agreement without the prior written consent of the District, which consent shall not be unreasonably withheld.

9. Severability. Each provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the legality or validity of the remainder of the Agreement.

10. Entire Agreement. This Agreement (including all Exhibits attached hereto) is the final expression of, and contains the entire agreement between, the parties with respect to the subject matter hereof and supersedes all prior understandings, written or oral, with respect thereto. This Agreement may not be modified, changed, supplemented, superseded, canceled or terminated, nor may any obligations hereunder be waived, except by written instrument signed by both Parties hereto.

11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

12. Attorneys' Fees. In the event any action is initiated by either party seeking to enforce any of the terms of this Agreement, the prevailing party in such action shall be entitled to an award of its reasonable attorneys' fees and costs from the other party hereto. The prevailing party will be entitled to an award of attorneys' fees in an amount sufficient to compensate the prevailing party for all attorneys' fees incurred in good faith.

13. No Third Party Beneficiaries. No person or entity shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement, either express or implied, is intended to confer upon any person or entity, other than the District and Developer, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

14. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

15. Term. This Agreement shall remain in full force and effect for a period of \_\_\_\_\_ (\_\_) years from the date of full execution hereof, provided that the Agreement is subject to early termination by Developer, should Developer elect to abandon the Project pursuant to notice to the District as described in said Paragraph 3.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written.

**DISTRICT:**

GROVELAND COMMUNITY SERVICES DISTRICT, a political subdivision of the State of California

By:

\_\_\_\_\_

Chairperson

By:

\_\_\_\_\_

General Manager

**DEVELOPER:**

a \_\_\_\_\_ corporation

By:

\_\_\_\_\_

Name:

\_\_\_\_\_

Title:

\_\_\_\_\_



**EXHIBIT “A”**

**MAP DEPICTING THE PROPERTY**

**[To be attached]**

**EXHIBIT “B”**

**SCOPE OF WORK**

**Description of Services**

**Estimated Costs**

For all District activities involved in Step 1 of the District’s Facilities Development Policies outlined in Section 603.2 of said Policies including, but not limited to the following: Review Developer’s Preliminary Application; negotiate, prepare and approve this Advance Funding Agreement; determine the Scope of Work to be provided by District personnel and consultants in reviewing the Developer’s Preliminary Application; estimate the amount of administrative, legal, engineering, environmental and other consultant costs to be incurred by District in reviewing the application; produce applicable maps, models, and reports to assist Developer in preparing a Sub-Area Master Plan (SAMP) and environmental documentation required by the California Environmental Quality Act (“CEQA Documentation”); assemble and provide to Developer information regarding District Water System improvement capacities, Sewer System improvement capacities, Fire Suppression capacities, nature and extent of Park and Recreational services and facilities, and other latent powers which may be exercised by the District from time to time; assemble and provide information to Developer regarding future planning activities contemplated by the District with respect to its Water System Improvements, Sewer System Improvements, Recycled Water System Improvements, Fire Suppression Facilities and Services, and Park and Recreational Improvements and Services; review, analyze and report on the implications of annexation of all or a part of the Project into the jurisdictional boundaries of the District if required by the parameters of the Project as proposed by Developer.

\$ \_\_\_\_\_

All of those activities described in Step 2 of the Development Process as outlined in the District’s Facility Development Policies Section 603.3: Assist Developer in preparation, revision, and finalization of the Sub-Area Master Plan (SAMP) and appropriate environmental documentation pursuant to CEQA for the proposed Project; provide for review and approval of the SAMP by the District Board of Directors; interface with County with respect to the details of the SAMP; prepare for and perform all functions required of a Lead Agency under CEQA regarding approval of the SAMP; work with the designated Environmental Consultants regarding appropriate and comprehensive CEQA Documentation for the SAMP; meet with and coordinate with County officials regarding CEQA Documentation and approval of SAMP; review and analyze the Developer Information

Form and perform due diligence regarding information provided by Developer in Developer Information Form; review Developer's Request of District Services to Subdivision; establish and monitor a Trust Fund for deposit of funds by Developer pursuant to this Agreement; review, analyze, comment upon and revise as necessary CEQA Documentation prepared by Developer and the Environmental Consultant for the SAMP; review and analysis of the SAMP regarding present system capacities, future system capacities with planned build-out of the Project, impact of the Project on present and future capacities, discussion of alternative infrastructure improvement methods for the Project; evaluation of alternatives presented in the SAMP for capital and analyze long-term operations and maintenance costs as well as impacts on fire and rescue services and park and recreational services provided by District; review and analysis of detailed financial impact analysis as part of the SAMP including long-term financial impacts on existing District customers for providing water, wastewater, fire suppression and park and recreational services to the Project; a discussion of the short-term and long-term financial impacts on existing customers stemming from the Project; review, analysis and revision of the proposed mitigation efforts to minimize the impacts of the Project on the District's existing customer base; review, revision and negotiation regarding elements of the SAMP between Developer and the District's Board of Directors; review, analysis, comments upon and suggested revisions to CEQA Documentation regarding the SAMP and the Project in general; meet and confer with the Environmental Consultant when selected by Developer, and/or meet and confer with the Environmental Consultant by Developer and the Environmental Consultant selected by District for peer review purposes regarding the CEQA Documentation for the Project and the SAMP; pursuant to District Facilities Development Policies Section 603.3.2 I.1.

\$ \_\_\_\_\_

Perform all activities listed in Step 3 of the District's Facilities Development Policies, including, but not limited to, all of those activities described in Section 603.4 of said Policies as follows: Negotiate, prepare, present to Board of Directors for approval and execution of a Development Agreement between Developer and District for the Project; if all or any part of the Project is required to be annexed into the District, negotiation, preparation, Board review and approval of an Annexation Agreement between Developer and District; review, revision, and negotiation of Developer's Project, Design by District Staff and Consultants in order to insure compliance with District's Development Improvement Standards; all construction administration and inspection required for construction of the Improvements to comply with District standards; review, revision and approval of all security facilities required of Developer for construction of the Improvements whether performance bonds, payment bonds, irrevocable letters of credit, cash deposits, or otherwise; review and inspection of the construction of the Improvements upon completion in order to recommend final Project

\$ \_\_\_\_\_

approval; revision and due diligence of any warranty security provided by Developer pursuant to the District's Facilities Development Policies Section 603.4.2 E and Section 603.5.

Compliance with all the terms and conditions of Step 4 of the District's Facilities Development Policies set forth in Section 603.5 of said Policies as follows: Analyze and inspect the Improvements for the two-year warranty period to ensure that all warranty obligations of Developer are satisfied; review, renew and update as possible any performance warranty bonds or irrevocable letters of credit offered by Developer to satisfy its warranty obligation; if necessary for the Project, comply with all the requirements of the annexation process including conducting public hearings and board meetings regarding annexation; negotiations with and meetings with Developer and the Local Agency Formation Commission (LAFCO) regarding terms and conditions of the annexation; reviewing any and all LAFCO documentation and attending all LAFCO hearings regarding annexation; reviewing and revising any terms or conditions of annexation assigned by LAFCO to any proposed annexation; analysis of all easements and rights of way for the maintenance, repair and replacement of all Improvements constructed by Developer pursuant to this Agreement; take all steps necessary to form a Community Facilities District pursuant to the Mello-Roos Community Facilities District Act (Gov. Code § 53311) for the purpose of levying a special tax upon owners of the property to finance the cost of continuing maintenance, repair and replacement of park and recreational improvements constructed to serve the Project, and/or to finance the cost of providing fire suppression services to the Project; in the alternative, take all steps necessary to form a Landscape and Lighting Improvement District pursuant to the Landscaping and Lighting Assessment District Act of 1972 (Streets & Highways Code § 22500 et seq.) for the purpose of levying a special assessment upon owners of property within the Project to finance the costs of continuing maintenance, repair and replacement of park and recreational improvements constructed within the Project and/or fire suppression facilities and services to serve the Project; process all requests for easements to be granted by the District on District property, including, but not limited to, review of all applicable Preliminary Title Reports on the affected property, field inspection and investigation of proposed easement locations, negotiation of the terms and conditions of each easement in an Easement Agreement, negotiate, prepare, and record any and all necessary grants of easements or other rights of way upon District property necessary for the development of the Project.

\$ \_\_\_\_\_

Estimated administrative costs of District personnel, consultants, engineers, and attorneys in providing the services specified in the Scope of Work:

**TOTAL** \$ \_\_\_\_\_



## Appendix 600-G SERVICE AVAILABILITY LETTER TEMPLATE

Community Development Department

Attn:

2 So. Green St.  
Sonora, CA 95370

Subject: General Plan Amendment, Rezone, Site Development Permit, Conditional Use Permit, Tentative Subdivision Map, Parcel Map, Development Agreement, Pre-Application Checklist / APN

Dear \_\_\_\_\_:

The parcel/project referenced above is within the Groveland Community Services District service area (or sphere of influence). There are (no) water/sewer mains(s) adjacent to the parcel. (The nearest water/sewer main(s) are located \_\_\_\_\_ feet to the \_\_\_\_\_ (in the \_\_\_\_\_ Road/right-of-way).

The sewer interceptor in \_\_\_\_\_ Road is pressurized and therefore not available for sewer service to vacant parcels.

Water and sewer service to the project would be dependant on the District's ability to provide service from its existing infrastructure, and would require written agreement and approval by the District Engineer, which would be (subject /subsequent) to the County's prior completion and certification of any required CEQA documentation.

or

Water (or wastewater) service to (the proposed/a maximum build-out of) \_\_\_\_\_ dwelling units resulting from the proposed (project/GPA and rezone) would require an increase of water (or wastewater) treatment capacity in the District's \_\_\_\_\_ water (or sewer) system. Necessary improvements to the \_\_\_\_\_ water (or sewage) treatment plant are currently being reviewed by the District. Subject to completion of these improvements, water and sewer service would also require written agreement and approval by the Groveland Community Services District's Board of Directors, subject to the County's completion and certification of any required CEQA documentation.

An agreement between the District and the developer would specify the terms and conditions for service, including the developer's construction and transfer of public pipeline facilities to abut (each of the proposed) parcel(s), payment of administration, engineering and inspection fees, and payment of connection fees (including water supply, treatment and storage capacity charges).

or

The developer would be required to pay capacity charges to mitigate impacts to the District's water supply, treatment and storage facilities and wastewater collection, treatment and disposal systems.

or

Improvements to the District's water storage and off-site distribution systems may be required.

or

The developer would be required to construct improvements to the District's water treatment, storage and off-site distribution systems and/or pay capacity charges to mitigate impacts to the District's facilities.

or

The developer may be required to construct water storage facilities.

or

The developer may be required to upgrade an existing public sewer lift station and associated collection systems.

or

This project would impact the Groveland Community Services District's wastewater disposal systems. A preliminary review of the project, consisting of a \_\_\_-lot subdivision, suggests that approximately \_\_\_ acres of land would be needed within the District to dispose of recycled water in order to accommodate the project's wastewater flows. Sewer service to this project would be subject to the acquisition of land for this purpose. The developer would also be required to pay capacity charges to mitigate impacts to the District's recycled wastewater storage capacity.

The water main in \_\_\_\_\_ is 4 inches in diameter and therefore is not suitable for providing flows exceeding 400 gallons per minute.

or

The water main in \_\_\_\_\_ Road is \_\_\_\_\_ inches in diameter. For this reason, the District would not approve of the use of this main for any required fire flows greater than \_\_\_\_\_ gallons per minute. The next nearest pipeline facilities are located at \_\_\_\_\_ Road approximately \_\_\_\_\_ feet to the northwest of the parcel. This may possibly be adequately sized for fire flows greater than \_\_\_\_\_ gpm. District staff can analyze the distribution system at the applicant's expense once the required fire flows for this project have been indicated.

or

Due to the topography of the land as shown on the map, it appears that water pressure to the upper parcels would be less than adequate, and that (publicly-owned/individual) booster pumps may be necessary.

or

This area is served by a hydro-pneumatic system and therefore depends on pumps for domestic and fire flow demands. Improvements to a booster pump located in \_\_\_\_\_ Road may also be necessary.

or

The proposed project is higher in elevation and therefore may require an upgrade to the hydro-pneumatic system or additional facilities to provide supplementary pressure to the proposed parcels for domestic use and fire flow. The existing water storage tank has a capacity of \_\_\_\_\_ gallons.

Due to the topography of the land as shown on the map, it would appear that the sewage would need to be pumped from the proposed parcels to \_\_\_\_\_ Road. The District discourages sewer pump systems and requires a gravity-flow system whenever possible. In this case a sewer main from this project towards \_\_\_\_\_ Street may be the most suitable route.

or

In this case, it is possible that the District may approve a variance to the requirement of the developer's construction of public pipeline facilities as described above, and allow water/sewer service through private laterals instead.

The District requires all-weather, drivable access to proposed water and sewer mains.

The District requests that an easement be created by the proposed parcel map along the \_\_\_\_\_ boundary that will allow for continued maintenance and possible future improvements of the easement. The preferred width of the easement would be 10 feet on either side of the centerline.

or  
Public utility easements should be created along the property lines of the proposed parcels  
or  
The District may require that a **water/sewer** easement be granted through the property to allow for a future extension of pipeline facilities

Because of uncertainties as to the progress of other developments, and as to limitations on District facilities which would be used to provide service to these projects if they proceed, the conditions for service availability to this project must be reviewed again by the District at the end of \_ years from this date.

The District's (determination of its ability to provide service would also require that it)/(does not) have enough information to determine whether adequate fire flows could be made available for this project.

The CEQA documentation should address the construction of **water, sewer, parks and fire** facilities that would be transferred to the District, and the required payment of capacity charges. Please forward copies of any environmental documents for this project.

The County Conditions of Approval of the final map for this project should require the developer to provide a letter from the Groveland Community Services District stating that the **water/sewer (fire or parks)** facilities have been completed and accepted.

If you have any questions, please feel free to call.

Sincerely,

Randy Klaahsen  
District Engineer

## Appendix 600-H GUIDELINES FOR PREPARING SUB-AREA MASTER PLAN

### I. PURPOSE

The purpose of this guideline is to identify specific information to be included in developer Sub-Area Master Plans (SAMPs). This guideline will help develop uniformity and consistency in development projects and will be used to help the Groveland Community Services District (District) assess whether it is or will become deficient in water and/or sewer transmission, storage, pumping or treatment capacity, as well as to assess deficiencies in park, fire, or community building facilities or services. SAMPs are typically required on tract map subdivisions, complex industrial/commercial developments, and other unique high water demands developments. SAMPs will also evaluate the capital costs of alternatives, as well as the long-term cost of the operations and maintenance of these alternatives.

The SAMP for a development shall be completed and approved prior to the developer beginning any environmental documentation, as required by the California Environmental Quality Act (CEQA).

The Engineer of Work retained by the developer of a proposed project shall use the format and information presented in this section as a basis for SAMP development.

If the Engineer of Work desires to deviate from the criteria presented in this section, then only the District Engineer or General Manager can approve the change.

### II. GENERAL

The user of these documents shall be responsible for making reference to and/or utilizing industry standards not otherwise directly referenced within this document. The Engineer of Work may not deviate from the criteria presented in this section without prior written approval of the Agency Engineer.

- A. The District shall approve the Engineer of Work to perform the Sub-Area Master Plan.
- B. The District shall determine the necessity for a SAMP for water, sewer, recycled water, parks and recreation, fire, and community buildings.
- C. Units of measurement to be used in developing the SAMP shall be determined by the District Engineer prior to initiating work on the SAMP.

### III. SAMP FORMAT

The following outlines the information required in the chapters and appendices for a SAMP and the format of the information (description, table, figure, appendix).

#### A. Executive Summary

The Executive Summary shall provide a summary of alternatives for the District to provide water, wastewater, recycled water, parks and recreation, fire, and community buildings. In addition to summarizing the technical issues of each alternative, the developer shall also provide a summary of the capital and long-term operations and maintenance costs for each alternative, as well as how the developer intends to have these costs paid for so that existing District customers are not subsidizing the new development.

#### B. Section 1: Introduction

The Introduction provides an overview of the proposed development project, including parcel descriptions, maps, development intentions, and the services that the developer wants the District to furnish to the proposed development. The following is an outline of subchapter headings that should be included in this section.

##### Introduction-description

- a. Project Overview-description
- b. Vicinity Map-figure
- c. Development Information
  1. Total gross acreage of development-description
  2. Dwelling unit density description and table
  3. Land use description (i.e., Single family)-table
  4. Unit/areas grouped by pressure zone-table
  5. Gross acres for each unit/area (Note that sum of gross acres for each unit/area must total gross acreage of development and include a category that covers street/road right of way)-table
  6. Total dwelling units and EDUs for each unit/area-table
  7. Figure of development showing all unit/areas geographically-figure
  8. Pressure Zones
  9. Water-description
  10. Recycled water-description
- d. Drainage Basin (Sewer)
  1. Watershed topography for gravity sewer-description
- e. Parks, Recreation and Open Space
  1. Parks-description and figure
  2. Open Space-description and figure
  3. Recreation facilities-description
- f. Fire Services
  1. Access considerations-description
  2. Fire facilities and special equipment-description

- g. Community Buildings
  - 1. Community Buildings-description

C. Section 2: Planning Criteria

In this section, the developer will describe the planning criteria used to evaluate needs and capacities for the various services desired from the District. These criteria will be used to conduct the facilities alternative analyses in the SAMP.

- a. Planning Criteria-Reference source of data (e.g., District Master Plan)-description
- b. Water Planning Criteria
  - 1. Residential dwelling unit density and unit water demand factors used for development-description, table
  - 2. Non-residential water demand factors used for development-description, table
  - 3. Peaking factors used for development-put peaking factor graph(s) in SAMP-figure(s)
  - 4. Fire flow rate and duration required from governing fire department-description, fire marshal letter
  - 5. Static and dynamic pressure criteria-description and table
  - 6. Velocity criteria-description, table
  - 7. Pump station criteria, including off- and semi-peak pumping requirements-description
  - 8. Operational storage reservoir criteria-description
- c. Sewer Planning Criteria
  - 1. Residential and non-residential sewer flow factors-description, table
  - 2. Peaking factors used for development-description, peaking factor graph(s) in SAMP-figure(s)
  - 3. Depth to diameter ratios-description
  - 4. Slope and velocity criteria-description
  - 5. Sewer lift station criteria-description
  - 6. Wetwell volume-description
  - 7. Force main velocity criteria-description
- d. Recycled Water Planning Criteria
  - 1. Recycled water demand factors-description
  - 2. Peaking factors-description
  - 3. Static and dynamic pressure criteria-description
  - 4. Velocity criteria-description
  - 5. Pump station criteria, including off- and semi-peak pumping requirements-description
  - 6. Operational storage reservoir criteria-description
- e. Fire Service Planning Criteria
  - 1. Fire Apparatus-description
  - 2. Response Times-description
- f. Parks and Recreation Planning Criteria
  - 1. Park use-description
  - 2. Recreation programs-description

- g. Community Buildings Planning Criteria
  - 1. Community Building venues-description
  
- D. Section 3: Projected Water, Sewer, and Recycled Water Demand and Flow
 

In this section, the developer will use the criteria developed in Section 2 will evaluate the demand and flow for water, sewer, and recycled water systems for the proposed development.

  - a. Water Demand-description and tables
  - b. Sewer Flow-description and table
  - c. Recycled Water Demand
    - 1. Permanent
      - o Potential recycled water use areas-description and figure
      - o Projected recycled water demand-description and table
    - 2. Temporary (grading, dust control, etc. if allowed by the District)-description
  
- E. Section 4: Existing Facilities
 

In this section, the developer will evaluate the use and capacities of existing District services and infrastructure. The District has Water, Wastewater, Parks and Fire Master Plans available for use in preparing this section.

  - a. Existing Water Facilities
    - 1. Treatment and Supply-description
    - 2. Transmission and distribution system and pressure zones-show existing pipelines as dashed and pressure zones different color-description and figure
    - 3. Storage reservoirs-description, table, and figure
    - 4. Pump stations-description and figure
  - b. Existing Sewer Facilities
    - 1. Treatment-description
    - 2. Collection system-show existing pipelines as dashed-description and figure
  - c. Sewer lift stations and force mains-description and figure
  - d. Existing Recycled Water Facilities
    - 1. Treatment and Supply-description
    - 2. Transmission and distribution system and pressure zones-show existing pipelines as dashed and pressure zones different color-description and figure
    - 3. Storage reservoirs-description, table, and figure
    - 4. Pump stations-description and figure
  - e. Existing Fire Service Facilities and Equipment
    - 1. Fire and Rescue response equipment-description and figure
    - 2. Fire Department facilities-description and figure
  - f. Existing Parks and Recreation Facilities
    - 1. Park Facilities-description and figure
    - 2. Recreational opportunities-description
  - g. Existing Community Buildings
    - 1. Community Buildings-description and figure
  
- F. Section 5: Alternative Water Facilities

In this section, the developer will develop and analyze alternative on- and off-site water infrastructure facilities for the proposed development. The District's current Water Master Plan may be used in these analyses. The alternatives will also be analyzed for their initial capital costs and their long-term (annualized) operations and maintenance costs. These alternatives will be used in subsequent environmental analyses conducted in compliance with CEQA requirements.

- a. Recommended On-site and Off-site Water System-description and figure
  - 1. Transmission and Distribution Systems-description and figure
  - 2. Pump Station Capacity Analysis-description
  - 3. Storage Capacity Analysis-description
  - 4. Capital Improvement Program Facilities-description and figure
- b. On- and Off-site Water System Analysis-description
  - 1. Computer Model-description
  - 2. Computer Modeling Summary-appendix
- c. For developments that water pump stations, storage, and water treatment facilities need to include:
  - 1. SCADA Monitoring and Control Systems
  - 2. Emergency Power
  - 3. Facility Security
- d. Alternative Project Cost Estimates
  - 1. Alternative Capital Improvements-description and table
  - 2. Associated Long-term (Annualized) Operations and Maintenance-description and table

G. Section 6: Alternative Sewer Facilities

In this section, the developer will develop and analyze alternative on- and off-site water infrastructure facilities for the proposed development. The District's current Wastewater Master Plan may be used in these analyses. The alternatives will also be analyzed for their initial capital costs and their long-term (annualized) operations and maintenance costs. These alternatives will be used in subsequent environmental analyses conducted in compliance with CEQA requirements.

- a. Alternative On- and Off-site Sewer System-description and figure
  - Distribution System-description and figure
  - Lift Station, Wet well, and Force Main Capacity Analysis-description
  - Treatment Capacity Analysis-description
  - Capital Improvement Program Facilities-description and figure
- b. On- and Off-site Sewer System Analysis-description
  - Computer Model-description
  - Computer Modeling Summary-appendix
- c. For developments that required sewer lift stations and wastewater treatment facilities need to include:
  - 1. SCADA Monitoring and Control Systems
  - 2. Groundwater Monitoring
  - 3. Solid Waste Management and Disposal
  - 4. Emergency Power

- 5. Facility Security
- d. Alternative Project Cost Estimates
  - 1. Alternative Capital Improvements-description and table
  - 2. Associated Long-term (Annualized) Operations and Maintenance-description and table

H. Section 7: Alternative Recycled Water Facilities

In this section, the developer will develop and analyze alternative on- and off-site recycled water infrastructure facilities for the proposed development. The District’s current Recycled Water Disposal Plan may be used in these analyses. The alternatives will also be analyzed for their initial capital costs and their long-term (annualized) operations and maintenance costs. These alternatives will be used in subsequent environmental analyses conducted in compliance with CEQA requirements.

- a. Alternative On- and Off-site Recycled Water System-description and figure
  - 1. Transmission and Distribution Systems-description and figure
  - 2. Pump Station Capacity Analysis-description
  - 3. Storage Capacity Analysis-description
  - 4. Capital Improvement Program Facilities-description and figure
- b. On- and Off-site Recycled Water System Analysis-description
  - 1. Computer Model-description
  - 2. Computer Modeling Summary-appendix
- c. For developments that required recycled water handling (pump stations, disposal facilities, etc.) need to include:
  - 1. SCADA Monitoring and Control Systems
  - 2. Groundwater Monitoring
  - 3. Emergency Power
  - 4. Facility Security
- d. Alternative Project Cost Estimates
  - 1. Alternative Capital Improvements-description and table
  - 2. Associated Long-term (Annualized) Operations and Maintenance-description and table

I. Section 8: Alternative Fire & Rescue Services, Equipment, and Facilities

In this section, the developer will develop and analyze alternative on- and off-site fire service and facilities for the proposed development. The District’s current Fire Master Plan may be used in these analyses. The alternatives will also be analyzed for their initial capital costs and their long-term (annualized) operations and maintenance costs. These alternatives will be used in subsequent environmental analyses conducted in compliance with CEQA requirements.

- a. On-and Off-Site Fire Service, Equipment, and Facilities-description, figure and table
  - 1. Fire Storage-description and figure
  - 2. Fire Hydrants-description and figure
  - 3. Fire Station-description and figure
- b. Fire Service Analyses

1. Response Times-description, figure, and table
  2. Fire Flows-description and table
  - c. Alternative Project Cost Estimates
    1. Alternative Capital Improvements-description and table
    2. Associated Long-term (Annualized) Operations and Maintenance-description and table
- J. Section 9: Alternative Parks, Recreation Facilities, and Open Space
- In this section, the developer will develop and analyze alternative on- and off-site parks and recreation facilities and open space to be developed as part of the proposed project development. The District's current Parks Master Plan and Land Use Plan may be used in these analyses. The alternatives will also be analyzed for their initial capital costs and their long-term (annualized) operations and maintenance costs. These alternatives will be used in subsequent environmental analyses conducted in compliance with CEQA requirements.
- a. On-and Off-Site Parks and Recreation Facilities and Designated Open Space-description, figure and table
    1. Parks-description and figure
    2. Recreation Venues-description and figure
    3. Designated Open Space-description and figure
  - b. Alternative Project Cost Estimates
    1. Alternative Capital Improvements-description and table
    2. Associated Long-term (Annualized) Operations and Maintenance-description and table
- K. Section 10: Alternative Community Buildings
- In this section, the developer will develop and analyze alternative on- and off-site community buildings to be owned by the District to be constructed as part of the proposed development. The alternatives will also be analyzed for their initial capital costs and their long-term (annualized) operations and maintenance costs. These alternatives will be used in subsequent environmental analyses conducted in compliance with CEQA requirements.
- a. On-and Off-Site Community Buildings-description, figure and table
  - b. Alternative Project Cost Estimates
    1. Alternative Capital Improvements-description and table
    2. Associated Long-term (Annualized) Operations and Maintenance-description and table
- L. Section 11: Project Phasing
- In this section, the developer will describe the phasing of the project. As part of this discussion, the developer will discuss how the District will be protected if the developer should default on its Development Agreement with the District and leave the project partially completed.
- a. Phasing-Development Phase, Units, Year-description, table, and figure
  - b. Phasing-Water Pipelines by Phase-figure

- c. Phasing-Sewer Pipelines by Phase-figure
  - d. Phasing-Recycled Water Pipelines by Phase-figure
- M. Section 12: Cost and Financing (at District's option)  
 Using the financial analyses prepared in Sections 5 through 10, the developer will discuss how the project will be funded, as well as guarantees that the project will be completed or restored to its original site conditions.
- a. Cost and Financing-description
  - b. Capital Improvement Program-description
  - c. CIP Pipelines-Water, sewer, and recycled water CIPs shall have one table each with the following information:
    - 1. CIP number-table
    - 2. Project where pipeline will be constructed-table
    - 3. Project phase-table
    - 4. Street name-table
    - 5. Pipeline size-table
    - 6. Approximate pipeline length, LF-table
    - 7. Unit cost, \$/LF-table
    - 8. Cost of each CIP-table
    - 9. Total cost of all CIP pipelines-table
    - 10. Pressure zone-table
  - d. Development Pipelines-Water, sewer, and recycled water shall have one table each with the following information:
    - 1. Unit/area-table
    - 2. Estimated water meters-table
    - 3. Size of pipelines in unit/area-table
    - 4. Approximate pipeline length, LF-table
    - 5. Unit cost, \$/LF-table
    - 6. Cost of pipelines in each unit/area-table
    - 7. Total cost of pipelines-table
    - 8. Pressure zone-table
  - e. CIP for Fire, Parks and Community Buildings
  - f. Long-term Operations and Maintenance Costs for Water, Sewer, Recycled Water, Fire, Parks and Recreation, and Community Buildings
- N. Bibliography-Include all referenced material
- O. Appendices

#### **IV. SAMP REVIEW PROCESS**

- A. Water, Sewer, Fire, Parks and Recreation, and Community Buildings SAMPs
  - 1. A water, sewer, fire, parks and recreation, and community buildings SAMP for the proposed development shall be submitted to the District for review prior to improvement plan preparation as determined by the District.

2. Correction comments will be indicated on the SAMP and returned to the Engineer of Work. Depending on the complexity of the development, more than one submittal may be necessary.
3. The SAMP will be reviewed by the District, taking into account the following:
  - a. Existing pipeline locations, size and capacity
  - b. The proposed points of connection and system
  - c. The estimated water demands and/or sewer flow calculated
  - d. Fire flow requirements (flow rate, duration, hydrant spacing, etc)
  - e. District's Master Plans
  - f. District's planning criteria and standards
  - g. Water quality maintenance
  - h. Size of system and number of lots to be served
  - i. Fire Response Goals
  - j. Parks and Recreation Goals
  - k. Community Building needs
4. Typically, SAMP preparation should occur prior to preparing the required CEQA documentation. After CEQA requirements have been satisfied, the developer will file a tentative map with the county for the development. At this point, if the proposed development is to be annexed into the District, then the developer and District will enter into an Annexation Agreement. If the proposed development is within the District's service area, then the developer and District will enter into a Development Agreement based on the SAMP and county Conditions of Approval for the development.

## **V. REFERENCE**

- A. SHOULD THE READER HAVE ANY SUGGESTIONS OR QUESTIONS CONCERNING THE MATERIAL IN THIS GUIDELINE, PLEASE CONTACT THE DISTRICT ENGINEER.
- B. THE PUBLICATIONS LISTED BELOW FORM A PART OF THIS SECTION TO THE EXTENT REFERENCED AND ARE REFERRED TO IN THE TEXT BY THE BASIC DESIGNATION ONLY. REFERENCE SHALL BE MADE TO THE LATEST EDITION OF SAID PUBLICATIONS UNLESS OTHERWISE CALLED FOR. THE FOLLOWING LIST OF PUBLICATIONS, AS DIRECTLY REFERENCED WITHIN THE BODY OF THIS DOCUMENT, HAS BEEN PROVIDED FOR THE USER'S CONVENIENCE. IT IS THE RESPONSIBILITY OF THE USER OF THESE DOCUMENTS TO MAKE REFERENCE TO AND/OR UTILIZE INDUSTRY STANDARDS NOT OTHERWISE DIRECTLY REFERENCED WITHIN THIS DOCUMENT.

1. Water Master Plan
2. Wastewater Master Plan
3. Parks Master Plan
4. Fire Master Plan
5. District Land Use Plan
6. Section 600 of the District's Operational Policies and Procedures Manual
7. Template for Annexation Agreement
8. Template for Development Agreement

ARTICLE I GENERAL

**SECTION 1 PURPOSES**

These guidelines implement the California Environmental Quality Act of 1970 (CEQA) as amended and ensure that consideration is given to the environmental effects of projects that are subject to CEQA. These guidelines are provided for use by a developer who is complying with County (as lead agency under CEQA) environmental requirements. District responsibility in this process is to review the documentation submitted by the developer. This process will be completed with the approval of the Tuolumne County Board of Supervisors.

An EIR, or environmental impact report, is a detailed statement prepared under CEQA describing and analyzing the significant environmental effects of a project and discussing ways either to mitigate or avoid the effects. It is an information document which, when fully prepared in accordance with CEQA and these guidelines, will inform public decision makers and the general public of the significant environmental effects of projects proposed to be carried out or approved. The information in an EIR constitutes evidence that the District shall consider along with any other information that may be presented to the District. While CEQA requires that major consideration be given to preventing EIR damage, it is recognized that public agencies have obligations to balance other public objectives including economic and social factors in determining whether and how a project should be approved. Economic information may be included in an EIR or may be presented in whatever form the District desires. The District retains its existing authority to balance environmental objectives with economic objectives and to weigh the various long-term and short-term costs and benefits of a project in making the decision to approve or disapprove it.

**SECTION 2 GENERAL IMPLEMENTING PROCEDURES**

The regulations contained in Title 14, Division 6, Chapter 3 of the California Administrative Code are incorporated by reference as if set out in full and shall be applicable, except as modified herein, to these procedures. (14 Code of Cal. Regs. Section 5022).

**SECTION 3 DEFINITIONS**

- A. “District” means the Groveland Community Services District.
- B. “Board” means the District’s Board of Directors.
- C. “District staff” means the District’s General Manager or other delegated District employee.
- D. “Lead Agency” means the public agency that has the principal responsibility for carrying out or approving a project, which in this case is Tuolumne County, with input from the District.

- E. “Responsible Agency” means the public agency that proposes to carry out or approve a project, for which the Lead Agency is preparing or has prepared an EIR.
- F. “Trustee Agency” means the state agency with legal jurisdiction over natural resources held in trust for the people of the state, and which are affected by a project.
- G. “Substantial evidence” means facts, fact-related reasonable assumptions and expert opinion.
- H. “Cumulative Impact” means two or more environmental effects which, when considered together, are considerable or which compound or increase other environmental impacts.

Other definitions as found in 14 Code of Ca. Regs. Section 15350, *et seq.*

## ARTICLE II            APPLICABILITY

### **SECTION 4    SCOPE OF APPLICABILITY**

These Guidelines apply to all discretionary projects that are carried out, approved or financed by the District.

### **SECTION 5    STATUTORY EXEMPTIONS**

The following activities are exempt from the requirements of CEQA and these Guidelines and consequently no environmental documents are required therefore.

- A. Ministerial Projects. Generally speaking, a ministerial project is one requiring approval by the District as a matter of law or the use of fixed standards or objective measurements without personal judgment. Examples of such projects include but are not limited to individual utility service connections and disconnections, agreements to install in-tract utility facilities to subdivisions, development of which has been approved by other appropriate governmental agencies, utility service connections and disconnection’s to potential customers within such subdivision and the District’s issuance of facility encroachment permits. (14 Code of Cal. Regs. Section 15369).

The decision as to whether or not a proposed project is ministerial in nature, and thus outside the scope of this enactment, shall be made by the District Board on a case-by-case basis or as part of these Guidelines as set forth hereafter.

- B. Emergency Projects. The following emergency projects: (14 Code of Cal. Regs. Section 15269).
  1. Projects to maintain, repair, restore, demolish, or replace property or facilities damaged or destroyed as a result of a disaster in a disaster stricken area in which a state of emergency

has been proclaimed by the Governor pursuant to the California Emergency Services Act, commencing with Section 8550 of the Government Code.

2. Emergency repairs to public service facilities necessary to maintain service.
  3. Specific actions necessary to prevent or mitigate an emergency.
- C. Feasibility and Planning Studies. A project involving only feasibility or planning studies for possible future actions that the District has not approved, adopted or funded, does not require the preparation of environmental documentation, but does require consideration of environmental factors. (14 Code Cal. Regs. Section 15252).
- D. Pipelines in Public Right of Ways. A project of less than one mile in length within a public street or highway or any other public right of way for the installation of a new pipeline or the maintenance, repair, restoration, reconditioning, replacement, removal, or demolition of an existing pipeline. A pipeline includes subsurface facilities but does not include any surface facility related to the operation of the underground facility. (Public Resources Code, Division 13, Paragraph 21080.21).

## **SECTION 6 CATEGORICAL EXEMPTIONS**

The Secretary of Resources, State of California has found that specific classes of projects do not have a significant effect on the environment and they are declared to be categorically exempt from the requirement for the preparation of environmental documents. A list of these exemption classes commonly found in District operations, along with the specific activities that the District has found to be within these categorical exemptions follows. The categorical exemptions listed herein are not intended to be, and are not to be construed to be a limitation of the exemption classes set forth in 14 Code Cal. Regs. Section 15300, *et seq.*

- A. Class I: Existing Facilities. Operation, repair, maintenance or minor alteration of all existing District facilities, structures, equipment or other property of every kind which activity involves negligible or no expansion or use beyond that previously existing, including, but not limited to:
1. treated water conveyance facilities and appurtenant structures;
  2. water connection facilities, including meter boxes;
  3. fire hydrants;
  4. storage reservoirs;
  5. pump stations;
  6. treatment plants;
  7. recreational facilities;
  8. buildings; and,
  9. dams.
- B. Class II: Replacement or Reconstruction. Replacement or reconstruction of any existing District facilities, structures or other property where the new facility or structure will be located

on the same site and have substantially the same purpose and capacity as the replaced or reconstructed facility or structure, including but not limited to:

1. treated water conveyance facilities and appurtenant structures;
2. water connection facilities, including meter boxes;
3. fire hydrants;
4. storage reservoirs;
5. pump stations;
6. buildings;
7. treatment plants;
8. recreational facilities, and
9. dams and appurtenant structures.

For the purpose of determining the extent of this class exemption for buried pipelines under the water conveyance facility category, the following shall apply. A replacement of a buried pipeline will be considered as categorically exempt under Class II if the replacement is within 30 feet of the existing pipeline, the nominal inside diameter of the replacement pipe is no larger than the existing pipeline or 8-inch, whichever is greater, and no substantial clearing of mature trees or bushes is necessary.

C. Class III. New Construction or Conversion of Small Structures. Construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. Examples of this exemption include but are not limited to:

1. Raw water conveyance facility appurtenances, including control and measuring structures.
2. Treated water conveyance facility appurtenances, including meter boxes, fire hydrants, blow offs and air release valves.
3. Water conveyance facility appurtenances, including water meters, booster pumps, gate, ball and check valves made in the interior of the structure. Examples of this exemption include but are not limited to valves, blow-offs, valve boxes, etc.

D. Class IV: Minor Alterations to Land. Minor alterations in the condition of land, water, and/or vegetation, which do not involve removal of mature, scenic trees, including but not limited to:

1. small water diversion facilities;
2. grading on land with a slope of less than ten percent (10%), except that grading shall not be exempt in a waterway, in any wetland, in an officially designated (by federal, state or local governmental action) scenic area, or in officially mapped areas of severe geologic hazard;
3. new gardening or landscaping but not including tree removal;
4. filling of earth into previously excavated land with material compatible with the natural features of the site;

5. minor alterations in land, water and vegetation on existing officially designated wildlife management areas or fish production facilities that result in improvement of habitat for fish and wildlife resources or greater fish production;
  6. minor temporary uses of land having negligible or no permanent effects on the environment;
  7. maintenance dredging where the spoil is deposited in a spoil area authorized by all applicable state and federal agencies.
- E. Class V: Information Collection. Basic data collection, research, experimental management and resource evaluation activities, which do not result in a serious or major disturbance to an environmental resource. These activities may be undertaken strictly for information-gathering purposes or as part of a study leading toward the undertaking of a project.
- F. Class VI: Inspection. Inspection activities, including but not limited to inquiries into the performance of an operation and examination of the quality, health or safety of a project.
- G. Class VII: Accessory Structures. The construction or placement of minor structures accessory to or appurtenant to existing commercial, industrial or institutional facilities, including small parking lots.
- H. Class VIII: Surplus Government Property Sales. Sales of surplus government property except for parcels of land located in an area of statewide interest or potential area of critical concern as identified in 14 Code Cal. Ergs. Section 15206. However, if the surplus property to be sold is located in any of those areas even its sale is exempt if:
1. the property does not have significant values for wildlife habitat or other environmental purposes; and,
  2. any of the following conditions exist:
    - a. the property is of such size or shape that it is incapable of independent development or use, or
    - b. the property to be sold would qualify for an exemption under any other class of categorical exemption in Section 6 of these Guidelines, or
    - c. the use of the property and adjacent property has not changed since the time of purchase by the District.
- I. Class IX: Annexations of Existing Facilities and Lots for Exempt Facilities. The following annexations:
- A. Annexations to the District of areas containing existing public or private structures developed to the density allowed by the current zoning or pre-zoning of either the gaining or losing governmental agency whichever is more restrictive, provided, however, that the extension of utility services to the existing facilities would have a capacity to serve only the existing facilities.

- B. Annexations of individual small parcels of the minimum size for facilities exempted by Class III, New Construction or Conversion of Small Structures.
  
- J. Class X: Changes in Organization of the District. Changes in the organization or reorganization of the District where the changes do not modify the geographical area in which previously existing powers are exercised. Examples include but are not limited to:
  - 1. establishment of an improvement district;
  - 2. consolidation of two or more districts having identical powers;
  - 3. merger with a district lying entirely within the boundaries of the District.
  
- K. Class XI: Small Hydroelectric Projects at Existing Facilities. Installation of hydroelectric generating facilities in connection with existing dams, canals, and pipelines where:
  - 1. the capacity of the generating facilities is 5 megawatts or less;
  - 2. operation of the generating facilities will not change the flow regime in the affected stream, canal, or pipeline including but not limited to:
    - a. rate and volume of flow;
    - b. temperature;
    - c. amounts of dissolved oxygen to a degree that could adversely affect aquatic life, and;
    - d. timing of releases.
  - 3. new power lines to connect the generating facilities to existing power lines will not exceed one mile in length if located on a new right-of-way and will not be located adjacent to a wild or scenic river;
  - 4. repair or reconstruction of the diversion structure will not raise the normal maximum surface elevation of the impoundment;
  - 5. there will be no significant upstream or downstream passage of fish affected by the project;
  - 6. the discharge from the powerhouse will not be located more than 300 feet from the toe of the diversion structure;
  - 7. the project will not cause violations of applicable state or federal water quality standards;
  - 8. the project will not entail any construction on or alteration of a site included in or eligible for inclusion in the National Register of Historic Places; and,
  - 9. construction will not occur in the vicinity of any rare or endangered species.

L. Class XII: Acquisition of Land for Wildlife Conservation. Acquisition of lands for fish and wildlife conservation purposes, including preservation of fish and wildlife habitat and preserving access to public lands and waters where the purpose of the acquisition is to preserve the land in its natural condition.

## ARTICLE III ENVIRONMENTAL REVIEW PROCEDURES

### SECTION 7 GENERAL

The requirements set forth in these Guidelines apply to projects which may have a significant effect on the environment and which involve discretionary governmental action. When the District knows for certain that the activity in question will not have a significant effect on the environment, the activity is not covered by the requirements set forth in CEQA. However, these Guidelines should be consulted to determine the procedures necessary to verify that conclusion. The procedures to be followed are summarized in the flow chart included as Exhibit A of these Guidelines.

## ARTICLE IV PRELIMINARY REVIEW AND INITIAL STUDY

### SECTION 8 PRELIMINARY REVIEW

At the outset, a proposed activity shall be examined by County staff for the purpose of determining whether it is either statutory or categorically exempt or involves another agency as the lead agency (14 Code Cal. Regs. Section 15050, *et seq.*). If it is determined that the project is exempt from CEQA, or the District is not the lead agency, County staff may complete a Preliminary Environmental Assessment. If the County staff determines that the project is exempt from CEQA and the County approves or determines to carry out the project, the County may file with the County Clerk of the county in which the project will be located, a Notice of Exemption on the form provided as Exhibit C.

### SECTION 9 INITIAL STUDY

If the project is determined not to be exempt and the County is the lead agency, County staff shall conduct an initial study to determine if there is substantial evidence “in light of the whole record” that the project may have a significant environmental effect. In making such a study, County staff shall prepare a written determination using the Environmental Checklist Form. Prior to determining if a Negative Declaration or Environmental Impact Report (EIR) is required for a project, County staff shall consult informally with all responsible agencies and all trustee agencies responsible for resources affected by the project. If the project is determined to be of statewide, regional, or area wide significance as defined in 14 Code Cal. Regs. Section 14206, County staff will consult with transportation planning agencies and other public agencies which have transportation facilities within their jurisdictions which could be affected by the project. Consultation will be conducted in the same manner as for responsible agencies and will be for the purpose of obtaining information concerning the project’s effect on major local arterials, public transit, freeways, highways, and rail transit service

within the jurisdiction of a transportation planning agency or a public agency. “Transportation Facilities” includes major local arterials and public transit within five (5) miles of the project site and freeways, highways, and rail transit service within ten (10) miles of the project site.

If there is substantial evidence “in light of the whole record” that the project may have a significant environmental effect, regardless of whether the overall effect of the project is adverse or beneficial, then an EIR must be prepared.

## **SECTION 10 THE EXISTENCE OF PUBLIC CONTROVERSY**

The mere existence of public controversy over the environmental effects of a project is no longer enough to require the preparation of an EIR. Substantive evidence is needed including facts, reasonable assumptions predicated upon facts and expert opinion supported by facts. If there is disagreement among expert opinion then the County will treat the effect as significant and prepare an EIR.

A mitigated Negative Declaration will be prepared instead of an EIR when the initial study has identified potentially significant environmental effects but, prior to public review of the proposed Negative Declaration, the initial study was revised, providing for the mitigation of the effects of the proposed project to less than significant levels, and when there is no substantial evidence “in light of the whole record” that the project, as revised, will have a significant environmental effect.

## **SECTION 11 DEVELOPMENT AND PUBLICATION CRITERIA**

The County is encouraged to develop and publish the thresholds that it uses to determine the significance of environmental effects caused by projects it reviews. By identifying criteria that it uses, the County can show some predictability in its determination process and an interested party can ascertain the standard of significance for a particular resource in the community. If thresholds are to be adopted as part of the County’s environmental review process then they must be adopted by ordinance, resolution, rule, or regulation after a public review period.

## **SECTION 12 CONSIDERATION OF CUMULATIVE EFFECTS**

The cumulative effects of a project will be considered in the decision of whether an EIR is needed. An EIR must be prepared if the cumulative impacts may be significant and the project’s incremental effect is cumulatively considerable and will not be lessened through the mitigation measures set forth in a Mitigated Negative Declaration. “Cumulatively considerable” means that the incremental effects of an individual project are considerable when viewed in connection with the effects of past, current, and probable future projects (14 Code Cal. Regs. Section 15064(I)). If the cumulative impact will not be considerable, then a Negative Declaration can be prepared.

The County Staff, at the conclusion of the initial study, will complete an Environmental Impact Assessment form.

ARTICLE V            NEGATIVE DECLARATION

**SECTION 13 PROPOSED NEGATIVE DECLARATION**

If the County staff determines that there is no substantial evidence “in light of the whole record” that the project will have a significant environmental effect, the County will give notice that they propose to adopt a Negative Declaration. (14 Code Cal. Regs. Section 15072). Notice will be provided to the public no less than twenty (20) calendar days prior to adoption by the District of Negative Declaration in the following manner:

- A. Mailed to the last know name and address of all organizations and individuals who have previously requested such notice in writing;
- B. Mailed to all responsible and trustee agencies;
- C. Posted in the office of the County Clerk of each county in which the project will be located within 24 hours of receipt for a period of at least twenty (20) days.
- D. Sent to the State Clearinghouse, Office of Planning and Research, if any state agencies or trustee agencies are responsible and the review period is extended to thirty (30) calendar days.
- E. Where the project meets the definition of statewide, regional or area-wide significance as defined in 14 Code Cal. Regs. Section 15206, notice will also be submitted to the State Clearinghouse and to the appropriate Metropolitan Area Council of Governments for review and comment.

The public review period is thirty (30) days unless a shorter period is approved by the State Clearinghouse (not less than 20 days). Notice will also be given by at least one of the following procedures:

- A. Publication at least one time by the County in a newspaper of general circulation in the area affected by the proposed project. If more than one area is affected, publication in the newspaper with largest circulation from among the newspapers of general circulation in those areas;
- B. Posting of notice by the County on and off site in the area where the project is to be located;
- C. Direct mailing to owners and occupants, as shown on the latest equalized assessment roll, of property contiguous to the project.

The alternatives for providing notice specified above shall not preclude the County from providing additional notice by other means if they desire, nor shall these requirements preclude the them from providing the public notice at the same time and in the same manner as public notice required by any other law for the project.

The County shall make copies of the proposed Negative Declaration available for public inspection for at least 20 days. Copies of the Negative Declaration may be provided to any person upon payment to them for a fee established by the County Board of Supervisors to cover nominal copying and staff processing costs

The County shall hold a hearing on the proposed Negative Declaration after notice is given as provided above. Comments relating to the inadequacies of a proposed Negative Declaration should identify the environmental effect, explain why the reviewer believes the effect would occur and explain why they believe the effect would be significant. Reviewers should explain the basis of their comments and whenever possible, should submit data or references in support of the comments. Prior to approving the project, the County shall consider the proposed Negative Declaration together with any comments received during the public review process. If the County determines that there is substantial evidence “in light of the whole record” that the project may have a significant environmental effect, it shall require that an EIR be prepared.

#### **SECTION 14 RECIRCULATION OF NEGATIVE DECLARATION**

A Negative Declaration will be recirculated for public review before it is adopted and the project approved when it has been significantly revised. This happens when a new, avoidable significant effect is identified and mitigation measures or project revisions must be added to reduce the effect or when the County determines proposed mitigation measures will not properly reduce effects thus new measures or revisions are required. There will not be a recirculation when: 1) mitigation measures are replaced with equal or more effective measures; 2) new project revisions are added which are not new, avoidable significant effects; 3) measures or conditions are optional under CEQA that do not create new significant effects and are not necessary to mitigate an avoidable a significant effect; or 4) new information is added to clarify, amplify, or make insignificant modifications (14 Code Cal. Regs. Section 15073.5).

#### **SECTION 15 ADOPTION OF NEGATIVE DECLARATION**

At a hearing, if the County determines that there is no substantial evidence “in light of the whole record” that the project may have a significant environmental effect; it shall adopt the Negative Declaration. If the Negative Declaration is to be prepared under contract, such contract must be executed within forty-five (45) days from the County’s determination that it is required.

#### **SECTION 16 NOTICE OF DETERMINATION FOR NEGATIVE DECLARATION**

After the final approval has been made on the Negative Declaration, and the project is reviewed by the Board, County staff shall prepare a Notice of Determination and file it with the County Clerk of the County. Such filing shall be done within five (5) working days of the approval of the project, be posted for thirty (30) days, and be retained in the agency files for nine (9) months. If the project requires discretionary approval from a State agency, the Notice of Determination shall be filed with the State Clearinghouse in the Office of Planning and Research (OPR). For a project of statewide, regional, or area-wide significance, a transportation planning agency or public agency which provides information

to District staff shall be notified of and provided with copies of, environmental documents pertaining to the project.

## **SECTION 17 PROPOSED MITIGATED NEGATIVE DECLARATION**

If the County determines through the initial study that there are potentially significant effects to the environment, but (1) revisions in project plans or proposals made or agreed to by the applicant prior to release for public review of the Proposed Negative Declaration and initial study will avoid or mitigate the effects, and (2) there is not substantial evidence “in light of the whole record” that the revised project will have a significant effect on the environment, then the County will give the same notice as for a Negative Declaration. The format for this notice is given Exhibit F of these Guidelines.

## **ARTICLE VI ENVIRONMENTAL IMPACT REPORT**

### **SECTION 18 NOTICE OF PREPARATION**

If the Board determines that there is substantial evidence “in light of the whole record” that the project may have a significant environmental effect, it will require that an EIR be prepared. Immediately after deciding that an environmental impact report is required for the project, the District staff shall send to each responsible or trustee agency, any public agency which has jurisdiction by law with respect to the project, and any city or county which borders on a city or county within which the project is located, a Notice of Preparation, by certified mail or any other method of transmittal which provides a record that the notice was received, stating that an EIR will be prepared. Such Notice of Preparation must also be published in a newspaper of general circulation.

The Notice of Preparation shall provide the addressee agencies with a brief description of the project, project location, and project effects on the environment; the date, time and place of a public hearing on the notice; the address where documents relating to the projects are available and where written comments may be sent and the deadline for submitting comments. Within thirty (30) calendar days after receiving the Notice of Preparation, each addressee agency shall provide the County with specific details about the scope and content of the environmental information related to each affected agency’s area of statutory responsibility, which must be included in the draft EIR.

When one or more State agencies will be a responsible or trustee agency, the District shall send a Notice of Preparation to each affected State agency with a copy to the State Clearinghouse.

A copy of the Notice of Preparation will be posted at the District’s main office. The Notice shall also be posted in the Office of the County Clerk of the county or counties in which the project will be located and shall remain posted for a period of thirty (30) days.

### **SECTION 19 DRAFT EIR**

The draft EIR shall be prepared directly by or under contract to the County. If it is prepared under contract, such contract must be executed within forty-five (45) days after a project application has

been accepted as complete. The required contents of a draft EIR are discussed in 14 Code Cal. Regs. Section 15120, *et seq.* A standard format must be used whenever feasible.

If the project is determined to be of statewide, regional, or area-wide significance, the draft EIR shall be submitted to the State Clearinghouse and should be submitted also to the appropriate Metropolitan Area Council of Governments, as well as to a transportation planning agency or public agency which provides transportation information to District staff for review and comment.

Prior to completing the draft EIR, the County may consult directly with any person or organization it believes will be concerned with the environmental effects of the project.

## **SECTION 20 NOTICE OF COMPLETION OF DRAFT EIR**

As soon as the draft EIR is completed and approved by the County, the County will file, with the State Clearinghouse, a Notice of Completion of Draft EIR

## **SECTION 21 REVIEW OF DRAFT EIR**

After completing a draft EIR, the County shall consult with and obtain comments from public agencies having jurisdiction by law with respect to the project and should consult with persons having special expertise with respect to any environmental impact involved. Others might need to be consulted, including any city or county bordering the city or county of the project; transportation planning and public agencies which have transportation facilities within their jurisdictions that might be affected, for statewide, regional or area-wide projects; and California Department of Water Resources for a subdivision project within one mile of a facility of the State Water Resources Development System. The County shall provide the general public with an opportunity to comment on the draft EIR.

The County shall provide Public Notice of the Completion of a Draft EIR, on the form attached as Exhibit K, at the same time as it sends a Notice of Completion of Draft EIR to the State Clearinghouse. Notice shall be mailed to all organizations and individuals who have previously requested such notice and shall also be given by:

- A. Publication at least one time by the County in a newspaper of general circulation in the area affected by the proposed project. If more than one area is affected, publication in the newspaper with largest circulation from among the newspapers of general circulation in those areas;
- B. Posting of notice by the County on and off site in the area where the project is to be located;
- C. Direct mailing to owners and occupants, as shown on the latest equalized assessment roll, of property contiguous to the project.

The alternative for providing notice specified above will not preclude the County from providing additional notice by other means if it so desires, nor will these requirements preclude the District from

providing the public notice at the same time and in the same manner as public notice required by any other law for the project.

The County shall use the State Clearinghouse to distribute EIRs and other environmental documents to state agencies for review. The County will identify to the State Clearinghouse those state agencies that are likely to be interested and provide at least 10 copies of the Draft EIR to the State Clearinghouse along with an electronic format on diskette or by e-mail.

In making copies of draft EIRs available to the public, the District will, whenever possible, make environmental information available on the Internet on a Web site maintained or used by the District.

In order to provide sufficient time for public review, review periods for draft EIRs will not be less than thirty (30) calendar days, nor longer than sixty (60) calendar days from the date of the notice except in unusual situations. If a State responsible or trustee agency is reviewing the draft EIR, the public review period must be not less than forty-five (45) calendar days.

Public hearings may be conducted by the Board on the draft EIR, either in separate proceedings, or in conjunction with other proceedings of the County. Reviewers of a draft EIR should focus on the sufficiency of the document in identifying and analyzing the possible impacts on the environment and ways in which the significant effects of the project might be avoided or mitigated.

## **SECTION 22 FINAL EIR**

The District staff shall review comments on environmental issues received from persons and organizations that reviewed the draft EIR and coordinate with County on a written response to all comments received during the review period.

The County staff shall prepare a final EIR, which shall consist of:

- A. The draft EIR or a revision of the draft.
- B. Comments and recommendations received on the draft EIR either verbatim or in summary.
- C. A list of persons, organizations, and public agencies commenting on the draft EIR.
- D. The responses of the County to significant environmental points raised in the review and consultation process.
- E. Any other information added by the County.

The response of the County to comments received may take the form of a revision to the draft EIR or may be a separate section in the final EIR, as an attachment. The major issues raised when the District's position is at odds with the recommendations and objections raised in the comments must be addressed in detail, giving reasons why specific comments and suggestions were not accepted and listing factors of importance warranting an override of the suggestions.

The County may provide an opportunity for review of the final EIR by the public or commenting agencies. When significant new information is added to the EIR after the close of public comments period but before certification of the Final EIR, then the Draft EIR will be recirculated.

## **SECTION 23 CERTIFICATION OF FINAL EIR**

After completion of the review period, the Board of Supervisors shall consider by resolution certifying that:

- A. the final EIR has been completed in compliance with CEQA; and
- B. the final EIR was presented to the Board and the Board reviewed and considered the information contained in the final EIR prior to approving the project; and
- C. the Final EIR represents the Board's independent judgment and analysis.

CEQA requires the County to balance the benefits of a proposed project against its unavoidable environmental risks in determining whether to approve the project. If the benefits of a proposed project outweigh the unavoidable adverse environmental effects, then they may be considered acceptable through the Board passing a statement of overriding considerations (14 Code of Cal. Regs. Section 15093). Moreover, when evaluating the feasibility of mitigation measures, the Board may cite legal, social and technological factors, as well as the provision of highly trained job opportunities as reasons for deciding that certain mitigation measures are infeasible.

After Board of Supervisors approval of the project, copies of the certified final EIR shall be filed with the appropriate planning agency of any city or county where significant effects on the environment may occur and to each responsible and trustee agency. The Board will be made aware of all appeals concerning the Board of Supervisors decision to certify an EIR.

## **SECTION 24 NOTICE OF DETERMINATION FOR EIR**

After said approval or a determination to carry out the project is made by the Board of Supervisors, the County shall prepare a Notice of Determination and file it with the County Clerk within five (5) working days of the approval of the project. The Notice of Determination shall include a statement of overriding considerations if adverse environmental impacts have been identified and not mitigated. If the project requires discretionary approval from a State agency, the Notice of Determination shall also be filed with the State Clearinghouse (14 Code of Cal. Regs. Section 15094).

## ARTICLE VII MASTER EIR

### **SECTION 25 PROCESS**

The filing of a Master EIR is an optional process designed to streamline the entire CEQA process. A Master EIR may be filed in lieu of an EIR for the adoption of plans, phased or multiple approval projects, development agreement projects and rules and regulations to be carried out in subsequent projects. The Master EIR can be used to limit subsequent project reviews for subsequent projects.

### **SECTION 26 CONTENTS**

A Master EIR must contain the same information as a standard EIR. In addition, a Master EIR must give sufficient information concerning the anticipated projects within its scope. Such additional information must include the size, location and alternatives for the subsequent projects, the intensity, and the schedule governing the submission and approval of the subsequent projects.

The Master EIR must also discuss the potential impacts of the anticipated subsequent projects, which cannot be fully assessed at the time the Master EIR is prepared.

### **SECTION 27 SUBSEQUENT PROJECTS**

When the anticipated subsequent projects are up for approval, the County must conduct an Initial Study to determine if the subsequent projects and its significant environmental effects were included in the Master EIR. If no new impacts are discovered, and if no new mitigation measures or alternatives are necessary, the District may simply adopt a finding that the subsequent project was adequately covered by the Master EIR. The District must also provide public notice, using the form provided as Exhibit M, of its intent to approve the project and incorporate all feasible, applicable mitigation measures.

Public notice will be mailed to the last known name and address of all organizations and individuals that have previously requested notice in writing and in at least one of the following ways:

- A. Publication at least one time in a newspaper of general circulation in the area affected by the proposed project or if more than one area is affected then in the newspaper with the largest circulation from those areas,
- B. Posting notices on and off the site in the area where the project is to be located.
- C. Direct mailing to the owners as shown on the last equalized assessment roll and occupants of the property contiguous to the project location.

After the District approves the subsequent project a Notice of Approval of a Subsequent Project will be filed with the OPR using the form provided as Exhibit N.

If the District finds during its Initial Study that new environmental impacts do exist, which may now be mitigated, it must prepare a mitigated Negative Declaration or a Focused EIR for the subsequent project. See Sections 17 and 28.

A Master EIR must be reviewed periodically to determine that it is still an adequate analysis of the significant environmental effects of the project for which it was prepared. This can be done by using the Environmental Checklist provided as Exhibit D. Updating the Master EIR, including preparing subsequent or supplemental EIRs, maintains its effectiveness as the basis for streamlined review of projects that are within its scope.

If the District discovers new impacts, which cannot be mitigated, it must prepare either a new EIR or a Focused EIR before it may approve the project. See Section 18-24 and 28.

## **SECTION 28 FOCUSED EIR**

District has the choice of preparing a Focused EIR, instead of a completely new EIR, prior to approval of a project that was previously covered by a Master EIR when new significant impacts have been discovered and a Mitigated Negative Declaration cannot be prepared. The Focused EIR must examine the additional significant environmental effects not covered by the Mater EIR and any new mitigation measures not covered in the Master EIR. It must also analyze the significant environmental effects previously covered in the Master EIR for which substantial new information exists that demonstrates that these effects may be more significant than described in the Master EIR.

The District must also examine those mitigation measures previously found to be infeasible in the Mater EIR which new information shows may now be feasible. The Focused EIR need not cover the effects successfully mitigated by the measures as discussed in the Master EIR for which mitigation is the responsibility of another agency.

## **SECTION 29 TIME LIMITS**

The Master EIR may be used to limit the review of subsequent projects. The lead agency may only use the Master EIR after it has reviewed its adequacy and found no new information is applicable and no new changes are apparent.

## **SECTION 30 OTHER PROJECTS**

If, during the approval of a later project not within the scope of the Master EIR, substantial changes are made to or new relevant information concerning the Master EIR is discovered, the lead agency must: (1) prepare a new or supplemental Master EIR based upon the changes and/or new information; (2) prepare a mitigated Negative Declaration for all subsequent projects within the scope of the Master EIR; or (3) prepare a Focused EIR for all subsequent projects within the scope of the Master EIR.

**SECTION 31 MITIGATION MONITORING OR REPORTING**

To ensure that mitigation measures and project revisions identified in the EIR or Negative Declaration are implemented, the District must adopt a program for monitoring or reporting on the revisions it has required in the project and the measures it has imposed, to mitigate or avoid significant environmental effects. The District can delegate such reporting and monitoring responsibilities to another public agency or to a private entity that accepts the delegation. However, the District remains responsible for ensuring implementation of the mitigation measures until such measures have been completed.

The District has the choice of monitoring mitigation, reporting on mitigation, or both. “Reporting” consists of a written compliance review presented to the decision making body or authorized staff person. It ensures that the District is informed of compliance. “Monitoring” is an ongoing or periodic process of project oversight. It ensures that compliance is checked on a regular basis. At times there is no clear distinction between reporting and monitoring, but the following, form 14 Code Cal. Regs. Section 15097, provides a guide:

- A. Reporting is suited to projects with readily measurable or quantitative mitigation measures or already involves regular reviews.
- B. Monitoring is suited to projects with complex mitigation measures that may exceed the expertise of the local agency to oversee, are expected to be implemented over time, or require careful implementation to assure compliance.
- C. Both are suited to all but the simplest projects.

**SECTION 32 DISTRICT PROJECTS**

The District, when it is the lead agency on a Non-District Project, can require the proposed project applicant to submit information that the District considers necessary for preparing the environmental documentation.

The applicant shall pay all costs incurred for administration and preparation of environmental documentation. The costs for environmental impact report preparation and administration shall include public hearing attendance, printing costs, consultant’s fees, and any other relevant expenses incurred by the District. The applicant will be required to deposit with the District the estimated cost of preparation of the required environmental documentation, as determined by the District. The applicant will be responsible for paying all related costs on a time and material basis. If the costs are greater than the deposit, the applicant shall pay the additional amounts within ten (10) calendar days of notice by the District. In the event that payment is not received for the additional amounts, the District may immediately cease processing the environmental documentation.

### **SECTION 33 DE MINIMIS IMPACT FINDING**

In order to determine the necessity of paying Department of Fish and Game fees, the District must determine if the project has an adverse effect on wildlife resources. Projects found by the District in the initial study to be categorically exempt or to be *de minimis* in their effect on wildlife resources shall pay no fee.

The District will file two (2) copies with the County Clerk of the county in which the project will be located a Certificate of Fee Exemption on the form provided as Exhibit L if either of the following findings can be made.

- A. The District determines, when considering the record as a whole, that there is no evidence before the District that the project will have a potential for adverse effect on wildlife resources as defined in Fish and Game Code Section 711.2.
- B. The District rebuts the presumption of adverse effect on wildlife resources contained in 14 Code of Cal. Regs. Section 753.5(d).

For purposes of signing the Certificate of Fee Exemption, the District's General Manager is considered the Chief Planning Official.

### **SECTION 34 HISTORIC AND ARCHEOLOGICAL RESOURCES**

A project that may cause a "substantial adverse change" in the significance of a historical resource may also have a significant effect on the environment. A historical resource is included in a local historical register or any object, building, structure, site, area, place, record, or manuscript which a District determines "in light of the whole record" to be historically significant because of the architectural, engineering, economic, agricultural, educational, social, political or cultural significance to California. If the project affects a state-owned historical resource, the State Historic Preservation Office (SHPO) will be consulted.

If a project will impact an archaeological site, then the Board will be determined whether the site meets the definition of a historical resource. If the project is a historical resource, then it will be treated as such. If not, then it will be determined if it is a "unique archaeological resource" as defined in Pub. Res. Code sec. 21083.2. If the project meets neither definition, then the impact will not be considered significant.

### **SECTION 35 PARTIAL INVALIDITY**

In the event any part or provision of these Guidelines shall be determined to be invalid, the remaining portions of these Guidelines that can be separated from the invalid unenforceable provisions shall nevertheless continue in full force and effect.

## CEQA GUIDELINES—EXHIBIT INDEX

<u>INDEX</u>	<u>TITLE</u>
600-I-A	CEQA Process Flow Chart
600-I-B	Preliminary Environmental Assessment
600-I-C	Notice of Exemption
600-I-D	Environmental Checklist Form
600-I-E	Environmental Impact Assessment
600-I-F	A Notice of Preparation of Negative Declaration
600-I-G	Negative Declaration Regarding Environmental Impact
600-I-H	Notice of Determination
600-I-I	Notice of Preparation of Draft EIR
600-I-J	Notice of Completion of Draft EIR
600-I-K	Public Notice of Completion of a Draft EIR
600-I-L	Public Notice of Intent to Approve Subsequent Project Under Master EIR
600-I-M	Notice of Approval of Subsequent Project [ <i>not included in sample handbook</i> ]
600-I-N	Certificate of Fee Exemption and Attachment

# EXHIBIT 600-I-A CEQA PROCESS FLOW CHART

EXHIBIT 600-I-B PRELIMINARY ENVIRONMENTAL ASSESSMENT

Groveland Community Services District  
P.O. Box 350  
Groveland, CA 95321-0350

Name of Project: \_\_\_\_\_

Location: \_\_\_\_\_

Entity or Person Undertaking Project

A. Groveland Community Services District

B. Other

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Staff Determination:

The District's staff, having undertaken and completed a preliminary review of this project in accordance with the District's Guidelines Implementing the California Environmental Quality Act, has concluded that this project does not require further environmental assessment because:

- \_\_\_\_\_ 1. The activity does not involve the exercise of discretionary powers by a public agency.
- \_\_\_\_\_ 2. The Activity will not reasonably foreseeable indirect physical change on the environment.
- \_\_\_\_\_ 3. The proposed action does not constitute a Project within the meaning of 14 Code of Cal. Regs. Section 15378.
- \_\_\_\_\_ 4. The project is Statutorily Exempt under Section 15260 *et seq.*

Applicable Exemption Class \_\_\_\_\_

- \_\_\_\_\_ 5. The project is Categorically Exempt under Section 15300 *et seq.*
- \_\_\_\_\_ 6. The project involves another public agency that constitutes the Lead Agency.

\_\_\_\_\_7. The project will be rejected or disapproved by a public agency.

Name of Lead Agency \_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
[signature of District General Manager]

EXHIBIT 600-I-C NOTICE OF EXEMPTION

To: County Clerk  
County of Tuolumne

From: Groveland Community Services District  
P.O. Box 350  
Groveland, CA 95321-0350

OR  
Office of Planning and Research  
1400 Tenth Street  
Sacramento, CA 95814

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Project Title

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Project Location - Specific

---

Project Location - City

---

Project Location - County

---

Description of Nature, Purpose, and Beneficiaries of Project

---

Name of Public Agency Approving Project

---

Name of Person or Agency Carrying Out Project

Exempt Status: (Check One)

Statutory Exemption. Type and section number \_\_\_\_\_

Ministerial Exemption. Type and section number \_\_\_\_\_

Declared Emergency. Type and section number \_\_\_\_\_

Emergency Project. Type and section number \_\_\_\_\_

Categorical Exemption. Type and section number \_\_\_\_\_

Reasons why project is exempt.:

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Contact Person	Area Code	Telephone	Extension
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If filed by applicant:

- a. Attach certified document of exemption finding.
- b. Has a notice of exemption been filed by the public agency approving the project?  
\_\_\_\_\_ yes \_\_\_\_\_ no

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Date

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[signature of District General Manager]

Date received for filing at OPR: \_\_\_\_\_

EXHIBIT 600-I-D ENVIRONMENTAL CHECKLIST FORM

ENVIRONMENTAL CHECKLIST FORM

Project Title: \_\_\_\_\_

1. Lead agency name and address:
2. Contact person and phone number:
3. Project location:
4. Project sponsor's name and address:
5. General plan designation:
6. Zoning;
7. Description of Project (describes the whole action involved, including but not limited to later phases of the project, and any secondary, support, or off-site features necessary for its implementation. Attached additional sheets if necessary):
8. Surrounding land uses and setting. (Briefly describe the project's surroundings):
9. Other agencies whose approval is required (e.g., permits, financing approval, or participation agreement):

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> Aesthetics                    | <input type="checkbox"/> Utilities/Service     | <input type="checkbox"/> Mandatory findings of Significance |
| <input type="checkbox"/> Biological Resources          | <input type="checkbox"/> Agriculture Resources | <input type="checkbox"/> Air Quality                        |
| <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Cultural Resources    | <input type="checkbox"/> Geology/Soils                      |
| <input type="checkbox"/> Mineral Resources             | <input type="checkbox"/> Hydrology/Water       | <input type="checkbox"/> Land/Use/Planning                  |
| <input type="checkbox"/> Public Services               | <input type="checkbox"/> Noise                 | <input type="checkbox"/> Transportation/Traffic             |
| <input type="checkbox"/> Recreation                    |  |   |

EXHIBIT 600-I-E ENVIRONMENTAL IMPACT ASSESSMENT

Name of Project: \_\_\_\_\_

Location: \_\_\_\_\_

Entity or Person Undertaking Project

- A. Groveland Community Services District
- B. Other

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Staff Determination:

The District's staff, having undertaken and completed an Initial Study of this project in accordance with Title 14 Code of Cal. Regs. Section 15063 for the purpose of ascertaining whether the proposed project might have a significant effect on the environment, has reached the following conclusion:

- \_\_\_\_ 1. The project could not have a significant effect on the environment; therefore, a Negative Declaration should be prepared.
- \_\_\_\_ 2. The project could have a significant effect on the environment; therefore, an EIR will be required.

\_\_\_\_\_  
Date

\_\_\_\_\_  
[signature District General Manager]

EXHIBIT 600-I-F NOTICE OF PREPARATION OF NEGATIVE DECLARATION OR  
MITIGATED NEGATIVE DECLARATION

PROJECT TITLE: \_\_\_\_\_

PROJECT LOCATION: \_\_\_\_\_

PROJECT DESCRIPTION: \_\_\_\_\_

The site \_\_\_\_\_ is\ \_\_\_\_\_ is not present on any of the lists enumerated under Government Code Section 65962.5.

Pursuant to the CEQA Guidelines adopted by [name of district], a Proposed Negative Declaration on the above named project has been prepared and is available for review starting \_\_\_\_\_ until \_\_\_\_\_ during which the District will receive comments, at the District's main office complex located at [physical address of district].

Final adoption of the Negative Declaration will be considered at the District Board of Directors' Regular Meeting, the [date of regularly monthly meeting] each month commencing at [time of meeting at [meeting location]]; or on any other date, time or place as is properly noticed.

Any appeals to this action may be made to the District in writing at any time prior to said Board meeting, or verbally during said Board meeting.

Mailing Address: District Secretary  
Groveland Community Services District  
P.O. Box 350  
Groveland, CA 95321-0350

EXHIBIT 600-I-G NEGATIVE DECLARATION REGARDING ENVIRONMENTAL IMPACT

1. NOTICE IS HEREBY GIVEN that the project described below has been reviewed pursuant to the provisions of the California Environmental Quality Act of 1970 (Public Resources Code 21100, *et seq.*) and a determination has been made that it will not have a significant effect upon the environment.
2. PROJECT NAME: \_\_\_\_\_
3. DESCRIPTION OF PROJECT: \_\_\_\_\_
4. LOCATION OF PROJECT: \_\_\_\_\_
5. NAME AND ADDRESS OF PROJECT PROPONENT: \_\_\_\_\_
6. MITIGATION MEASURES FOR MITGATED NEGATIVE DECLARATIONS: \_\_\_\_\_
7. A copy of the initial study regarding the environmental effect of this project is Attached (Must Be Attached).

This study was:

- Adopted as presented.  
 Adopted with changes. Specific modifications and supporting reasons are attached.

8. A public hearing on this Negative Declaration was held by the District Board of Directors on \_\_\_\_\_ (date).
9. Determination:  
On the basis of the initial study of environmental impact, the information presented at hearings, comments received on the proposal and our own knowledge and independent research:

We find the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION is hereby adopted.

We find that the project COULD have a significant effect on the environment but will not in this case because of attached mitigation measures described in Item 6 above which are by this reference made conditions of project approval. A conditional NEGATIVE DECLARATION is hereby adopted.

\_\_\_\_\_  
Date

\_\_\_\_\_  
[signature of District General Manager]



The EIR or Negative Declaration and record of project approval may be examined at the District's office at [physical address of district].

3. Mitigation measures \_\_\_\_ were, \_\_\_\_ were not, made a condition of the approval of the project.
4. A Statement of Overriding Considerations \_\_\_\_ was, \_\_\_\_ was not, adopted for this project.

---

Date

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[signature of District General Manager]

EXHIBIT 600-I-I NOTICE OF PREPARATION OF DRAFT EIR

TO: (Responsible Agency)

FROM: Groveland Community Services District

Address: \_\_\_\_\_

P.O. Box 350

\_\_\_\_\_

Groveland, CA 95321-0350

Subject: Notice of Preparation of a Draft Environmental Impact Report.

Groveland Community Services District will be the Lead Agency and will prepare an environmental impact report for the project identified below. We need to know the views of your agency as to the scope and content of the environmental information that is germane to your agency's statutory responsibilities in connection with the proposed project. Your agency will need to use the EIR prepared by our agency when considering your permit or other approval for the project.

The project description, location, and the probable environmental effects are contained in the attached materials. A copy of the Initial Study is/is not attached.

Due to the time limits mandated by State law, your response must be sent at the earliest possible date, but not later than 30 days after receipt of this notice.

Please send your response to the Groveland Community Services District (phone [209-962-7161] at the address shown above. We will need the name of a contact person in your agency.

PROJECT TITLE: \_\_\_\_\_

PROJECT APPLICANT, IF ANY: \_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
[signature of District General Manager]

EXHIBIT 600-I-J NOTICE OF COMPLETION OF DRAFT EIR

TO: State of California  
Office of Planning and Research  
1400 Tenth Street  
Sacramento, CA 95814

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Project Title

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Project Location - Specific

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Project Location - City

Project Location - County

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Description of Nature, Purpose, and Beneficiaries of Project

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Lead Agency

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Address Where Copy of EIR is available: 18966 Ferretti Road, Groveland

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Review Period

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Contact Person

Area Code

Phone Extension

---

Date

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[signature of District General Manager]

EXHIBIT 600-I-K PUBLIC NOTICE OF COMPLETION OF A DRAFT EIR

PROJECT TITLE: \_\_\_\_\_

PROJECT LOCATION: \_\_\_\_\_

PROJECT DESCRIPTION: \_\_\_\_\_

\_\_\_\_\_

SIGNIFICANT ENVIRONMENTAL IMPACTS:

\_\_\_\_\_

\_\_\_\_\_

HAZARDOUS WASTE SITE: \_\_\_\_\_

\_\_\_\_\_

Pursuant to the CEQA Guidelines adopted by [name of district], a draft environmental impact report on the above named project has been prepared and is available for review at the District's main office complex located at [physical address of district].

Written comments on this document will be received by the District until \_\_\_\_\_(date).

Mailing Address: Groveland Community Services District  
P.O. Box 350  
Groveland, CA 95321-0350

(A public hearing to receive verbal comments relating to the draft EIR will be held at the Groveland Community Service District Board of Directors' meeting at 18966 Ferretti Road, Groveland.

EXHIBIT 600-I-L PUBLIC NOTICE OF INTENT TO APPROVE SUBSEQUENT PROJECT UNDER MASTER EIR

- The Groveland Community Services District has, on the basis of substantial evidence, rebutted the presumption of adverse effect contained in 14 C.C.R. 753.5(d).
- In addition, the Groveland Community Services District has considered the following items to determine whether the project is or is not *de minimis*.
  - a. Department of Fish and Game has not concluded that the project is subject to the filing fee.
  - b. Habitat types present on the project site.
  - c. Habitat types adjacent to the project site.
  - d. Cumulative impacts of this and similar projects on existing fish or wildlife habitat.
  - e. Project impacts on the natural and biological resources of the community.

FINDING OF NO ADVERSE IMPACT:

When considering the record as a whole, there is no evidence before [District] that the proposed project will have a potential for adverse effect on wildlife resources defined as all wild animals, birds, plants, fish, amphibians, and related ecological communities including the habitat on which the wildlife depends for its continued viability. (Fish & Game Code 711.2).

GROVELAND COMMUNITY SERVICES DISTRICT

Dated: \_\_\_\_\_

By \_\_\_\_\_

CHIEF PLANNING OFFICER

Dated: \_\_\_\_\_

By \_\_\_\_\_

Distribution:

Once signed by the Chief Planning Official, [name of district] retains the original as part of the Environmental Record. File two copies of certificate with the County Clerk along with the Notice of Approval or Notice of Determination.

EXHIBIT 600-I-M NOTICE OF APPROVAL OF SUBSEQUENT PROJECT

(Not contained in this Manual)

## EXHIBIT 600-I-N CERTIFICATE OF FEE EXEMPTION

### NAME & ADDRESS OF PROJECT PROPONENT:

Groveland Community Services District  
P.O. Box 350  
Groveland, CA 95321-0350

### PROJECT DESCRIPTION:

Describe the project and its location, including County. For example, this is an project whereby a section of District open canal will be enclosed with pipeline.

### ENVIRONMENTAL IMPACT STUDY:

OWID has conducted an initial study to determine if the project may have a significant effect on the environment. In making the study, [District] staff prepared a written determination using the District's CEQA Guidelines Environmental Checklist form.

The initial study conducted by [District] evaluated the potential for adverse environmental impact and found no evidence that the proposed project will result in changes to the resources listed below: (14 C.C.R. 753.5(d))

- a. Riparian land, rivers, streams, watercourses, and wetlands under state and federal jurisdiction.
- b. Native and non-native plant life and the soil required to sustain habitat for fish and wildlife;
- c. Rare and unique plant life and ecological communities dependent on plant life; and
- d. Listed threatened and endangered plants and animals and the habitat in which they are believed to reside.
- e. All species of plants or animals as listed as protected or identified for special management in the Fish & Game Code, the Public Resources Code, the Water Code, or regulations adopted thereunder.
- f. All marine and terrestrial species subject to the jurisdiction of the Department of Fish & Game and the ecological communities in which they reside.
- g. All air and water resources the degradation of which will individually or cumulatively result in a loss of biological diversity among the plants and animals residing in that air and water.

## Appendix 600-J DEVELOPER INFORMATION FORM

### DEVELOPER INFORMATION FORM

Groveland Community Services District wishes to assess your ability to successfully complete your proposed project. Your answers to these questions will assist the District in evaluating you as the developer as well as allowing the District to complete its due diligence. If during the course of the project, the information contained in the Developer Information Form is found to be incomplete or inaccurate, the work by the District may be suspended until such irregularities are resolved to the District's satisfaction.

*(Please feel free to attach additional pages if needed, and include copies of all requested documents.)*

#### A. THE DEVELOPER

**Name.** Legal name of Developer: \_\_\_\_\_

2. **Entity Type and Structure.** Please describe the type of legal entity and state of formation (i.e. corporation, limited partnership, limited liability company, individuals, family trust) and the ownership structure of the Developer (i.e., the identity of the principal shareholders, partners, members, etc. as appropriate).

\_\_\_\_\_

\_\_\_\_\_

3. **Internet Address.** Internet website, if any: \_\_\_\_\_

4. **Email Address.** (for official correspondence): \_\_\_\_\_

5. **Bank Reference.** Include at least one reference from a bank or financial institution (attach other bank references, as required) that you are currently using for development financial operations. Include name, address, email address, and telephone number.

Name and phone/fax number/e-mail of contact individual:

Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

#### 6. **Developer's Prior Experience.**

A. Developments in which the Developer (or, if the Developer is a single-asset entity, its corporate parent) has active development operations):

Project Name	City, State	Number of Lots	Status

**B. PROPERTY DESCRIPTION**

1. **General Description.** Provide a general description of the proposed development of all of properties owned by the Developer in the District’s sphere of influence (including property owned by other owners, to the extent known):

- Project name (if any) \_\_\_\_\_
- Total proposed residential units and type of units (single-family homes, condominiums, multifamily) \_\_\_\_\_
- Total proposed non-residential acreage types of non-residential uses  
\_\_\_\_\_

2. **Long-Term Plans.** What are your long-term plans for the Property (i.e., sale of raw land to developers, sales of finished lots or improved parcels to merchant builders, construction and sale of product to end users, long-term hold)?  
\_\_\_\_\_

The undersigned hereby certifies that the foregoing information is complete, true, correct, and complete as of the date set forth below under penalty of perjury.

LANDOWNER: \_\_\_\_\_

DEVELOPER: \_\_\_\_\_

Dated \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

## Appendix 600-K DEVELOPMENT AGREEMENT

### DEVELOPMENT AGREEMENT

*(This is a template for a Development Agreement and must be modified to fit the conditions expected for a particular development.)*

This Development Agreement (the "Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 200\_\_, by and between GROVELAND COMMUNITY SERVICES DISTRICT, a political subdivision of the State of California formed and operated pursuant to California Government Code Section 61000 et seq., (hereinafter "District") and \_\_\_\_\_ (hereinafter "Developer").

### RECITALS

1. Developer has obtained approval from the County of Tuolumne ("County") for a general plan amendment, rezone and tentative subdivision map for a residential project known as \_\_\_\_\_ (the "Project"). County has also reviewed and approved an Environmental Impact Report (hereinafter "EIR") prepared for the Project in connection with its approval of the Project.
2. Development of the Project will result in a need for municipal services and facilities for water supply and distribution, water treatment, sewage collection and treatment, fire suppression services and park and recreation services. The County, as a condition of its approval of the general plan amendment, rezone and tentative subdivision map for the Project has required the Developer to enter into an Agreement with the District by the terms of which the District will provide domestic water supply and distribution, water treatment, sewer services, fire suppression services and park and recreational services to the Project..
3. The Developer hereby agrees to the following: (a) design, plan, engineer, and construct all sewer, water, parks, and fire service improvements (the "Improvements") required to serve the Project at Developer's sole cost and expense pursuant to plans and specifications approved by District; and (b) pay certain water and sewer connection fees, standby charges and other fees and assessments pursuant to District's policies; and (c) dedicate to District certain real property to serve as a location for fire and park service facilities to serve the Project; and (d) dedicate certain real property to serve as a location for specified water and sewer infrastructure to serve the Project; and (e) reimburse District for its administrative, legal, engineering and environmental consulting costs and expenses incurred in reviewing Developer's application for water, sewer, fire suppression and park and recreation services, negotiating, drafting and implementing this Development Agreement, reviewing the engineering analyses and the plans and specifications for the Improvements, and inspecting construction of the Improvements prior to acceptance by the District. Developer agrees to contribute to the costs of such water, wastewater, sewer, parks and recreation, and fire suppression facilities and services as required herein to mitigate impacts upon the community of the development of the Project. For the purposes of this Agreement, "construction" shall mean the actual building, testing, permitting or certifying, and District acceptance of facilities provided by Developer. Upon payment of all such costs and reimbursement to District of its administrative, legal, engineering and environmental review costs and expenses, District agrees to provide such water, wastewater, sewer, parks and recreation, and fire suppression facilities and services as required herein to assure that Developer may proceed with complete development of the Project in accordance with the terms of this Agreement and Developer's Tentative Map, including the County's Conditions of Approval of such Tentative Map. District and Developer recognize and agree that, but for Developer's agreement to pay all costs and expenses of

providing water, wastewater, sewer, parks and recreation, and fire suppression facilities and services to the Project to mitigate the impacts arising as a result of development of the Project, District would not and could not approve provision of water, sewer, fire suppression, and park and recreational services to the Project as provided by this Agreement. Likewise, but for District's covenant to provide certain water, wastewater, sewer, parks and recreation, and fire suppression facilities and services for the development of the Project, Developer would not and could not commit to provide the mitigation as provided in this Agreement. District's approval of the plan for providing water, sewer, fire suppression and park and recreational facilities to the Project as provided herein is in reliance upon and in consideration of Developer's agreement to pay all costs and expenses of the Improvements and services as provided herein to mitigate the impacts of development of the Project.

4. Developer has completed all Sub-Area Master Plan (SAMP) analyses for District and California Environmental Quality Act (CEQA) documentation for County. County has approved CEQA documents and requires that Developer to address to the satisfaction of County Conditions of Approval. Such Conditions of Approval address, among other things, mitigation of environmental issues, provisions for providing infrastructure, and considerations for community fit and quality of life, as prescribed by the County General Plan and amendments thereto. Prior to final acceptance of infrastructure to be dedicated to District, Developer shall have met all Conditions of Approval to the satisfaction of the County

5. District will provide the following services to the Development:
- Water: Including water supply, treatment, storage and distribution and facilities constructed and dedicated to the District during the course of developing this Project.
  - Wastewater: Including wastewater collections, treatment and disposal and facilities constructed and dedicated to the District during the course of developing this Project.
  - Parks and Recreation: Including access to existing parks and recreation facilities and facilities constructed and dedicated to the District during the course of developing this Project.
  - Fire: Including full-time fire department and facilities constructed and dedicated to the District during the course of developing this Project.
  - Community Facilities: Including access to existing District-owned community facilities and facilities constructed and dedicated to the District during the course of developing this Project.

## **AGREEMENT**

NOW, THEREFORE, the parties hereto in consideration of the performance of the covenants and conditions hereinafter set forth agree as follows:

### **1. District Provision of Services to Project.**

1.1 Developer shall have the right to receive from District domestic water supply and distribution, wastewater treatment, sewer collection and treatment, fire suppression services and park and recreation services to real property comprising the Project in accordance with the terms and conditions of this Agreement, the County's Conditions of Approval, any amendments to any of them as shall, from time to time, be approved either by the parties to this Agreement, or by County. Developer's right to receive such services within the Project from the District shall be subject to subsequent District approvals, as provided herein.

1.2 Provisions for development of plans and specifications for water system, sewer system, parks and recreation, and fire suppression improvements; construction of water system, sewer system, parks and recreation, and fire suppression improvements; reservation or dedication of land to the District for public purposes; location and maintenance of onsite and offsite Improvements; and location, nature and extent of public utilities shall be those set forth in this Agreement, the County's Conditions of Approval,

any subsequent amendments to this Agreement or such Conditions of Approval. District acknowledges that the County Conditions of Approval provide for the following land uses and approximate acreages for the Project:

Description of Project)

---

1.3 Developer and District intend that this Agreement and the resolution adopted by District approving this Agreement shall constitute District's approval of providing water, sewer, fire suppression and park and recreation services to the real property comprising the Project against any subsequent District resolutions, ordinances or initiatives that directly or indirectly limit the provision of water, wastewater, sewer, fire suppression and park and recreational facilities and services to the Project. Developer and the Project shall, however, be subject to any District ordinance, resolution, rule, regulation or policy which is adopted on a uniformly applied District-wide or area-wide basis and directly concerns public safety, health or welfare issue, in which case District shall treat Developer and the Project in a uniform, equitable and proportionate manner with all other properties within the District which are impacted by that public safety, health or welfare issue.

**2. Plans and Specifications for Water and Sewer System Improvements.**

2.1 Developer shall be responsible for funding all the costs for design, engineering, and construction of water system and sewer system improvements necessary to serve the Project (the "Improvements") without imposing level of service reductions on existing customers of the District. A list of the Improvements to the District's water system and sewer system to be funded by Developer is attached hereto, marked Exhibit A and incorporated herein by this reference.

2.2 Developer shall prepare construction plans and specifications for the Improvements at Developer's sole cost and expense (the "Plans and Specifications"). The Plans and Specifications for Improvements shall comply with all applicable District standards and be approved in writing by the District's engineers. Developer agrees that construction of the Improvements shall not commence until the Plans and Specifications for the Improvements have been approved in writing by District.

2.3 The District may, without invalidating this Agreement, order changes in the scope of the work to be performed by Developer consisting of additions, deletions or modifications in the nature and extent of the Improvements. Any such revisions to the Plans and Specifications must be approved in writing by District. Developer shall comply with any and all revisions to the Plans and Specifications in constructing the Improvements.

**3. Construction of Water and Sewer System Improvements.**

3.1 Developer shall, without expense to District, furnish all labor, materials, equipment, mechanical workmanship, appliances, supervision, coordination, building permits, other required permits, sales taxes, and samples to complete construction of the Improvements in a workmanlike manner.

3.2 Developer shall be required to begin construction of the Improvements twelve (12) months after written notification to that effect by District and to complete the work in accordance with the Plans and Specifications to the satisfaction of the District within twenty-four (24) months from said written notice. Should Developer fail to complete construction of the Improvements within the time fixed for completion, or performs work that does not comply with the Plans and Specifications, or fails to comply with any other term or condition of this Agreement, the District may terminate Developer's right to perform all or any portion of the work, may have the work performed by others, or may complete the work itself, and charge the cost to Developer. The cost of completion by the District shall include reasonable reimbursement for additional executive and administrative expense including legal fees together with all damages for delay and other damages sustained by District as a result of Developer's default.

3.3 Developer agrees and understands that it is the responsibility of Developer to obtain and pay for all necessary permits required for the construction of the Improvements from any and all jurisdictions that have authority over the work. Developer also agrees and understands that it is the responsibility of Developer to call for and obtain all required inspections from any and all governmental agencies having jurisdiction over the work during the course of the construction of the Improvements. Developer is not relieved of its obligations to secure all permits and obtain all inspections by virtue of District's assistance in procuring the necessary permits.

3.4 Upon completion of construction of the Improvements, Developer agrees to dedicate all such Improvements to District to become a part of the District's water and sewer systems. District shall accept the offer of dedication of the Improvements if it finds all of the following: (1) that the design and construction of the Improvements complies with all applicable building codes, the Plans and Specifications, and all applicable District policies and ordinances; and (2) that Developer has paid to District all applicable District fees including water and sewer connection fees, water and sewer standby fees, lot split fees, plan check fees and any other applicable fees pursuant to the District's current fee schedule; and (3) that Developer has reimbursed District all of District's administrative, legal, engineering, and environmental review costs and expenses incurred in reviewing, approving, and inspecting the design and construction of the Improvements, negotiating and drafting this Development Agreement. At such time as the District finds that Developer has fully complied with each of the foregoing three (3) criteria, District shall accept the offer of dedication of the Improvements in writing and assume responsibility for all maintenance, repair, and operation of the Improvements constructed by Developer.

3.5 Developer shall dedicate the Improvements to District by conveying title to the completed Improvements to District at Developer's sole cost and expense, free and clear of all liens and encumbrances. Developer shall be responsible for preparing the appropriate documents for conveying title to the Improvements to District in a form acceptable to District.

3.6 Developer shall provide District with one set of twenty-four-inch by thirty-six-inch original (24" x 36") and one set of reproducible "record" drawings of the completed Improvements on matte Mylar (5 mil minimum). Developer shall also provide all record drawings in an electronic format acceptable to the District. Developer shall also provide one final copy of specifications and project plans with all change orders documenting technical specifications, schedule, budget and cost history, including project closeout materials showing resolution of all punch list (discrepancies) and disclosure of any litigation and legal disputes between Developer and those involved with the Development.

3.7 District shall accept the conveyance of title of the completed Improvements by resolution, and at that time the Improvements will become part of the District's water and sewer systems.

3.8 After acceptance of the dedication of the Improvements by District, the Improvements may be operated to provide water supply, wastewater, parks, and fire service to the Project upon receipt and approval of an application for service submitted to and approved by the District. All services made available by District to the Project shall be subject to all rates, charges, fees and assessments established by District's Board of Directors from time to time. Construction of the water system Improvements by Developer and use of such Improvements by owners of real property within the Project shall be subject to the District's water ordinance, as amended from time to time. Construction of the sewer system Improvements by Developer and use of the sewer system Improvements by owners of real property within the Project shall be subject to the District's sewer ordinance, as amended from time to time.

#### **4. Inspection of Construction.**

4.1 The District General Manager or his agent shall inspect the construction of the Improvements to assure that the Improvements are installed in accordance with the approved Plans and

Specifications. Said inspection shall be funded by an inspection fee paid by Developer as specified in District's current fee schedule. District is not, by inspection of the construction or installation of the Improvements, providing a substitute for inspection and control of the work by Developer. Any failure of District to note variances in the work from the Plans and Specifications does not excuse or exempt Developer from complying with all of the provisions of the Plans and Specifications. The fact that District inspects the construction of the Improvements and fails to discover deviations or failures to construct them pursuant to the Plans and Specifications shall not be deemed to constitute a guarantee by District that the Improvements have been built in accordance with the Plans and Specifications. At no time shall the District be responsible for any trench settlements or road failures associated with such work, or failure to meet any environmental remediation obligations or County Conditions of Approval. Any such settlement shall be the sole responsibility of Developer. Construction of the Improvements shall not commence until the estimated inspection fee is deposited with the District. The District General Manager or his designated agent shall notify Developer of failure to construct the Improvements in accordance with the Plans and Specifications, or defective work pursuant to District standards as soon as such failure or defect is brought to his attention. Developer shall immediately correct any such failure or defect, including removal and replacement of any non-conforming work at Developer's expense. In no event shall any of the work of installing the Improvements be covered until District has inspected all of the work and has approved the covering of the work.

## **5. Maintenance of Facilities.**

5.1 In consideration for the water system and sewer system Improvements constructed by Developer for the benefit of District, and dedicated to District, District will perform all necessary maintenance of the water and sewer Improvements constructed pursuant to this Agreement by Developer commencing immediately upon completion of construction, dedication by Developer and acceptance of dedication by District. After the date of acceptance of the Improvements, District shall be solely responsible for all costs of maintenance of the water and sewer system Improvements.

## **6. Easements.**

6.1 Developer, at its sole cost and expense, shall perform all necessary survey work to prepare a legal description for and dedicate to District fifteen-foot (15-ft) wide perpetual easements for the purpose of construction, installation, operation, maintenance and replacement of the Improvements constructed by Developer pursuant to this Agreement. The Developer shall dedicate such easements to the District at no cost to the District and free and clear of all liens and encumbrances. All such easements shall include District rights of ingress and egress to the easements in order to perform operation, maintenance and repair of the Improvements.

## **7. Performance and Payment Bonds.**

7.1 Developer shall, at the time of entering into a contract for the construction of the Improvements, for each phase of such Improvements, to file two (2) separate bonds with the District, each made payable to the District. These bonds shall be issued by a surety company admitted to do business in the State of California as an insurer and shall be maintained during the entire life of this Agreement at the expense of Developer. One bond shall be in the amount of One Hundred Twenty-Five Percent (125%) of the construction cost estimate for each phase of the Improvements approved by District's engineer and shall guarantee the faithful performance of all aspects of the construction contract, or in case of project abandonment, to restore the site to a condition acceptable to the District.. The second bond shall be the payment bond required by Division Three, Part 4, Title 15, Chapter 7 of the Civil Code of the State of California, and shall be in the amount of One Hundred Percent (100%) of the construction cost estimate approved by District's engineer for each phase of construction of the Improvements, to guarantee the payment of wages and for materials, supplies or equipment used in the performance of the construction contract. Any alterations made in the specifications for the Improvements shall not operate to release any surety from liability on any bond required hereunder, and the consent to make such alterations is hereby given, and any surety on said bonds hereby waives the

provisions of Section 2819 of the Civil Code. Prior to commencing work under this Agreement, Developer shall provide a Certificate of Fact issued by the County of Tuolumne, County Clerk, or Certificate of Authority issued by the State of California, Department of Insurance for any and all sureties issuing the bonds required under this Agreement. By execution of this Agreement, Developer further certifies and represents that any and all sureties issuing the bonds required under this Agreement are authorized to do business in the State of California and that the bonds fully comply with Civil Code Sections 3247 and 3248, and the Bond and Undertaking Law, Code of Civil Procedure Section 995.010, et seq.

## **8. Prevailing Wages**

8.1 Pursuant to the provisions of Section 1774 et seq., of the Labor Code of the State of California, it shall be mandatory for Developer, and any general contractor and any subcontractor working under Developer, to pay all workers, laborers and mechanics employed in the construction of the Improvements not less than the general prevailing rate of per diem wages, and not less than the general prevailing rate of per diem wages for holidays and overtime work, for each craft, classification or type of worker needed to execute the work or any part of the work contemplated by this Agreement. The appropriate determination of the Director of the California Department of Industrial Relations is filed with, and available for inspection at the office of the District.

8.2 Pursuant to Labor Code Section 1775, Developer shall forfeit, as penalty to the District, an amount of not more than Fifty Dollars (\$50.00) for each calendar day, or portion thereof, for each worker paid less than the stipulated prevailing rates for any work done pursuant to this Agreement by Developer or any general contractor or subcontractor working under Developer. The amount of the penalty shall be determined by the Labor Commissioner and shall be based on consideration of the Developer's mistake, inadvertence, or neglect in failing to pay the correct rate of prevailing wages, the previous record of the Developer in meeting his or her prevailing wage obligations, or Developer's willful failure to pay the correct rates of prevailing wages. A mistake, inadvertence, or neglect in failing to pay the correct rate of prevailing wages is not excusable if the Developer had knowledge of his or her obligations under the Labor Code. In addition to said penalty, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Developer.

8.3 Developer shall post, at each job site, a copy of such prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations.

8.4 Developer and each general contractor and subcontractor under Developer shall keep an accurate payroll record showing name, address, social security number, work classification, straight-time and overtime hours worked each day and week, and the actual per diem wages paid to each person certified in a trade or a craft, for each apprentice, worker, or other employee of Developer or subcontractor performing a part of the work contemplated by this Agreement. Developer shall provide or make available for inspection, a certified copy of such payroll records as specified in Section 1775 of the Labor Code of the State of California. Attention is directed to Section 1777.5 of the Labor Code of the State of California concerning the employment of apprentices, and Developer is required to comply with the provisions of that section.

## **9. Developer Dedication of Real Property for Water, Wastewater, Parks, and Fire Sewer Improvements.**

9.1 Developer shall dedicate to District parcels of real property within the Project of sufficient size and location approved by District to serve as the location for all water, wastewater, parks and recreation, and fire infrastructure necessary to serve the Project. The District Board of Directors must approve in writing the location and size of each site for such infrastructure to serve the Project. Said real property comprising the sites for the water, wastewater, parks and recreation, and fire infrastructure shall be dedicated to District without cost to District by Developer within twenty-four (24)

months of approval of this Agreement. The land to be dedicated for water, wastewater, parks and recreation, and fire infrastructure to serve the Project is set forth more specifically in Exhibit \_\_\_\_ attached hereto and incorporated herein by this reference and referred to as the "Water, Wastewater, Parks and Recreation, and Fire Infrastructure." Developer further agrees to provide District with a preliminary title report indicating that Developer has unencumbered title to the Water, Wastewater, Parks and Recreation, and Fire Infrastructure and to convey unencumbered title to the Water, Wastewater, Parks and Recreation, and Fire Infrastructure to District.

#### **10. Additional Conditions regarding Provision of Parks and Recreation and Fire Suppression Services.**

10.1 Developer shall dedicate to District parcels of real property within the Project of sufficient size and location approved by District to serve as the location for parks and recreation and fire suppression service infrastructure to serve the Project. The District Board of Directors must approve in writing the location and size of the sites for parks and recreation, and fire system infrastructure to serve the Project. Said real property comprising the sites for fire system infrastructure shall be dedicated to District without cost to District by Developer within twenty-four (24) of approval of this Agreement. The land to be dedicated for parks and recreation and fire system infrastructure is set forth more specifically in Exhibit \_\_\_\_ attached hereto and incorporated herein by this reference as the "Dedicated Land." Developer further agrees to provide District with a Preliminary Title Report indicating that Developer has unencumbered title to the Dedicated Land, and to convey unencumbered title to the Dedicated Land to District.

10.2 Developer, at its sole cost and expense, shall perform all necessary survey work to prepare a legal description for and dedicate to District all necessary rights-of-way for emergency access as specified in the Conditions of Approval or as otherwise found necessary by District, in its sole discretion, to provide parks and recreation and efficient fire suppression services to the Project. Developer shall dedicate such rights-of-way to the District at no cost to the District and free and clear of all liens and encumbrances. Dedication of such rights-of-way to District shall be completed no later than twenty-four (24) months after approval of this Agreement.

10.3 Developer shall prepare a fuel reduction/fuel management program in cooperation with the District and the County Fire Department in order to provide for control and removal of flammable vegetation with rights-of-way, vacant lots and within a mutually agreeable distance from residential or commercial structures. Developer shall prepare such fuel reduction/fuel management program at no cost to District. Said program shall include a fee component to reimburse District for the administrative costs incurred in providing the necessary inspections to ensure that the goals and objectives of the fuel reduction/fuel management program are being achieved. Said fuel reduction/fuel management program shall be submitted to District for approval and any fees payable to District for review of such program shall be paid within twelve (12) months after approval of this Agreement.

10.4 The Conditions of Approval require Developer to install at its own cost and expense fire hydrants of various capacities within certain zones of the Project. No such fire hydrant shall be installed by Developer unless the location of each such hydrant has been approved by District in writing.

10.5 [Reserved for discussion of mitigation efforts required by Developer regarding funding of fire suppression services to fund to serve the Project.]

10.6 [Reserved for discussion of mitigation efforts required by Developer regarding funding of parks and recreation services to fund to serve the Project.]

#### **11. Project Phasing.**

11.1 The parties acknowledge that uncertainties associated with market conditions, availability of financing, and other factors may alter Developer's ability to construct the Project within the term of this

Agreement. Notwithstanding this possibility, in order to assure District that the Project will be developed within a reasonable time period, Developer shall use all reasonable efforts to substantially complete each phase of the Project in accordance with the Phasing Plan specified in Exhibit \_\_\_\_\_. District shall have the right to terminate this Agreement by written notice of Developer if District determines that if, for any reason, despite such Developer's reasonable efforts and other factors, including market and economic conditions, that Developer has not substantially completed the improvements within the applicable period specified in Exhibit \_\_\_\_\_. District's sole and exclusive remedy in the event of Developer's breach of its obligations under this Section shall be to terminate this Agreement; however, any such termination shall not relieve Developer of any other obligation, including obligations under this Agreement that survive termination, such as Indemnity Obligations and obligations necessary to comply with District approval, resolutions and ordinances, and other governmental agency approvals.

## **12. Applicable District Rules, Regulations and Policies.**

12.1 Rules Regarding Design and Construction. All construction of water and sewer system improvements shall comply with all District ordinances, resolutions and policies. Unless otherwise expressly provided in this Agreement, all of the ordinances resolutions, rules, regulations and official policies governing design, improvement of construction standards and specifications applicable to the water and sewer system improvements to be constructed to serve the Project shall be those in force and effect at the time or District approval is granted to proceed with construction of such improvements.

12.2 Changes in State or Federal Law. Any changes in District ordinances, policies, regulations, or rules, the terms of which are specifically mandated and/or required by changes in federal or state laws and/or regulations shall be applicable to construction of facilities to be dedicated to District pursuant to this Agreement.

12.3 Codes and Standards Applicable. Unless otherwise expressly provided in this Agreement, all water, sewer, parks and recreation, and fire system improvements constructed pursuant to the terms of this Agreement shall comply with the provisions of the state, County, and District codes and standards, including building, mechanical, plumbing, electrical and fire, in effect at the time of approval of the appropriate encroachment, grading, building or other construction permits necessary for the Project. If no permits are required for construction by Developer of such infrastructure improvements to be dedicated to District, such improvements shall be constructed in accordance with the provisions of the state, County, and District codes and standards, including building, mechanical, plumbing, electrical and fire, in effect at the start of the construction of such infrastructure.

12.4 County Conditions of Approval. Developer shall comply with all County Conditions of Approval prior to District accepting the project from Developer.

## **13. Subsequently Enacted Fees, Dedications, Assessments and Taxes.**

13.1 Processing Fees and Charges. Developer shall pay those processing, inspection and plan checking fees and charges required by District under then current regulations for processing development applications and requests for permits, approvals and other actions, and monitoring compliance with any permits issued or approvals granted by District or the performance of any conditions or obligations required of Developer pursuant to this Agreement.

13.2 Development Exactions and Dedications. Except as otherwise provided herein, any and all dedications of land, connection or mitigation fees and exactions required by District to be paid by Developer to support the construction of any public facilities and improvements or the provision of any public services with respect to the Project (hereinafter the "Exactions") shall be the Exactions authorized as of the effective date hereof. However, Developer shall be obligated to pay any Exactions authorized by District after the effective date hereof provided that said Exactions otherwise comply with applicable law and are either (1) required on a District-wide basis; or (2) which apply uniformly to all properties

within the District which are zoned consistent with the property comprising the Project; or (3) which apply uniformly to all properties which are similarly situated within the District, whether by geographic location, drainage patterns, or other distinguishing characteristics. Wherever this Agreement obligates Developer to design, construct or install any public improvements to be dedicated to the District, the cost thereof may be provided by Developer through a Community Facilities District, Assessment District or other such financing mechanism, in accordance with the provisions thereof.

13.3 CEQA Mitigation Measures. Notwithstanding any other provision of this Agreement to the contrary, as and when Developer elects to construct the Project, Developer shall be bound by, and shall perform, all mitigation measures contained in the Environmental Impact Report related to the Project which has been adopted by the County of Tuolumne and are identified in either the Mitigation Monitoring Plan or the Environmental Impact Report as being a responsibility of Developer. Developer shall also be responsible for any environmental mitigations found necessary during the course of work or within the scope of his construction, especially insuring clean ground water, surface water, and soils related to properties to be deeded to the District or public utility easements.

#### **14. Amendment or Cancellation.**

14.1 Modification Because of Conflict with State or Federal Laws. In the event that state or federal laws or regulations enacted after the effective date of this Agreement prevent or preclude compliance with one or more provisions of this Agreement or require changes in plans, maps or permits approved by the District, the parties shall meet and confer in good faith in a reasonable attempt to modify this Agreement to comply with such federal or state law or regulation. Any such amendment shall be approved by the Board of Directors of District.

14.2 Amendment by Mutual Consent. This Agreement may be amended in writing from time to time by mutual consent of the parties hereto.

14.3 Cancellation by Mutual Consent. Except as otherwise permitted herein, this Agreement may be cancelled in whole or in part only by the mutual written consent of the parties or their successors-in-interest. Any fees paid pursuant to this Agreement prior to the date of cancellation shall be retained by District.

14.4 Returning Land to Original Condition if Cancelled. If this Agreement is cancelled prior to completion of material construction and the land has been disturbed, then Developer must return the project site to its original condition. Under these conditions, performance bonds secured by Developer (ref. Section 7.1) for Project will be used to return site to conditions acceptable to District.

#### **15. Annual Review.**

15.1 Compliance Review. The General Manager shall, on an annual basis on or before August 1 of each fiscal year, and at any other time that the General Manager determines to be appropriate, review the extent of good faith substantial compliance by Developer with the terms and conditions of this Development Agreement and/or any amendments thereto. The costs of notice and related costs incurred by the District for such annual review shall be borne by the Developer.

15.2 Initiation of Review. The General Manager shall provide thirty (30) days written notice of such periodic review to the Developer. Such notice shall require the Developer to demonstrate good faith compliance with the terms and conditions of the Development Agreement and/or any amendments thereto, and to provide such other information as may be reasonably requested by the General Manager and deemed by the General Manager to be required in order to ascertain compliance with the Development Agreement and/or any amendments thereto. Such notice shall also include the statement that any review may result in amendment or termination of the Agreement, and/or any amendments thereto.

15.3 Actions After Compliance Review. If, following the compliance review, the General Manager is not satisfied that Developer has demonstrated a good faith compliance with all the terms and conditions of the Development Agreement and/or any amendments thereto, the General Manager may refer the matter along with recommendations to the District's Board of Directors.

15.4 Hearing On Compliance. If District determines that a hearing of compliance is necessary, it shall conduct such a hearing at its first available opportunity. Developer shall be given written notice of the hearing by mail at the address specified in the Development Agreement at least ten (10) days prior to the date of the hearing, in addition to any other notice required by law. When the written notice is sent to Developer, it shall include any staff report or other materials upon which the General Manager based the conclusion that there has not been demonstrated good faith compliance with the terms and conditions of the Development Agreement and/or any amendments thereto.

15.4.1 Developer shall be provided with opportunity to present written and/or oral testimony at a public hearing. The Board of Directors shall hear the matter de novo. At the conclusion of the hearing, the Board of Directors shall make written findings and determinations on the basis of substantial evidence as to whether or not the Developer or its successors-in-interest have complied in good faith with the terms and conditions of the Development Agreement and/or any amendments thereto. If the Board of Directors determines that the Developer or its successors-in-interest have not complied in good faith with the terms and conditions of the Development Agreement and/or any amendments thereto, the District may terminate the Development Agreement and/or any amendments thereto as to Developer. Alternatively, the District may modify the Development Agreement; in which case the Developer or its successor-in-interest shall decide whether to accept the modification. If the proposed modification is rejected, the Development Agreement and/or any amendments thereto shall be terminated. Termination of the Development Agreement pursuant hereto shall not affect any of Developer's obligations to comply with the County Development Agreement, County Conditions of Approval, any applicable specific or community plan, any applicable public facilities financing plan, any applicable zoning, special permit, subdivision map, building permit, or other land use entitlement approved with respect to the Project. Termination of the Development Agreement shall subject the Developer to the remedies for default set forth in Section 16 hereof.

15.4.2 The finding by the District of good faith compliance by Developer with the terms and conditions of the Development Agreement and/or any amendments thereto shall conclusively determine said issue up to and including the date of said review.

## **16. Default.**

16.1 Subject to any applicable extension of time, failure by any party to perform any term or provision of this Agreement required to be performed by such party shall constitute an event of default ("Event of Default"). For purposes of this Agreement a party claiming another party is in default shall be referred to as the "Complaining Party" and the party alleged to be in default shall be referred to as the "Party in Default." Provided a Complaining Party shall not exercise any of its remedies as a result of such Event of Default unless such Complaining Party first gives notice to the Party in Default as provided in Paragraph 15.1, and the Party in Default fails to cure such Event of Default within the applicable cure period.

### **16.2 Procedure Regarding Defaults.**

16.2.1 Notice. The Complaining Party shall give written notice of default to the Party in Default, specifying the default complained of by the Complaining Party. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default.

16.2.2 Cure. The Party in Default shall diligently endeavor to cure, correct or remedy the matter complained of, provided such cure, correction or remedy shall be completed within the applicable

time period set forth herein after receipt of written notice (or such additional time as may be deemed by the Complaining Party to be reasonably necessary to correct the matter).

16.2.3 Failure to Assert. Any failures or delays by a Complaining Party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by a Complaining Party in asserting any of its rights and remedies shall not deprive the Complaining Party of its right to institute and maintain any actions or proceedings, which it may deem necessary to protect, asset or enforce any such rights or remedies,

16.2.4 Notice of Default. If an Event of Default occurs prior to exercising any remedies, the Complaining Party shall give the Party in Default written notice of such default. If the default is reasonably capable of being cured within thirty (30) days, the Party in Default shall have such period to effect a cure prior to exercise of remedies by the Complaining Party. If the nature of the alleged default is such that it cannot practicably be cured within such 30 day period, the cure shall be deemed to have occurred within such 30 day period if: (a) the cure shaft be commenced at the earliest practicable date following receipt of the notice; (b) the cure is diligently prosecuted to completion at all times thereafter; (c) at the earliest practicable date (in no event later than thirty (30) days after the curing party's receipt of the notice), the curing party provides written notice to the other party that the cure cannot practicably be completed within such 30 day period; and (d) the cure is completed at the earliest practicable date. In no event shall Complaining Party be precluded from exercising remedies if a default is not cured within one hundred twenty (120) days after the first notice of default is given.

16.2.5 Legal Proceeding. Subject to the foregoing, if the Party in Default fails to cure a default in accordance with the foregoing, the Complaining Party, at its option, may institute legal proceedings pursuant to this Agreement or, in the event of a material default, terminate this Agreement. Upon the occurrence of an event of default, the parties may pursue all other remedies at law or in equity, which are not otherwise provided for or prohibited by this Agreement, or in the District's regulations governing development agreements, expressly including the remedy of specific performance of this Agreement.

16.2.6 Effect of Termination. If this Agreement is terminated following any event of default of Developer or for any other reason, such termination shall not affect the validity of any improvement required to be constructed by Developer with respect to the Project which is completed as of the date of termination, provided that such building or improvement has been constructed pursuant to a building permit issued by the County. Furthermore, no termination of this Agreement shall prevent Developer from completing any improvement to be constructed pursuant to this Agreement pursuant to a valid building permit previously issued by the County that is under construction at the time of termination, provided that any such improvement is completed in accordance with said building permit in effect at the time of such termination.

16.2.7 Remedies. Upon the occurrence of an Event of Default, each party hereto shall the right, in addition to all other rights and remedies available under this Agreement to: (1) bring any proceeding in the nature of specific performance, injunctive relief or mandamus and/or (2) bring any action at law or in equity as may be permitted by California law or this Agreement. Notwithstanding the foregoing, however, neither party shall ever be liable to the other party for any consequential damages on account of the occurrence in an Event of Default (including claims for lost profits, loss of opportunity, lost revenues, or similar consequential damage claims). The parties hereto waive and relinquish any claims for consequential damages on account of an Event of Default, which waiver and relinquishment the parties acknowledge has been made after full and complete disclosure and advice regarding the consequences of such waiver and relinquishment by counsel to each party. If this Agreement is cancelled prior to completion of material construction and the land has been disturbed, then Developer must return the project site to its original condition. Under these conditions, performance bonds secured by Developer (ref. Section 7.1) for Project will be used to return site to conditions acceptable to District.

## **17. Estoppel Certificate.**

17.1 Either party may, at any time, and from time to time, request written notice from the other party requesting such party to certify in writing that, (a) this Agreement is in full force and effect and a binding obligation of the parties, (b) this Agreement has not been amended or modified either orally or in writing, or if so amended, identifying the amendments, and (c) to the knowledge of the certifying party the requesting party is not in default in the performance of its obligations under this Agreement, or if in default, to describe therein the nature and amount of any such defaults. A party receiving a request hereunder shall execute and return such certificate within thirty (30) days following the receipt thereof, or such longer period as may reasonably be agreed to by the parties. General Manager of District shall be authorized to execute any certificate requested by Developer. Should the party receiving the request not execute and return such certificate within the applicable period, this shall not be deemed to be a default.

## **18. Mortgage Protection; Certain Rights of Cure.**

18.1 Mortgagee Protection. This Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof after the date of recording this Agreement, including the lien for any deed of trust or mortgage ("Mortgage"). Notwithstanding the foregoing, no breach hereof shall defeat, render invalid, diminish or impair the lien of any Mortgage made in good faith and for value, but all the terms and conditions contained in this Agreement shall be binding upon and effective against any person or entity, including any deed of trust beneficiary or mortgagee ("Mortgagee") who acquires title to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure, or otherwise.

18.2 Mortgagee Not Obligated. Notwithstanding the provisions of Section 17.1 above, no Mortgagee, unless such Mortgagee becomes a transferee or assignee of this Agreement, shall have any obligation or duty under this Agreement, before or after foreclosure or a deed in lieu of foreclosure, to construct or complete the construction of improvements, or to guarantee such construction of improvements, or to guarantee such construction or completion, or to pay, perform or provide any fee, dedication, improvements or other exaction or imposition. However, the Mortgagee shall not be entitled to undertake any new construction or improvement projects, or to otherwise have the benefit of any rights of Developer under this Agreement, or to devote the Property comprising the Project to any uses or to construct any improvements other than those uses or improvements authorized by the County Condition of Approvals, or Developer's Development Agreement with County, the provisions of the Environmental Impact Report with respect to the Project, and the provisions of this Agreement.

18.3 Notice of Default to Mortgagee and Extension of Right to Cure. If District receives notice from a Mortgagee requesting a copy of any notice of default given Developer hereunder and specifying the address for service thereof, then District shall deliver to such Mortgagee, concurrently with service thereon to Developer, any notice given to Developer with respect to any claim by District that Developer has committed an Event of Default. Each Mortgagee shall have the right during the same period available to Developer to cure or remedy, or to commence to cure or remedy, the Event of Default claimed set forth in the District's notice. District, through its General Manager, may extend the cure period provided in Section 18.1 for not more than an additional sixty (60) days upon request of Developer or a Mortgagee.

## **19. Transfers and Assignments.**

19.1 From and after recordation of this Agreement against the property comprising the Project, Developer shall have the full right to assign this Agreement as to the property comprising the Project, or any portion thereof, in connection with any sale, transfer or conveyance thereof, with the written consent of District which shall not be unreasonably withheld. Upon the express written assignment by Developer and assumption by the assignee of such assignment in the form attached hereto as Exhibit \_\_\_ and the conveyance of Developer's interest in the property comprising the Project related thereto,

Developer shall be released from any further liability or obligation hereunder related to the portion of the property comprising the Project so conveyed and the assignee shall be deemed to be the "Developer," with all rights and obligations related thereto, with respect to such conveyed property comprising the Property.

19.2 Any transfer of ownership, new owner/developer must fill out Developer Information Form. District will perform due diligence based on the information provided in this form by the new owner/developer. District reserves right to amend project performance requirements or terminate the Agreement if the information provided is found by the District to be inadequate.

## **20. Agreement Runs with the Land.**

20.1 All of the provisions, rights, terms, covenants, and obligations contained in this Agreement shall be binding upon the parties and their respective heirs, successors and assignees, representatives, lessees, and all other persons acquiring the property comprising the Project, or any portion thereof, or any interest therein, whether by operation of law or in any manner whatsoever. All of the provisions of this Agreement shall be enforceable as equitable servitude and shall constitute covenants running with the land pursuant to applicable laws, including, but not limited to, Section 1468 of the Civil Code of the State of California. Each covenant to do, or refrain from doing, some act on the property comprising the Project hereunder, or with respect to any owned property, (a) is for the benefit of such properties and is a burden upon such properties, (b) runs with the properties, and (c) is binding upon each party and each successive owner during its ownership of such properties or any portion thereof, and shall be a benefit to and a burden upon each party and its property hereunder and each other person succeeding to an interest in such properties.

## **21. Other Governmental Approvals.**

21.1 Developer shall promptly and timely apply for and diligently pursue all required governmental agency approvals from governmental agencies other than District, such as the County of Tuolumne, California Department of Public Health, and California Regional Water Quality Control Board, as and when each such governmental approval is required during the course of design, development, and construction of the water and sewer improvements specified in this Agreement and the delivery of such water and sewer services to the Project. Developer shall diligently take all reasonable steps necessary to obtain all such Governmental Approvals and shall bear all costs and expenses for obtaining such Governmental Approvals. Developer shall comply with, and shall cause the Project to comply with all governmental agency regulations and laws related to the development, use and operation of, and provision of services to the Project. District shall reasonably cooperate with Developer in such endeavors upon Developer's written request for such cooperation. Developer shall be solely responsible for undertaking any investigation and acquiring necessary knowledge of governmental agency regulations and laws applicable to or affecting the Project, including existing or imposed restrictions, environmental and land use laws and regulations to which the Project may be subject. Developer shall reimburse District for all costs and expenses, including those of District staff and Legal Counsel incurred in connection with obtaining governmental agency approvals.

## **22. Insurance.**

22.1 Developer shall carry and maintain during the life of this Agreement, such public liability, property damage and contractual liability insurance and workers' compensation insurance as specified below.

A. Public Liability, Property Damage and Contractual Liability Insurance. Developer shall furnish public liability and property damage insurance which includes, but is not limited to, personal injury, property damage, losses relating to independent contractors, products and equipment, explosion,

collapse and underground hazards in a minimum amount of not less than a combined single limit of Two Million Dollars (\$2,000,000.00) for one or more persons injured and property damaged in each occurrence.

The public liability and property damage insurance furnished by Developer shall also name the District as an additional insured and shall directly protect, as well as provide the defense for the District, its officers, agents and employees, as well as Developer, all subcontractors and suppliers, if any, from all suits, actions, damages, losses or claims of every type and description to which they may be subjected by reason of, or resulting from Developer's construction of the Improvements pursuant to this Agreement, and all insurance policies shall so state. Said insurance shall also specifically cover the contractual liability of Developer. Said insurance shall also specify that it acts as primary insurance.

B. Workers' Compensation Insurance. Developer shall be permissibly self-insured or shall carry full workers' compensation insurance coverage for all persons employed, either directly or through subcontractors, in carrying out the work contemplated by this Agreement, in accordance with the Workers' Compensation Act contained in the Labor Code of the State of California.

By execution of this Agreement, Developer certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, I will comply with such provisions before commencing the performance of the work of this contract."

As part of the execution of this Agreement, Developer agrees to furnish to the District a certified copy of the insurance policies it has taken out for public liability, property damage and workers' compensation insurance set forth above for the period covered by this Agreement. Such insurance shall be placed with an insurance carrier acceptable to the District under terms satisfactory to the District. Said certified policies of insurance shall be furnished to the District prior to commencing the work contemplated by this Agreement. Each such certified policy shall bear an endorsement precluding the cancellation or reduction in coverage of any such policy before the expiration of thirty (30) days after the District shall have received written notification of such cancellation or reduction.

Should Developer fail to obtain and keep in force the insurance coverage hereinabove required, the District shall have the right to cancel and terminate this Agreement forthwith and without regard to any other provisions of this Agreement.

### **23. Indemnification.**

23.1 Developer shall assume the defense of, and indemnify and save harmless, the District, its officers, employees and agents, and each and every one of them from and against all actions, liability, damages, claims, losses or expenses of every type and description to which they may be subjected or put to by reason of or resulting from: (1) the performance of, or failure to perform, the work or any other obligations of this Agreement by Developer, any subcontractor or Developer's agents or employees; (2) any alleged negligent act or omission of Developer, any subcontractor, Developer's agents or employees, in connection with any acts performed or required to be performed pursuant to this Agreement; (3) any dangerous or defective condition arising or resulting from any of the actions or omissions of Developer, Developer's agents or employees in carrying out the provisions of this Agreement. This indemnification is effective and shall apply whether or not any such action is alleged to have been caused in part by the District as a party indemnified hereunder. This indemnification shall not include any claim arising from the sole negligence or willful misconduct of the District or its employees.

23.2 Developer agrees to indemnify, defend, and hold harmless the District, its officials, officers, employees, agents and consultants from any and all administrative, legal or equitable actions or other

proceedings instituted by any person not a party to this Agreement challenging the validity of the Agreement, or otherwise arising out of or stemming from this Agreement, its approval, and/or the process relating thereto, including, but not limited to any legal proceeding alleging that the District has failed to comply with the California Environmental Quality Act (CEQA) with respect to this Annexation Agreement or the Project. Developer may select its own legal counsel to represent Developer's interests at Developer's sole cost and expense. The Parties shall cooperate in defending such action or proceeding. Developer shall pay for District's costs of defense, whether directly or by timely reimbursement on a monthly basis. Such costs shall include, but not be limited to, all court costs and attorneys' fees expended by District in defense of any such action or other proceeding, plus staff and District's attorney time spent in regard to defense of the action or proceeding. The Parties shall use best efforts to select mutually agreeable defense counsel but, if the Parties cannot reach agreement, District may select its own legal counsel and Developer agrees to pay directly or timely reimburse on a monthly basis District for all court costs, attorney fees, and time referenced herein.

#### **24. Warranty.**

24.1 Developer agrees that construction of the Improvements shall be in accordance with the Plans and Specifications and industry standards. Developer unconditionally guarantees all materials and workmanship furnished under this Agreement, and agrees to replace at its sole cost and expense, and to the satisfaction of District, any and all materials which may be defective through faulty, improper or inferior workmanship or materials. Developer shall repair or replace to the satisfaction of District any or all such work that may prove defective in workmanship or materials, ordinary wear and tear excepted, together with any other work which may be damaged or displaced in so doing. This guarantee shall remain in effect for two (2) years from the date of District's acceptance of the work. This guarantee does not excuse Developer for any other liability related to defective work discovered after the guarantee period. Developer shall transfer to District all manufacturer and supplier warranties relating to the Improvements, if any, upon completion of the work. As surety for Developer's warranty obligation, Developer shall provide a warranty bond in the amount of twenty-five per cent (25%) of the final cost of the installed Improvements, which bond shall be released at the expiration of the two- (2-) year warranty period.

24.2 In the event of failure of Developer to comply with the above stated conditions within a reasonable time, District may have the defective work repaired and made good at the expense of Developer who will pay the costs and charges therefor immediately upon demand, including any reasonable management and administrative costs, and engineering, legal and other consultant fees incurred by District in enforcing this guarantee.

#### **25. Assessment Districts**

25.1 Developer agrees to consent in writing, on behalf of all real property in the Project, to inclusion of the Project in an assessment district to be formed by the District, or to annexation of such real property to an existing assessment district. Said consent shall be attached to this Agreement as Exhibit \_\_\_ and incorporated herein by this reference. The real property in the Project may be included in, or annexed to, a fire suppression or parks assessment district formed. The authority for the park facilities assessment is the Landscaping and Lighting Act of 1972 located at Streets and Highways Code Section 22500 et seq. The code section authorizing the fire suppression assessments is Government Code Section 50078 et seq., any amendments thereto, or any other applicable provision of the law. The assessment district shall be used to provide funding for the maintenance and operation costs to provide parks and recreation or fire suppression services within the Project. Developer shall record a notice of this consent and any liens created as a result of the formation of said assessment district, or annexation to an existing assessment district, to ensure that prospective purchasers of individual lots within the Project are given the appropriate notice. Developer shall also provide to each purchaser, and the District, a copy of a preliminary title report giving notice of the assessment lien if a real estate public report is not yet available, or a copy of the real estate public report giving notice of the assessment lien upon its availability. Developer further agrees not to cause to be filed, or encourage the filing of, and

waives its rights to file, any written protests to the inclusion of the Project in an assessment district, and/or the annexation of the real property encompassing the Project to an existing assessment district.

**26. Mello-Roos Community Facilities District.**

26.1 As an alternative provision to Section 13, Developer agrees to consent in writing, on behalf of all real property in the Project, to inclusion of the Project in a community facilities district to be formed by the District, or to annexation of such real property to an existing community facilities district. Said consent shall be attached to this Agreement as Exhibit \_\_\_ and incorporated herein by this reference. The real property in the Project may be included in, or annexed to, a community facilities district formed under the provisions of the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311, et seq.), any amendments thereto, or any other applicable provision of the law. The community facilities district shall be used to provide funding for parks and recreation or fire suppression facilities, equipment, maintenance and operation expenditures in addition to one or more of the purposes set forth in Government Code Sections 53313 and 53313.5. Developer shall record a notice of this consent and any liens created as a result of the formation of said community facilities district, or annexation to an existing community facilities district, to ensure that prospective purchasers of individual lots within the Project are given the appropriate notice. Developer shall also provide to each purchaser, and the District, a copy of a preliminary title report giving notice of the inclusion of the real property in the community facilities district, and notice regarding any ad valorem taxes imposed as a result thereof, if a real estate public report is not yet available, or a copy of the real estate public report giving notice of the inclusion of the real property in a community facilities district and any resultant ad valorem taxes upon its availability. Developer further agrees not to cause to be filed, or encourage the filing of, and waives its rights to file, any written protests to the inclusion of the Project in a community facilities district, and/or the annexation of the real property encompassing the Project to an existing community facilities district. Developer further agrees to cast its votes in any land owner election for inclusion of the real property in the Project in a newly created or existing community facilities district in favor of including said real property in said community facilities district.

**27. Disputes.**

27.1 If any dispute arises regarding the meaning of the drawings or Contract Documents, the quality or quantity of materials or workmanship, or Change Orders, the dispute shall be decided by District's engineer whose decision shall be final and binding on both parties.

**28. Term of Agreement.**

28.1 The effective date of this Agreement is \_\_\_\_\_, 200\_\_\_, which is the effective date of District Ordinance No. \_\_\_\_\_ adopting this Agreement.

28.2 Upon execution, the term of this Agreement shall commence on the Effective Date and extend for a period of ten (10) years, unless said term is terminated, modified or extended by circumstances set forth in this Agreement. Following the expiration of the term, this Agreement shall be deemed terminated and of no further force and effect; provided, however, that if a building permit has not been issued by the County for any of the contemplated 372 residential lots comprising the Project by that time, that the terms and conditions of this Agreement shall continue in full force and effect until all such lots comprising the Project have received both a building permit and a Certificate of Occupancy from County.

**29. Payment of District Costs.**

29.1 Developer shall, prior to commencement of construction of the Improvements, deposit as security with District the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) from which amount the District shall deduct all of its costs, fees, and expenses incurred as a result of the Project including, but not limited to administrative and staff costs, overhead, engineering costs, legal

expenses and inspection fees incurred by District in connection with design, construction and inspection of the Improvements to be constructed by Developer. If the amount on deposit with District at any time prior to final acceptance of all the Improvements to be constructed by Developer pursuant to this Agreement is reduced below a balance of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), factoring in any and all encumbrances and impacts within a 90-day period, Developer shall, upon notice from District, deposit with District funds sufficient to restore the amount on deposit to the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_). Failure of Developer to make any such additional deposits within ten (10) days after notice from the District will cause the District to suspend performance of the terms and conditions of this Agreement by Developer.

29.2 Upon completion of construction of the Improvements by Developer, acceptance of dedication of the Improvements by District and the expiration of the warranty period or the satisfactory resolution of any and all warranty claims, the District will determine the final actual amount of its administrative, engineering, legal and environmental review costs and expenses incurred with respect to the design, construction, inspection and acceptance of the Project. If the actual amount of such costs and expenses exceeds the deposits made by the Developer pursuant to this Agreement, the Developer shall pay to District the amount of any such expenses promptly upon demand. If the actual amount of costs and expenses incurred by District is less than the deposits previously made by Developer, the District shall refund any excess funds deposited by Developer to Developer, without interest. The District's determination of its costs and expenses incurred with respect to the Project shall be final and binding, provided that such determination shall be made upon the basis of generally accepted accounting principles consistently applied.

### **30. General Provisions.**

30.1 The Recitals with all defined terms set forth herein are hereby incorporated into this Agreement.

30.2 Developer has a legal or equitable interest in all real property comprising the Project which is the subject of this Development Agreement, the description of which is attached hereto marked Exhibit A and incorporated herein by this reference (the "Property"). Developer represents that all persons holding legal or equitable interest in the Property shall be bound by this Agreement.

30.3 Relationship of District and Developer. It is understood that this Agreement is a contract that has been negotiated and voluntarily entered into by Developer and District and that Developer is not an agent of District. The District and Developer hereby renounce the existence of any form of joint venture or partnership between them, and agree that nothing contained herein or in any document executed in connection herewith shall be construed as making the District and Developer joint ventures or partners.

30.4 This Agreement shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, successors, assigns and subsequent purchasers. Developer shall not assign its interest in this Agreement without District's prior written approval, which approval shall not be unreasonably withheld after appropriate review and verification of assignee's capacity, qualification and capability to fulfill all obligations wherein.

30.5 Notice shall be sent to the parties at the addresses set forth below. Either party may change the address by giving written notice to the other:

DEVELOPER:

Name  
Address  
Phone Number  
Email Address

DISTRICT:

Groveland Community Services District  
Attn: General Manager  
18966 Ferretti Road  
Groveland, CA 95321-0350  
Telephone: (209) 962-7161

30.6 Should the Developer or subsequent purchaser of the project fail or refuse to complete the construction of the Improvements, the District as one of its remedies may request the County of Tuolumne, or any other licensing agency, to halt the issuance of any building or occupancy permits for the Project until the Improvements are funded and completed as contemplated by the terms of this Agreement.

30.7 Time is of the essence in the performance of this Agreement.

30.8 This Agreement constitutes the sole and only agreement between the parties concerning the matters set forth herein. This Agreement supersedes any and all other agreements, either oral and in writing, between the parties hereto with respect to the rendering of services by Developer to the District, and contains all the covenants and agreements between the parties with respect to such services. Each party to this Agreement acknowledges that no representations or promises have been made by any party hereto which are not embodied herein, and that no other agreement or promise not contained in this Agreement shall be valid or binding.

30.9 Waiver. The failure or omission by District to terminate this Agreement for any violation of its terms or conditions shall in no way bar, stop or prevent the District from terminating this Agreement thereafter, either for such or for any subsequent violation of any such term, condition or covenant. The filing of a Notice of Completion or acceptance of the Project shall not be, and shall not be construed to be a waiver of any breach of any term, covenant or condition of this Agreement.

30.10 Severability. If a court of competent jurisdiction finds or rules that any provisions of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

30.11 The terms of this Agreement may be modified only in writing by mutual agreement on signature of the District and Developer. Said amendment shall be attached to this Agreement.

30.12 Attorneys' Fees. In the event any action is initiated by either party seeking to enforce any of the terms or provisions of this Agreement, the prevailing party in such action shall be awarded its reasonable attorneys' fees and costs.

Executed in Groveland, California, as of the date set forth above.

**DISTRICT:**

GROVELAND COMMUNITY  
SERVICES DISTRICT, a political  
subdivision of the State of California

By:

**DEVELOPER:**

By: \_\_\_\_\_

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President, Board of Directors

By:

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## Appendix 600-L ANNEXATION AGREEMENT

### ANNEXATION AGREEMENT FOR (NAME OF PROJECT) TO GROVELAND COMMUNITY SERVICES DISTRICT

(Note: This document is a template. The Board reserves the right to add or delete sections that address unique conditions of each development.)

This Annexation Agreement (the "Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 200\_\_, by and between GROVELAND COMMUNITY SERVICES DISTRICT, a political subdivision of the State of California formed and operated pursuant to California Government Code Section 61000 et seq., (hereinafter "District") and \_\_\_\_\_ (hereinafter "Developer").

#### RECITALS

1. Developer has obtained approval from the County of Tuolumne ("County") for a general plan amendment, rezone, and vesting tentative subdivision map (collectively, the "Approvals") for a residential and recreational project formerly known as \_\_\_\_\_ (the "Project"). Prior to approving the Project the County prepared, reviewed, approved and certified a Final Environmental Impact Report (hereinafter "EIR") for the Project.

2. Developer has entered into a Development Agreement with the County with respect to the Project and the construction of the infrastructure required therein (the "Development Agreement").

3. Development of the Project will result in a need for municipal services and/or facilities for water supply and distribution, water treatment, sewage collection and treatment, and fire suppression services, as discussed in the EIR and as required in part by the Approvals. Both the County, as a condition of the Approvals, and District pursuant to Section 600 of its Operational Policies and Procedures Manual requires the Developer to enter into an agreement with the District with respect to the annexation of the Project to the District in order to obtain from the District public water supply, wastewater, parks and recreation, and fire suppression services for the Project.

4. To facilitate the annexation of the Project, Developer and District have agreed to enter into this Agreement in order to have clarity as to District requirements. Both consider that this Agreement will provide the Tuolumne County Local Agency Formation Commission ("LAFCO") the plan of services it requires for approval of annexation. The Project lies within the sphere of influence of the District.

5. The Developer hereby agrees to the following, as more fully described in this Agreement: (a) design, plan, engineer, and construct all on-site wastewater, water, parks and recreation, and fire improvements (hereinafter referred to collectively as "On-Site Improvements") and pay for the design, engineering and construction of all incremental off-site water, wastewater, parks and recreation, and fire Improvements required to serve the Project at Developer's sole cost and expense pursuant to existing adopted District standards and those plans and specifications to be approved by the District; (b) pay certain water and wastewater connection fees, standby charges and other fees and assessments pursuant to District ordinances and policies applicable to all customers within the District; (c) dedicate any real property or easements as hereinafter required for specified on-site water, and wastewater infrastructure to serve the Project; (d) dedicate to District certain real property for parks and recreation and fire suppression facilities; (e) consent in writing, on behalf of all real property in the Project, to inclusion of the Project in a community facilities district and to annexation of such real property to an existing assessment district; and (f) reimburse District for its administrative costs and expenses and legal expenses incurred in conducting the annexation process, negotiating, drafting and implementing this Agreement, reviewing the engineering analyses and the plans and specifications for the improvements, and

inspecting construction of the improvements prior to acceptance by the District of those to be constructed by Developer. Developer agrees to contribute to the costs of such water, wastewater, parks and recreation, and fire suppression facilities and services as required herein to mitigate impacts of the Project.

6. Upon approval of the annexation by LAFCO and completion of all of the conditions for annexation as provided for herein, District agrees to provide all public water supply, wastewater, parks and recreation, and fire suppression facilities and services required by the Project (hereinafter referred to collectively as "Improvements"). District further agrees to cause to be undertaken or to allow Developer to undertake those off-site water, wastewater, parks and recreation, and fire improvements (hereinafter referred to collectively as "Off-site Improvements") required to serve the Project under the control of District in a timely fashion, at Developer's cost, to assure that Developer may proceed with complete development of the Project in accordance with the Approvals. District also agrees, subject to Developer's agreement to pay all costs associated with facilities needed to deliver the same, to provide irrigation water from wastewater effluent treated to the standards required by applicable law and regulations of the state, regional water quality control board and County, if requested by Developer for all or any portion of the Project when developed.

7. Developer and District acknowledge that Developer will be required to enter into one or more Subdivision Improvement Agreements with Tuolumne County in order to obtain approval and recordation of final subdivision maps for the Project. Developer and District agree to jointly cooperate to seek County approval of Plans and Specifications for on-site water, wastewater, parks and recreation, and fire Improvements which conform to adopted District standards and requirements.

8. Developer has completed all Sub-Area Master Plan (SAMP) analyses for District and California Environmental Quality Act (CEQA) documentation for County. County has approved CEQA documents and requires that Developer to address to the satisfaction of County Conditions of Approval. Such Conditions of Approval address, among other things, mitigation of environmental issues, provisions for providing infrastructure, and considerations for community fit and quality of life, as prescribed by the County General Plan and amendments thereto. Prior to final acceptance of infrastructure to be dedicated to District, Developer shall have met all Conditions of Approval to the satisfaction of the County

9. District and Developer recognize and agree that each party's performance under this Agreement is in reliance upon the covenants and conditions provided for in this Agreement.

## **AGREEMENT**

NOW, THEREFORE, the parties hereto in consideration of the mutual performance of the covenants and conditions hereinafter set forth agree as follows:

### **1. Annexation of Property into District.**

1.1 Developer agrees that this Agreement shall constitute Developer's agreement to annex the property constituting the Project to the District (with the exception of any portion of such property which cannot be annexed into the District due to its location outside the sphere of influence of the District). Developer further agrees to execute any further documents necessary to consent to such annexation if the District so requests or if required by District or LAFCO and shall consent to terms and conditions imposed by LAFCO consistent with this Agreement and the Approvals.

1.2 Subject to Developer's payment of applicable filing and processing fees, and reimbursement of the District's administrative, legal, engineering and other consultant costs incurred in reviewing Developer's application, District agrees that this Agreement shall constitute its agreement to annex the property constituting the Project (except as indicated above) to the District and shall initiate proceedings to do so and to obtain

LAFCO's consent to such annexation upon terms and conditions consistent with this Agreement and the Approvals.

1.3 Upon annexation Developer shall have the right to receive from District domestic water supply and distribution, wastewater collection and treatment, and fire suppression services to real property comprising the Project on the same basis as do other owners of properties within the District (with the exception of possible improvement district obligations) so long as Developer complies with the terms and conditions of this Agreement, the Approvals, and the terms and conditions of LAFCO consistent with this Agreement and the Approvals. Developer's right to receive such services within the Project from the District shall be subject to subsequent District approvals, as provided herein.

1.4 District will provide the following services to the Development:

- Water: Including water supply, treatment, storage and distribution and facilities constructed and dedicated to the District during the course of developing this Project.
- Wastewater: Including wastewater collections, treatment and disposal and facilities constructed and dedicated to the District during the course of developing this Project.
- Parks and Recreation: Including access to existing parks and recreation facilities and facilities constructed and dedicated to the District during the course of developing this Project.
- Fire: Including full-time fire department and facilities constructed and dedicated to the District during the course of developing this Project.
- Community Facilities: Including access to existing District-owned community facilities and facilities constructed and dedicated to the District during the course of developing this Project.

1.5 Provisions for development of plans and specifications for water, wastewater system, parks and recreation, and/or fire suppression improvements; construction of water, wastewater, parks and recreation, and/or fire suppression improvements; reservation or dedication of land to the District for public purposes; location and maintenance of onsite and offsite improvements; and location, nature and extent of public utilities shall be those set forth in this Agreement and/or a Development Agreement entered into by the parties hereto subsequently to this Agreement. District acknowledges that the Approvals provide for the following land uses and approximate acreages for the Project:

\_\_\_\_\_  
(Description of Project)  
\_\_\_\_\_  
\_\_\_\_\_

## **2. Plans and Specifications for Water, Wastewater, Parks and Recreation, and Fire System Improvements.**

2.1 Developer shall be responsible for funding all the costs for design, engineering, and construction of water, wastewater, parks and recreation, fire Improvements necessary to serve the Project without imposing level of service reductions on existing customers of the District. Such improvements will consist of both improvements within the Project for public water, wastewater, parks and recreation, and fire services (the "On-site Improvements") to be undertaken by Developer as a part of Project development in accordance with the established standards of the District and in accordance with the Approvals, and those incremental improvements to the District's current public water supply, wastewater, parks and recreation, and fire systems and facilities outside the Project boundaries (the "Off-site Improvements") needed to serve the Project. The Off-site Improvements shall either be constructed by Developer or funded by Developer at District's option and the District may select different options for different portions where feasible. Where District combines the Off-site Improvements with other improvements desired or needed by District to serve other needs within the District, Developer shall contribute its *pro-rata* share of the incremental costs thereof.

2.2 After annexation, Developer shall arrange for the preparation of a sub-area master plan ("Sub-area Master Plan") for those Off-site Improvements required for the Project for District's review and approval. To the extent that District desires to incorporate other improvements not related to the Project, and after public review and Board approval, District shall contribute funds for such portions or credit Developer with the expenses

involved in incorporating the same into the Sub-area Master Plan. For all On-site Improvements, Developer shall prepare construction plans and specifications at Developer's sole cost and expense (the "Plans and Specifications"). The Plans and Specifications for On-site Improvements shall comply with all applicable District standards and be approved in writing by the District's engineers. Developer agrees that construction of the On-site Improvements shall not commence until the Plans and Specifications for said improvements have been approved in writing by District. Developer agrees to arrange for the final engineering and construction of Off-site Improvements in a timely manner so as to be available to serve the Project as needed.

### **3. Construction of Water, Wastewater, Parks and Recreation, and Fire System Improvements.**

3.1 Developer shall, without expense to District, furnish all labor, materials, equipment, mechanical workmanship, appliances, supervision, coordination, building permits, other required permits, sales taxes, and samples to complete construction of the On-site Improvements in a workmanlike manner.

3.2 Developer shall complete those Off-site Improvements, which are to be constructed directly by Developer in accordance with the Plans and Specifications to the satisfaction of the District for each approved phase of the Project for which a final map is to be or has been recorded in accordance with the requirements of applicable law and any applicable Approvals. Should Developer fail to complete construction of the On-site Improvements and/or Off-site Improvements as required, or performs work that does not comply with the Plans and Specifications, the District may terminate Developer's right to perform all or any portion of said improvements and complete the work itself, subject to the rights of those who have bonded performance and completion. The cost of completion by the District shall include reasonable reimbursement for additional executive and administrative expense including legal fees together with all damages for delay and other damages sustained by District as a result of Developer's default.

3.3 The Parties hereto acknowledge that Tuolumne County may require Developer to post performance and payment bonds to secure the obligation of the Developer to construct certain On-site Improvements pursuant to a Subdivision Improvement Agreement between the Developer and the County pursuant to Title 16 of the Ordinances of Tuolumne County. Developer shall, at the time of District approval of the Plans and Specifications for the On-site Improvements and the Off-site Improvements and the cost estimates associated with such work, file two (2) separate bonds with the District, each made payable to the District. These bonds shall be issued by a surety company admitted to do business in the State of California as an insurer and shall be maintained during the entire life of this Agreement at the expense of Developer. One bond shall be in the amount of One Hundred Percent (100%) of the cost estimate for any On-site Improvements not covered by Developer's performance and payment bonds issued to the County, and One Hundred Percent (100%) of the cost estimate for construction of the Off-site Improvements and shall guarantee the faithful performance by Developer of all aspects of this Agreement and Developer's obligation to fund all costs of design, engineering and construction of the On-site Improvements and the Off-site Improvements. The second bond shall be the payment bond required by Division Three, Part 4, Title 15, Chapter 7 of the Civil Code of the State of California, and shall be in the amount of One Hundred Percent (100%) of the construction cost estimate approved by District's engineer for those On-site Improvements not covered by Developer's performance and payment bonds issued to the County and the Off-site Improvements, to guarantee the payment of wages and for materials, supplies or equipment used in the construction of such On-site Improvements and Off-site Improvements. Any alterations made in the specifications for the On-site and Off-site Improvements shall not operate to release any surety from liability on any bond required hereunder, and the consent to make such alterations is hereby given, and any surety on said bonds hereby waives the provisions of Section 2819 of the Civil Code. At the time of submitting such bonds to the District, Developer shall provide a Certificate of Fact issued by the County of Tuolumne, County Clerk, or Certificate of Authority issued by the State of California, Department of Insurance for any and all sureties issuing the bonds required under this Agreement. By execution of this Agreement, Developer further certifies and represents that any and all sureties issuing the bonds required under this Agreement are authorized to do business in the State of California and that the bonds fully comply with Civil Code Sections 3247 and 3248, and the Bond and Undertaking Law, Code of Civil Procedure Section 995.010, et seq.

3.4 After acceptance of the dedication of the On-site Improvements by District, said Improvements shall be operated to provide water supply, wastewater, parks and recreation, and fire services to the Project upon receipt and approval of an application for service submitted to and approved by the District. All services made available by District to the Project shall be subject to all rates, charges, fees and assessments established by District's Board of Directors from time to time applicable to all properties within the District, as well as any fees that are specific to this development, such as for improvement districts. Construction of the On-site Improvements by Developer and use of such improvements by owners of real property within the Project shall be subject to the District's water and/or wastewater ordinance, as amended from time to time.

3.5 Developer, at its sole cost and expense, shall perform all necessary survey work to prepare a legal description for and dedicate to District twenty-foot (20-ft) wide perpetual easements for the purpose of construction, installation, operation, maintenance and replacement of the On-site Improvements constructed by Developer pursuant to this Agreement. The Developer shall dedicate such easements to the District at no cost to the District and free and clear of all liens and encumbrances. All such easements shall include District rights of ingress and egress to the easements in order to perform operation, maintenance and repair of the On-site Improvements.

3.6 Developer shall dedicate to District any and all parcels of real property within the Project as approved by District that are necessary as the location for the On-site Improvements to serve the Project. Such parcels shall be certified to be in sound environmental condition prior to dedication. The District must approve in writing the location and size of such sites to serve the Project. Said real property, unencumbered by any financial obligations, comprising those sites necessary to house on-site water and/or wastewater Infrastructure, as well as fire and parks facilities shall be dedicated to District without cost to District prior to Developer's recordation of its first final subdivision map for any part of the Project.

#### **4. Provision of Fire Suppression Facilities.**

4.1 The Approvals for the Project require Developer to dedicate to District a parcel of real property with a minimum size of \_\_\_\_\_ acres to serve as a site for \_\_\_\_\_. The District must approve in writing the location and size of said site. Said real property shall be dedicated to District, unencumbered by any financial obligations, without cost to District by Developer prior to the recordation of any final subdivision map for any part of the Project. Said real property to be dedicated for fire suppression facility purposes is set forth more specifically in Exhibit \_\_\_\_ attached hereto and incorporated herein by this reference as the "Dedicated Land."

4.2 [Reserved for discussion of specific requirements imposed on Project to finance fire suppression facilities will vary from Project to Project.]

4.3 [Reserve for Parks and Recreation Provisions]

4.3 The Parties recognize that it is necessary to provide a source of revenue to fund the provision of fire suppression services to adequately serve the Project. Developer agrees to consent in writing, on behalf of all real property in the Project to inclusion of the Project in a community facilities district to be formed by the District. Said consent shall be attached to this Agreement as Exhibit \_\_\_\_ and incorporated herein by this reference. The real property in the Project may be included in a community facilities district formed under the provisions of the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311, et seq.), any amendments thereto, or any other applicable provision of the law. The community facilities district shall be used to provide funding for fire suppression services in an amount sufficient to provide, beginning with the issuance of the first building permit for the Project, the level of service described in the District's Fire Master Plan dated February 2, 2007 specified in Exhibit \_\_\_\_ attached hereto and incorporated herein by this reference. Said special tax will include an annual inflationary adjustment provision to reflect the estimated annual increase in the cost of providing fire service to the Project. Developer will be responsible for funding all costs relative to the formation of the CFD and the levying of the special tax. Developer shall record a notice of this consent and any liens created as a result of the formation of said community facilities district to ensure that prospective purchasers of individual lots within the Project are given the appropriate notice. Developer shall also provide to each purchaser, and the

District, a copy of a preliminary title report giving notice of the inclusion of the real property in the community facilities district, and notice regarding any ad valorem taxes imposed as a result thereof, if a real estate public report is not yet available, or a copy of the real estate public report giving notice of the inclusion of the real property in a community facilities district and any resultant ad valorem taxes upon its availability. Developer further agrees not to cause to be filed, or encourage the filing of, and waives its rights to file, any written protests to the inclusion of the Project in a community facilities district, or the levy of special taxes within such community facilities district. Developer further agrees to cast its votes in any land owner election for inclusion of the real property in the Project in a newly created community facilities district and the levying of special taxes upon property within said community facilities district in favor of including said real property in said community facilities district and in favor of the levying of such special taxes. Any ad valorem taxes levied against the real property in the Project pursuant to the Mello-Roos Community Facilities Act of 1982 shall be in addition to any and all dedicated land and in addition to any development fee levied pursuant to Government Code Section 66000. No credit shall be allowed against any such ad valorem taxes levied against the real property, regardless of whether such taxes are owing by Developer or any prospective purchaser of the real property contained within the Project.

4.4 Developer further agrees to consent in writing, on behalf of all real property in the Project, to inclusion of the Project in a fire suppression assessment district to be formed by the District, or to annexation of such real property to an existing assessment district. Said consent shall be attached to this Agreement as Exhibit \_\_\_ and incorporated herein by this reference. The real property in the Project may be included in, or annexed to, an assessment district formed under the provisions of Government Code Section 50078 et seq., any amendments thereto, or any other applicable provision of law. Said consent shall include Developer's approval of and consent to the levy of an annual assessment upon all real property comprising the Project at the same rate as levied on other parcels within the District receiving the same benefit from such fire suppression services as proposed by the District. The fire suppression assessment district assessment proceeds shall be used to provide funding for the District to provide fire suppression services to serve the Project. Developer shall record a notice of this consent and any liens created as a result of the formation of said assessment district, or annexation to an existing assessment district, to ensure that prospective purchasers of individual lots within the Project are given the appropriate notice. Developer shall also provide to each purchaser, and the District, a copy of a preliminary title report giving notice of the assessment lien if a real estate public report is not yet available, or a copy of the real estate public report giving notice of the assessment lien upon its availability. Developer further agrees not to cause to be filed, or encourage the filing of, and waives its rights to file, any written protests to the inclusion of the Project in an assessment district, and/or the annexation of the real property encompassing the Project to an existing assessment district and/or the levying of assessments. Any assessments levied against the real property in the Project shall be in addition to any and all dedicated land, in addition to any development fees levied pursuant to Government Code Section 66000, and in addition to any special taxes levied in a community facilities district which includes the Project. No credit shall be allowed against any such assessments levied against the real property, regardless of whether such assessments are owing by Developer or any prospective purchaser of the real property contained within the Project.

4.5 Developer agrees to pay any and all costs incurred by District, including legal, engineering and other consultant fees, with respect to the formation and/or annexation of the community facilities and/or assessment districts pursuant to this Agreement.

4.6 Developer, at its sole cost and expense, shall perform all necessary survey work to prepare a legal description for and dedicate to District all necessary rights-of-way for emergency access as specified in the Approvals to provide efficient fire suppression services to the Project. Developer shall dedicate such rights-of-way to the District at no cost to the District and free and clear of all financial liens and encumbrances. Dedication of such rights-of-way to District shall be completed prior to issuance of the first building permit for a structure within the Project.

4.7 As required by the Approvals Developer shall prepare a fuel reduction/fuel management program in cooperation with the District and the County Fire Department in order to provide for control and removal of flammable vegetation with rights-of-way, vacant lots and within a mutually agreeable distance from residential or commercial structures. Developer shall prepare such fuel reduction/fuel management program at no cost to

District. Said program shall include a fee component to reimburse District for the administrative costs incurred in providing the necessary inspections to ensure that the goals and objectives of the fuel reduction/fuel management program are being achieved. Said fuel reduction/fuel management program shall be submitted to District for approval and any fees payable to District for review of such program shall be paid prior to the issuance of the first building permit for a structure within the Project.

4.8 The Approvals require Developer to install at its own cost and expense fire hydrants of various capacities within certain zones of the Project. No such fire hydrant shall be installed by Developer unless the location of each such hydrant has been approved by District in writing. The fire hydrants and lines serving the same shall be deemed a part of the On-site Improvements.

## **5. Permits and Inspections.**

5.1 Developer agrees and understands that it is the responsibility of Developer to obtain and pay for all necessary permits required for the construction of the Improvements from any and all jurisdictions that have authority over the work. Developer also agrees and understands that it is the responsibility of Developer to call for and obtain all required inspections from any and all governmental agencies having jurisdiction over the work during the course of the construction of the Improvements. Developer is not relieved of its obligations to secure all permits and obtain all inspections by virtue of District's assistance in procuring the necessary permits. It is generally understood that the District shall be responsible for Off-site Improvements and the permitting related thereto, at Developer's cost, although District and Developer may agree that Developer shall partially or wholly take on such responsibilities on behalf of the District.

## **6. Inspection of Construction.**

6.1 The District General Manager or his agent may inspect the construction of the Improvements to assure that they are installed in accordance with the approved Plans and Specifications. Said inspection shall be funded by an inspection fee paid by Developer as specified in District's fee schedule in effect on the date of such inspection. District is not, by inspection of the construction or installation of the Improvements, providing a substitute for inspection and control of the work by Developer. Any failure of District to note variances in the work from the Plans and Specifications does not excuse or exempt Developer from complying with all of the provisions of the Plans and Specifications. The fact that District inspects the construction of the Improvements and fails to discover deviations or failures to construct them pursuant to the Plans and Specifications shall not be deemed to constitute a guarantee by District that the Improvements have been built in accordance with the Plans and Specifications. At no time shall the District be responsible for any trench settlement or road failure associated with such work. Any such settlement shall be the sole responsibility of Developer. Construction of the Improvements shall not commence until the estimated inspection fee is deposited with the District. The District General Manager or his designated agent shall notify Developer of a failure to construct the Improvements in accordance with the Plans and Specifications, or defective work pursuant to District standards as soon as such failure or defect is brought to its attention. Developer shall immediately correct any such failure or defect, including removal and replacement of any non-conforming work at Developer's expense. In no event shall any of the work of installing the Improvements be covered until District has inspected all of the work and has approved the covering of the work.

## **7. Dedication of Improvements.**

7.1 Upon completion of construction and operational verification and acceptance of the On-site Water System Improvements and On-site Wastewater System Improvements (referred to collectively as "Improvements"), Developer agrees to dedicate all such Improvements to District to become a part of the District's water, wastewater, parks and recreation, and fire systems. District shall accept the offer of dedication of the Improvements if it finds all of the following: (1) that the design and construction of the Improvements complies with all applicable building codes, the Plans and Specifications, and all applicable District standards, policies and ordinances; (2) that Developer has paid to District all applicable District fees then due pursuant to the District's fee schedule existing as of the date of construction, and Developer's pro rata share the costs of all Off-site Improvements; and (3) that Developer has reimbursed District all of District's administrative costs and

expenses incurred in reviewing, approving, and inspecting the design, construction, and operational start-up of the Improvements, negotiating and drafting this Agreement and participating in approval of LAFCO of the proposed annexation; and (4) all mutually agreed to terms and conditions have been met. At such time as the District finds that Developer has fully complied with each of the foregoing three (3) criteria, District shall accept the offer of dedication of the Improvements in writing and assume responsibility for all maintenance, repair, and operation of the Improvements constructed by Developer.

7.2 Developer shall dedicate the Improvements to District by conveying title to the completed Improvements to District at Developer's sole cost and expense, free and clear of all liens, encumbrances, and environmental liabilities from prior land use. Developer shall be responsible for preparing the appropriate documents for conveying title to the Improvements to District in a form reasonably acceptable to District and pursuant to any applicable County requirements.

7.3 Developer shall provide District with one set of twenty-four-inch by thirty-six-inch original (24" x 36") and one set of reproducible "record" drawings of the completed Improvements on matte Mylar (5 mil minimum). Developer shall also provide these drawings in an electronic format acceptable to the District. Developer shall also provide final plans and specifications for the Project, including change orders.

7.4 District shall accept the conveyance of title of the completed Improvements and at that time the Improvements will become part of the District's water, wastewater, parks and recreation, and fire systems.

## **8. Maintenance of Facilities.**

8.1 In consideration for the Improvements constructed by Developer for the benefit of District, and dedicated to District, District will perform all necessary maintenance commencing immediately upon completion of construction, dedication by Developer and acceptance of dedication by District. After the date of acceptance, District shall be solely responsible for all costs of maintenance of the Improvements.

## **9. Project as Private Undertaking.**

9.1 No partnership, joint venture, or other association of any kind between Developer, on the one hand, and the District on the other, is formed by this Agreement. The only relationship between the District and Developer is that of a governmental entity providing water, wastewater, parks, and fire suppression services to the Project area.

## **10. Environmental Review.**

10.1 The District has retained an environmental consultant to review the existing EIR to determine if any supplemental CEQA review is necessary with respect to the On-site Improvements prior to the District approving this Agreement. District and Developer agree to complete CEQA documentation regarding approval of this Annexation Agreement as determined by said consultant, at the sole expense of Developer.

## **11. Project Phasing.**

11.1 The parties acknowledge that uncertainties associated with market conditions, availability of financing, and other factors may alter the timing of Developer's ability to construct the Project. After annexation, Developer shall use all reasonable efforts to provide District with a phasing plan in order to assist District in its planning and Developer shall then use commercially reasonable efforts to substantially complete each phase of the Project in accordance with the phasing plan.

## **12. Applicable District Rules, Regulations and Policies.**

12.1 Rules Regarding Design and Construction. All construction of the Improvements shall comply with all District standards, ordinances, resolutions and policies in effect as of the date of this Agreement.

12.2 Changes in State or Federal Law. Any changes in District ordinances, policies, regulations, or rules, the terms of which are specifically mandated and/or required by changes in federal or state laws and/or regulations shall be applicable to construction of Improvements to be dedicated to District pursuant to this Agreement.

12.3 Codes and Standards Applicable. Unless otherwise expressly provided in this Agreement, all Improvements constructed pursuant to the terms of this Agreement shall comply with the provisions of the state, County and District codes and standards for Building, Mechanical, Plumbing, Electrical and Fire , in effect at the time of approval of the appropriate encroachment, grading, building or other construction permits necessary for the Project. If no permits are required for construction by Developer of such infrastructure improvements to be dedicated to District, such improvements shall be constructed in accordance with the provisions of the state, County, and District codes and standards for Building, Mechanical, Plumbing, Electrical and Fire in effect at the start of the construction of such infrastructure.

### **13. Subsequently Enacted Fees, Dedications, Assessments and Taxes.**

13.1 Processing Fees and Charges. Developer shall pay those processing, inspection and plan checking fees and charges required by District and uniformly applicable to all property owners in the District under then current regulations for processing development applications and requests for permits, approvals and other actions, and monitoring compliance with any permits issued or approvals granted by District or the performance of any conditions or obligations required of Developer pursuant to this Agreement.

13.2 Development Exactions and Dedications. Except as otherwise provided herein, any and all dedications of land, connection or mitigation fees and exactions required by District to be paid by Developer to support the construction of any public facilities and improvements or the provision of any public services with respect to the Project (hereinafter the "Exactions") shall be the Exactions authorized as of the effective date of this Agreement. However, Developer shall be obligated to pay all Exactions authorized by District after the effective date hereof provided that said Exactions otherwise comply with applicable law and are (1) required on a District-wide basis; or (2) apply uniformly to all properties within the District which are zoned consistent with the property comprising the Project; or (3) which apply uniformly to all properties which are similarly situated within the District, whether by geographic location, drainage patterns, or other distinguishing characteristics and (4) do not duplicate Exactions provided for herein for the same purpose. Wherever this Agreement obligates Developer to design, construct or install any public improvements or to contribute to the design, construction or installation of the same to be dedicated to the District, the cost thereof (including the value of land or easements dedicated to the District) may be provided by Developer through a Community Facilities District, Assessment District or other such financing mechanism, in accordance with the provisions thereof and District hereby agrees to initiate proceedings for the formation thereof at Developer's request, and at Developer's cost .

13.3 Mitigation Measures. Notwithstanding any other provision of this Agreement to the contrary, as and when Developer elects to construct the Project, Developer shall be bound by, and shall perform, all mitigation measures required by the Approvals.

### **14. Amendment or Cancellation.**

14.1 Modification Because of Conflict with State or Federal Laws. In the event that state or federal laws or regulations enacted after the effective date of this Agreement prevent or preclude compliance with one or more provisions of this Agreement or require changes in plans, maps or permits approved by the District, the parties shall meet and confer in good faith in a reasonable attempt to modify this Agreement to comply with such federal or state law or regulation. Any such amendment shall be approved by the Board of Directors of District.

14.2 Amendment by Mutual Consent. This Agreement may be amended in writing from time to time by mutual consent of the parties hereto.

14.3 Cancellation by Mutual Consent. Except as otherwise permitted herein, this Agreement may be cancelled in whole or in part only by the mutual written consent of the parties or their successors-in-interest. Any fees paid pursuant to this Agreement prior to the date of cancellation shall be retained by District.

## 15. Default.

15.1 Subject to any applicable extension of time, failure by any party to perform any term or provision of this Agreement required to be performed by such party shall constitute an event of default ("Event of Default"). For purposes of this Agreement a party claiming another party is in default shall be referred to as the "Complaining Party" and the party alleged to be in default shall be referred to as the "Party in Default."

### 15.2 Procedure Regarding Defaults.

15.2.1 Notice. The Complaining Party shall give written notice of default to the Party in Default, specifying the default complained of by the Complaining Party. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default.

15.2.2 Cure. The Party in Default shall diligently endeavor to cure, correct or remedy the matter complained of, provided such cure, correction or remedy shall be completed within the applicable time period set forth herein after receipt of written notice (or such additional time as may be deemed by the Complaining Party to be reasonably necessary to correct the matter).

15.2.3 Failure to Assert. Any failures or delays by a Complaining Party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by a Complaining Party in asserting any of its rights and remedies shall not deprive the Complaining Party of its right to institute and maintain any actions or proceedings, which it may deem necessary to protect, asset or enforce any such rights or remedies,

15.2.4 Notice of Default. If an Event of Default occurs prior to exercising any remedies, the Complaining Party shall give the Party in Default written notice of such default. If the default is reasonably capable of being cured within thirty (30) days, the Party in Default shall have such period to effect a cure prior to exercise of remedies by the Complaining Party. If the nature of the alleged default is such that it cannot practicably be cured within such 30 day period, the cure shall be deemed to have occurred within such 30 day period if: (a) the cure shall be commenced at the earliest practicable date following receipt of the notice; (b) the cure is diligently prosecuted to completion at all times thereafter; (c) at the earliest practicable date (in no event later than thirty (30) days after the curing party's receipt of the notice), the curing party provides written notice to the other party that the cure cannot practicably be completed within such 30 day period; and (d) the cure is completed at the earliest practicable date. In no event shall Complaining Party be precluded from exercising remedies if a default is not cured within one hundred twenty (120) days after the first notice of default is given.

15.2.5 Legal Proceeding. Subject to the foregoing, if the Party in Default fails to cure a default in accordance with the foregoing, the Complaining Party, at its option, may institute legal proceedings pursuant to this Agreement or, in the event of a material default, terminate this Agreement. Upon the occurrence of an event of default, the parties may pursue all other remedies at law or in equity, which are not otherwise provided for or prohibited by this Agreement, or in the District's regulations governing development agreements, expressly including the remedy of specific performance of this Agreement.

15.2.6 Effect of Termination. If this Agreement is terminated following any event of default of Developer or for any other reason, such termination shall not affect the validity of any improvement required to be constructed by Developer with respect to the Project which is completed as of the date of termination, provided that such building or improvement has been constructed pursuant to a building permit issued by the County. Furthermore, no termination of this Agreement shall prevent Developer from completing any improvement to be constructed pursuant to this Agreement pursuant to a valid building permit previously issued

by the County that is under construction at the time of termination, provided that any such improvement is completed in accordance with said building permit in effect at the time of such termination.

15.2.7 Remedies. Upon the occurrence of an Event of Default, each party hereto shall the right, in addition to all other rights and remedies available under this Agreement to: (1) bring any proceeding in the nature of specific performance, injunctive relief or mandamus and/or (2) bring any action at law or in equity as may be permitted by California law or this Agreement. Notwithstanding the foregoing, however, neither party shall ever be liable to the other party for any consequential damages on account of the occurrence in an Event of Default (including claims for lost profits, loss of opportunity, lost revenues, or similar consequential damage claims). The parties hereto waive and relinquish any claims for consequential damages on account of an Event of Default, which waiver and relinquishment the parties acknowledge has been made after full and complete disclosure and advice regarding the consequences of such waiver and relinquishment by counsel to each party.

## **16. Estoppel Certificate.**

16.1 Either party may, at any time, and from time to time, request written notice from the other party requesting such party to certify in writing that, (a) this Agreement is in full force and effect and a binding obligation of the parties, (b) this Agreement has not been amended or modified either orally or in writing, or if so amended, identifying the amendments, and (c) to the knowledge of the certifying party the requesting party is not in default in the performance of its obligations under this Agreement, or if in default, to describe therein the nature and amount of any such defaults. A party receiving a request hereunder shall execute and return such certificate within thirty (30) days following the receipt thereof, or such longer period as may reasonably be agreed to by the parties. General Manager of District shall be authorized to execute any certificate requested by Developer. Should the party receiving the request not execute and return such certificate within the applicable period, this shall not be deemed to be a default.

## **17. Mortgagee Protection; Certain Rights of Cure.**

17.1 Mortgagee Protection. This Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof after the date of recording this Agreement, including the lien for any deed of trust or mortgage ("Mortgage"). Notwithstanding the foregoing, no breach hereof shall defeat, render invalid, diminish or impair the lien of any Mortgage made in good faith and for value, but all the terms and conditions contained in this Agreement shall be binding upon and effective against any person or entity, including any deed of trust beneficiary or mortgagee ("Mortgagee") who acquires title to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure, or otherwise.

17.2 Mortgagee Not Obligated. Notwithstanding the provisions of Section 16.1 above, no Mortgagee, unless such Mortgagee becomes a transferee or assignee of this Agreement, shall have any obligation or duty under this Agreement, before or after foreclosure or a deed in lieu of foreclosure, to construct or complete the construction of Improvements, or to guarantee such construction of Improvements, or to guarantee such construction or completion, or to pay, perform or provide any fee, dedication, improvements or other exaction or imposition. However, the Mortgagee shall not be entitled to undertake any new construction or improvement projects, or to otherwise have the benefit of any rights of Developer under this Agreement, or to devote the Property comprising the Project to any uses or to construct any improvements other than those uses or improvements authorized by the County Condition of Approvals, or Developer's Development Agreement with County, the provisions of the Environmental Impact Report with respect to the Project, and the provisions of this Agreement.

17.3 Notice of Default to Mortgagee and Extension of Right to Cure. If District receives notice from a Mortgagee requesting a copy of any notice of default given Developer hereunder and specifying the address for service thereof, then District shall deliver to such Mortgagee, concurrently with service thereon to Developer, any notice given to Developer with respect to any claim by District that Developer has committed an Event of Default. Each Mortgagee shall have the right during the same period available

to Developer to cure or remedy, or to commence to cure or remedy, the Event of Default claimed set forth in the District's notice. District, through its General Manager, may extend the cure period provided in Section 15.2.2 and 15.2.4 for not more than an additional sixty (60) days upon request of Developer or a Mortgagee.

## **18. Transfers and Assignments.**

18.1 From and after recordation of this Agreement against the property comprising the Project, Developer shall have the full right to assign this Agreement as to the property comprising the Project, or any portion thereof, in connection with any sale, transfer or conveyance thereof, with the written consent of District which shall not be unreasonably withheld. Upon the express written assignment by Developer and assumption by the assignee of such assignment in a form provided by District and the conveyance of Developer's interest in the property comprising the Project related thereto, Developer shall be released from any further liability or obligation hereunder related to the portion of the property comprising the Project so conveyed and the assignee shall be deemed to be the "Developer," with all rights and obligations related thereto, with respect to such conveyed property comprising the Property.

## **19. Agreement Runs with the Land.**

19.1 All of the provisions, rights, powers, standards, terms, covenants, and obligations contained in this Agreement shall be binding upon the parties and their respective heirs, successors and assignees, representatives, lessees, and all other persons acquiring the property comprising the Project, or any portion thereof, or any interest therein, whether by operation of law or in any manner whatsoever and shall insure to the benefit of the Parties and their respective heirs, successors and assigns. All of the provisions of this Agreement shall be enforceable as equitable servitude and shall constitute covenants running with the land pursuant to applicable laws, including, but not limited to, Section 1468 of the Civil Code of the State of California. Each covenant to do, or refrain from doing, some act on the property comprising the Project hereunder, or with respect to any owned property, (a) is for the benefit of such properties and is a burden upon such properties, (b) runs with the properties, and (c) is binding upon each party and each successive owner during its ownership of such properties or any portion thereof, and shall be a benefit to and a burden upon each party and its property hereunder and each other person succeeding to an interest in such properties.

## **20. Other Governmental Approvals.**

20.1 Developer shall promptly and timely apply for and diligently pursue all required governmental agency approvals from governmental agencies other than District, such as the County of Tuolumne, as and when each such governmental approval is required during the course of design, development, and construction of the Improvements specified in this Agreement and the delivery of water, wastewater and fire suppression services to the Project. Developer shall diligently take all reasonable steps necessary to obtain all such governmental approvals and shall bear all costs and expenses for obtaining such governmental approvals. Developer shall comply with, and shall cause the Project to comply with all governmental agency regulations and laws related to the development, use and operation of, and provision of services to the Project. District shall reasonably cooperate with Developer in such endeavors upon Developer's written request for such cooperation. Developer shall be solely responsible for undertaking any investigation and acquiring necessary knowledge of governmental agency regulations and laws applicable to or affecting the Project, including existing or imposed restrictions, environmental and land use laws and regulations to which the Project may be subject. Developer shall reimburse District for all costs and expenses, including those of District staff, legal counsel and/or other consultants incurred in connection with obtaining governmental agency approvals.

## **21. Insurance.**

21.1 Developer shall carry and maintain during the life of this Agreement, such public liability, property damage and contractual liability insurance and workers' compensation insurance as specified below.

A. Public Liability, Property Damage and Contractual Liability Insurance. Developer shall furnish public liability and property damage insurance which includes, but is not limited to, personal injury, property damage, losses relating to independent contractors, products and equipment, explosion, collapse and underground hazards in a minimum amount of not less than a combined single limit of Two Million Dollars (\$2,000,000.00) for one or more persons injured and property damaged in each occurrence.

The public liability and property damage insurance furnished by Developer shall also name the District as an additional insured and shall directly protect, as well as provide the defense for the District, its officers, agents and employees, as well as Developer, all subcontractors and suppliers, if any, from all suits, actions, damages, losses or claims of every type and description to which they may be subjected by reason of, or resulting from Developer's construction of the Improvements pursuant to this Agreement, and all insurance policies shall so state. Said insurance shall also specifically cover the contractual liability of Developer. Said insurance shall also specify that it acts as primary insurance.

B. Workers' Compensation Insurance. Developer shall be permissibly self-insured or shall carry full workers' compensation insurance coverage for all persons employed, either directly or through subcontractors, in carrying out the work contemplated by this Agreement, in accordance with the Workers' Compensation Act contained in the Labor Code of the State of California.

By execution of this Agreement, Developer certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, I will comply with such provisions before commencing the performance of the work of this contract."

As part of the execution of this Agreement, Developer agrees to furnish to the District a certified copy of the insurance policies it has taken out for public liability, property damage and workers' compensation insurance set forth above for the period covered by this Agreement. Such insurance shall be placed with an insurance carrier acceptable to the District under terms satisfactory to the District. Said certified policies of insurance shall be furnished to the District prior to commencing the work contemplated by this Agreement. Each such certified policy shall bear an endorsement precluding the cancellation or reduction in coverage of any such policy before the expiration of thirty (30) days after the District shall have received written notification of such cancellation or reduction.

Should Developer fail to obtain and keep in force the insurance coverage hereinabove required, the District shall have the right to cancel and terminate this Agreement forthwith and without regard to any other provisions of this Agreement.

## **22. Indemnification.**

22.1 Developer shall assume the defense of, and indemnify and save harmless, the District, its officers, employees and agents, and each and every one of them from and against all actions, liability, damages, claims, losses or expenses of every type and description to which they may be subjected or put to by reason of or resulting from: (1) the performance of, or failure to perform, the work or any other obligations of this Agreement by Developer, any subcontractor or Developer's agents or employees; (2) any alleged negligent act or omission of Developer, any subcontractor, Developer's agents or employees, in connection with any acts performed or required to be performed pursuant to this Agreement; (3) any dangerous or defective condition arising or resulting from any of the actions or omissions of Developer, Developer's agents or employees in carrying out the provisions of this Agreement. This indemnification is effective and shall apply whether or not any such action is alleged to have been caused in part by the District as a party indemnified hereunder. This indemnification shall not include any claim arising from the sole negligence or willful misconduct of the District or its employees.

22.2 Developer agrees to indemnify, defend, and hold harmless the District, its officials, officers, employees, agents and consultants from any and all administrative, legal or equitable actions or other proceedings instituted by any person not a party to this Agreement challenging the validity of the Agreement, or otherwise arising out of or stemming from this Agreement, its approval, and/or the process relating thereto, including, but not limited to any legal proceeding alleging that the District has failed to comply with the California Environmental Quality Act (CEQA) with respect to this Annexation Agreement or the Project. Developer may select its own legal counsel to represent Developer's interests at Developer's sole cost and expense. The Parties shall cooperate in defending such action or proceeding. Developer shall pay for District's costs of defense, whether directly or by timely reimbursement on a monthly basis. Such costs shall include, but not be limited to, all court costs and attorneys' fees expended by District in defense of any such action or other proceeding, plus staff and District's attorney time spent in regard to defense of the action or proceeding. The Parties shall use best efforts to select mutually agreeable defense counsel but, if the Parties cannot reach agreement, District may select its own legal counsel and Developer agrees to pay directly or timely reimburse on a monthly basis District for all court costs, attorney fees, and time referenced herein.

22.3 The Parties agree that this Section 22 shall constitute a separate agreement entered into concurrently, and that if any other provision of this Agreement, or the Agreement as a whole, is invalidated, rendered null, or set aside by a court of competent jurisdiction, the Parties agree to be bound by the terms of this Section 22, which shall survive such invalidation, nullification or setting aside.

### **23. Warranty.**

23.1 Developer agrees that construction of the Improvements, including any regulatory fees and charges associated with the project, shall be in accordance with the Plans and Specifications and industry standards. Developer unconditionally guarantees all materials and workmanship furnished under this Agreement, and agrees to replace at its sole cost and expense, and to the satisfaction of District, any and all materials which may be defective through faulty, improper or inferior workmanship or materials. Developer shall repair or replace to the satisfaction of District any or all such work that may prove defective in workmanship or materials, ordinary wear and tear excepted, together with any other work which may be damaged or displaced in so doing. This guarantee shall remain in effect for three years from the date of District's acceptance of the work. This guarantee does not excuse Developer for any other liability related to defective work discovered after the guarantee period. Developer shall transfer to District all manufacturer and supplier warranties relating to the Improvements, if any, upon completion of the work. Developer shall provide a warranty bond in the amount of twenty-five per cent (25%) of the final cost of the installed Improvements, which bond shall be released at the expiration of the two-year warranty period.

23.2 In the event of failure of Developer to comply with the above stated conditions within a reasonable time, District may have the defective work repaired and made good at the expense of Developer who will pay the costs and charges therefor immediately upon demand, including any reasonable management and administrative costs, and engineering, legal and other consultant fees incurred by District in enforcing this guarantee.

### **24. Mello-Roos Community Facilities District.**

24.1 As an alternative in part or entirely to the obligations of Developer for design, engineering, construction, funding and transfer of equipment under Sections 2, 3, 4, 7, and 8, District agrees, if requested by Developer in writing, to inclusion of the Project, or portions thereof in phases in a community facilities district to be formed by the District, to cause the formation of such a community facilities district under the provisions of the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311, et seq.), any amendments thereto, or any other applicable provision of the law. The community facilities district shall be used to provide funding for all those obligations of Developer under this Agreement to the extent possible within the financial resources reasonably available to such community facilities district based on the portions of the Project or the entirety of the Project included therein. Developer and District intend, by the formation of such a district, if requested by Developer, to provide for the construction and financing of all the On-site Improvements, Off-site Improvements,

Fire Improvements, Park Improvements, Community Buildings Improvements, and transfers required by this Agreement, and including facilities for irrigation water from treated wastewater effluent, and for all other improvements and dedications required by the Approvals to the fullest extent permitted by Government Code Section 66462, including improvements not to be dedicated to or accepted by the District but to be dedicated to other public agencies such as the County as required by the Approvals. District shall, as the sponsoring public agency for the district, cooperate with Developer in satisfying Developer's obligations under the Approvals with respect to compliance with the County's subdivision ordinance, all at Developer's cost and expense, which may be included within the financing available to the community facilities district.

**25. Disputes.**

25.1 If any dispute arises regarding the meaning of the drawings or Contract Documents, the quality or quantity of materials or workmanship, or Change Orders, the dispute shall be decided by District's engineer whose decision shall be final and binding on both parties.

**26. Term of Agreement.**

26.1 The effective date of this Agreement is \_\_\_\_\_, 201\_\_, which is the effective date of District Ordinance No. \_\_\_\_\_ adopting this Agreement.

26.2 Upon execution, the term of this Agreement shall commence on the Effective Date and extend for a period of five (5) years, unless said term is terminated, modified or extended by circumstances set forth in this Agreement. Following the expiration of the term, this Agreement shall be deemed terminated and of no further force and effect; provided, however, that if a building permit has not been issued by the County for any of the contemplated residential lots comprising the Project by that time, then this Agreement shall continue in full force and effect until all such lots comprising the Project have received both a building permit and a Certificate of Occupancy from County.

**27. Payment of District Costs.**

27.1 Developer shall pay for District costs in processing this Agreement and discretionary approvals, LAFCO related matters, and all further actions relating hereto. Such processing costs shall include, but not be limited to the time and related expenses of District staff, engineering and environmental consultants, and the District's legal counsel.

27.2 Developer shall, prior to commencement of construction of the Improvements, deposit as security with District the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) from which amount the District shall deduct all of its costs, fees, and expenses incurred as a result of the Project including, but not limited to administrative and staff costs, overhead, engineering costs, legal expenses and inspection fees incurred by District in connection with design, construction and inspection of the Improvements to be constructed by Developer.

27.3 If the amount on deposit with District at any time prior to final acceptance of all the Improvements to be constructed by Developer pursuant to this Agreement is reduced below a balance of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), Developer shall, upon notice from District, deposit with District funds sufficient to restore the amount on deposit to the sum agreed to by the District with during the development of the Sub-Area Master Plan (SAMP) and environmental documentation. Failure of Developer to make any such additional deposits within ten (10) days after notice from the District will cause the District to suspend performance of the terms and conditions of this Agreement by Developer.

27.4 Upon completion of construction and operational certification of the Improvements by Developer, acceptance of dedication of the Improvements by District and the expiration of the warranty period or the satisfactory resolution of any and all warranty claims, the District will determine the final actual amount of its administrative, engineering and legal costs and expenses incurred with respect to the design,

construction, inspection and acceptance of the Project. If the actual amount of such costs and expenses exceeds the deposits made by the Developer pursuant to this Agreement, the Developer shall pay to District the amount of any such expenses promptly upon demand. If the actual amount of costs and expenses incurred by District is less than the deposits previously made by Developer, the District shall refund any excess funds deposited by Developer to Developer, without interest. The District's determination of its costs and expenses incurred with respect to the Project shall be final and binding, provided that such determination shall be made upon the basis of generally accepted accounting principles consistently applied.

## **28. General Provisions.**

28.1 The Recitals with all defined terms set forth herein are hereby incorporated into this Agreement.

28.2 Developer has a legal or equitable interest in all real property comprising the Project which is the subject of this Development Agreement, the description of which is attached hereto marked Exhibit A and incorporated herein by this reference (the "Property"). Developer represents that all persons holding legal or equitable interest in the Property shall be bound by this Agreement.

28.3 Relationship of District and Developer. It is understood that this Agreement is a contract that has been negotiated and voluntarily entered into by Developer and District and that Developer is not an agent of District. The District and Developer hereby renounce the existence of any form of joint venture or partnership between them, and agree that nothing contained herein or in any document executed in connection herewith shall be construed as making the District and Developer joint ventures or partners.

28.4 This Agreement shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, successors, assigns and subsequent purchasers. Developer shall not assign its interest in this Agreement without District's prior written approval, which approval shall not be unreasonably withheld.

28.5 Notice shall be sent to the parties at the addresses set forth below. Either party may change the address by giving written notice to the other:

### DEVELOPER:

Name  
Address  
Phone Number  
Email Address

### DISTRICT:

Groveland Community Services District  
Attn: General Manager  
18966 Ferretti Road (physical address)  
P.O. Box 350 (mailing address)  
Groveland, CA 95321-0350  
Telephone: (209) 962-7161

28.6 Time is of the essence in the performance of this Agreement.

28.7 This Agreement constitutes the sole and only agreement between the parties concerning the matters set forth herein. This Agreement supersedes any and all other agreements, either oral and in writing, between the parties hereto with respect to the rendering of services by Developer to the District, and contains all the covenants and agreements between the parties with respect to such services. Each party to this Agreement acknowledges that no representations or promises have been made by any party

hereto which are not embodied herein, and that no other agreement or promise not contained in this Agreement shall be valid or binding.

28.8 Waiver. The failure or omission by District to terminate this Agreement for any violation of its terms or conditions shall in no way bar, stop or prevent the District from terminating this Agreement thereafter, either for such or for any subsequent violation of any such term, condition or covenant. The filing of a Notice of Completion or acceptance of the Project shall not be, and shall not be construed to be a waiver of any breach of any term, covenant or condition of this Agreement.

28.9 Severability. If a court of competent jurisdiction finds or rules that any provisions of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

28.10 The terms of this Agreement may be modified only in writing by mutual agreement on signature of the District and Developer. Said amendment shall be attached to this Agreement.

28.11 Attorneys' Fees. In the event that any action is initiated by either party seeking to enforce any of the terms or provisions of this Agreement, the prevailing party in such action shall be awarded its reasonable attorneys' fees and costs.

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Executed in Groveland, California, as of the date set forth above.

**DISTRICT:**

GROVELAND COMMUNITY SERVICES DISTRICT, a political subdivision of the State of California

By:

\_\_\_\_\_  
President, Board of Directors

By:

\_\_\_\_\_

**DEVELOPER:**

By: \_\_\_\_\_

## GROVELAND COMMUNITY SERVICES DISTRICT

### IDENTITY THEFT PREVENTION PROGRAM

#### Purpose of the Identity Theft Program

This Identity Theft Prevention Program (“Program”) is intended to identify Red Flags that will alert District employees when new accounts are opened using false information; to protect against the establishment of false accounts; to protect against the manipulation of existing accounts through the use of false information; and to specify procedures to respond to identity theft when identified and mitigate against the threat of identity theft. This policy also includes Consumer Information Security Procedures which are a list of identified good management practices intended to protect the personal consumer data in the District’s possession to prevent identity theft, and to prevent unauthorized access to personal consumer data retained by the District.

#### Responsible Employee

The General Manager is responsible for the development and administration of the Program. This includes the responsibility to obtain approval of the Program from the Board of Directors of District; to train staff as necessary to effectively implement the Program; and annually evaluate the effectiveness of the Program and submit an annual report describing the operation of the Program to the Board of Directors for approval. This annual report shall include recommendations for improving the administration and operation of the Program.

#### Risk Assessment

District has conducted an internal risk assessment to evaluate the degree of risk inherent in current District procedures for allowing customers to create a fraudulent account, and to evaluate the risk of current existing accounts being manipulated with fraudulent information. This risk assessment evaluated how new accounts are opened as well as the methods permitted for access to customer account information. Using the information, the District has identified Red Flags appropriate for preventing identity theft with respect to the District’s new and existing accounts which are detailed in the following section entitled “Identification of Red Flags.”

#### Identification of Red Flags

The District hereby adopts the following Red Flags to detect potential fraud in the opening of new accounts or in the manipulation of existing customer accounts held by the District. These Red Flags are not intended to be all inclusive and other suspicious activity may be investigated as necessary.

#### Category 1: Alerts, Notifications and Other Warnings Received from Consumer Reporting Agencies or Fraud Protection Services

1. A fraud or active duty alert is included with a consumer report sent to the District.
2. A consumer reporting agency provides a notice of credit freeze in response to a District request for a consumer report.
3. The consumer reporting agency provides the District a notice of address discrepancy.
4. The consumer report received by the District indicates a pattern of activity that is inconsistent with the customary and usual pattern of activity because of an applicant or customer such as:
  - (a) a recent and significant increase in the volume of inquiries;
  - (b) an unusual number of recently established credit relationships;
  - (c) a material change in the use of credit, especially with respect to recently established credit relationships; or
  - (d) an account has been closed for cause or identified for abuse of account privileges by a financial institution.

#### Category 2: Suspicious Documents

1. Documents provided for identification appear to have been altered or forged.
2. The photograph or physical description on the identification is not consistent with the appearance of the applicant or customer presenting the identification.
3. Other information on the identification is not consistent with information provided by the person opening a new account or the customer of an existing account presenting the identification.
4. Other information on the identification is not consistent with readily accessible information that is on file with the District, such as a signature card or recent check.
5. An application to open a new account appears to have been altered or forged, or gives the appearance of having been destroyed and reassembled.

#### Category 3: Suspicious Personal Identifying Information

1. Personal identifying information provided is inconsistent when compared against other information sources used by the District. For example:
  - (a) the address does not match any address in a consumer report; or
  - (b) the social security number has not been issued, or is listed on the Social Security Administration Death Master File as belonging to a deceased person.

2. Personal identifying information provided by the customer is not consistent with other identifying information provided by the customer. For example, there is a lack of correlation between the social security number range and the date of birth.
3. Personal identifying information provided is associated with known fraudulent activity as indicated by internal or third party sources used by the District such as:
  - (a) the address on an application is the same as the address provided on a prior fraudulent application; or
  - (b) the phone number on an application is the same as the number provided on another prior fraudulent application.
4. Personal identifying information provided is of a type commonly associated with fraudulent activity such as:
  - (a) the address on an application is fictitious, a mail drop, or a prison; or
  - (b) the phone number is invalid, or is associated with a pager or an answering service
5. The social security number provided is the same as that submitted by other persons opening an account or other customers.
6. The address or telephone number provided is the same or is similar to the account number or telephone number submitted by an unusually large number of other persons opening accounts, or other customers.
7. The person opening the covered account or the customer fails to provide all required personal identifying information on an application or in response to a notification that the application is incomplete.
8. Personal identifying information provided is not consistent with personal identifying information that is on file with the District.
9. The person opening the covered account or the customer cannot provide authenticating information beyond that which would generally be available from a purse or wallet.

#### Category 4: Notice from Customers or Others Regarding Possible Identity Theft

1. The District is notified by a customer, a victim of identity theft, a law enforcement agency, or any other person that the District has opened a fraudulent account for a person engaged in identity theft.

#### Detection of Red Flags

The Red Flags listed above will be detected utilizing the following procedures:

1. Responsible District employees shall obtain personal identifying information about, and verify the identity of, any person opening an account using the policies and procedures regarding identification and verification specified by the District.
2. Responsible District employees will authenticate the identity of customers with inquiries regarding existing accounts, will monitor transactions on existing accounts periodically, and will verify the validity of change of address requests with respect to existing accounts.

#### Responses to Identified Red Flags to Prevent and Mitigate Identity Theft

In the event an employee identifies a Red Flag or suspects fraud in the opening of a new account or with respect to the operation of an existing account, one or more of the following responses may be implemented. All detections of Red Flags shall be reported to the General Manager. Potential responses to identification of Red Flags are as follows:

1. Ask an applicant for a new account for additional documentation regarding personal identifying information.
2. Do not open the new account.
3. Notify the General Manager as the person responsible for implementing this Program.
4. Notify law enforcement if evidence of receipt of fraudulent information by the District is available.

For existing accounts, the following responses are available:

1. Monitor an existing account for evidence of identity theft;
2. Contact the customer;
3. Change any passwords, security codes, or other security devices that permit access to an existing account;
4. Reopen an existing account with a new account number;
5. Close an existing account;
6. Do not attempt to collect on an existing account;
7. Notify law enforcement.

## Updating the Program

The District will periodically update the Program no less than annually based on the following factors:

1. The experiences of the District with identity theft;
2. Changes in methods of identity theft;
3. Changes in methods to protect, prevent and mitigate against identity theft;
4. Changes in the types of accounts the District offers or maintains.

No less than annually the General Manager shall prepare an Annual Report addressed to the District Board of Directors evaluating the effectiveness of the policies and procedures adopted by the District in addressing the risk of identity theft in connection with new and existing accounts, description of significant incidents involving identity theft and management's response to those incidents, and recommendations for material changes to the Program. In the event the Annual Report results in changes to the District's Program, the General Manager will arrange for appropriate training of staff with respect to the new policies and procedures adopted as a result of the findings contained in the Annual Report. The Board of Directors shall evidence its review and approval of each Annual Report by resolution.

## Consumer Information Security Procedures

The District adopts the following security procedures to protect personal consumer data in its possession with respect to existing customer accounts and to prevent unauthorized access to that personal consumer information.

1. Paper documents, files, and electronic media containing secure information will be stored in locked file cabinets.
2. Only specially identified employees with a legitimate need will have keys to the file cabinets.
3. Files containing personally identifiable information are kept in locked file cabinets except when an employee is working on the file.
4. Employees will not leave sensitive papers out on their desks when they are away from their workstations.
5. Employees store files when leaving their work areas
6. Employees log off their computers when leaving their work areas
7. Employees lock file cabinets when leaving their work areas

8. Employees lock doors when leaving their work areas
9. Access to offsite storage facilities is limited to employees with a legitimate business need.
10. Any sensitive information shipped using outside carriers or contractors will be encrypted
11. Any sensitive information shipped will be shipped using a shipping service that allows tracking of the delivery of this information.
12. Visitors who must enter areas where sensitive files are kept must be escorted by an employee of the utility.
13. No visitor will be given any entry codes or allowed unescorted access to the office.
14. Access to sensitive information will be controlled using “strong” passwords. Employees will choose passwords with a mix of letters, numbers, and characters. User names and passwords will be different. Passwords will be changed periodically.
15. Passwords will not be shared or posted near workstations.
16. When installing new software, immediately change vendor-supplied default passwords to a more secure strong password.
17. Sensitive information that is sent to third parties over public networks will be encrypted
18. Sensitive information that is stored on computer network or portable storage devices used by your employees will be encrypted.
19. Email transmissions within your business will be encrypted if they contain personal identifying information.
20. Anti-virus and anti-spyware programs will be run on individual computers and on servers daily.
21. When sensitive data is received or transmitted, secure connections will be used
22. Laptop users will not store sensitive information on their laptops.
23. Any wireless network in use is secured.
24. References and background checks may be done before hiring employees who will have access to sensitive data.
25. New employees agree to follow your company’s confidentiality and security standards for handling sensitive data as described in the Employee Handbook (Section 110).

26. Access to customer's personal identify information is limited to employees with a "need to know."
27. Procedures exist for making sure that workers who leave your employ or transfer to another part of the company no longer have access to sensitive information.
28. Implement a regular schedule of employee training.
29. Employees are required to notify the general manager immediately if there is a potential security breach, such as a lost or stolen laptop.
30. Employees who violate security policy are subjected to discipline, up to, and including, dismissal.
31. Service providers notify you of any security incidents they experience, even if the incidents may not have led to an actual compromise of data.
32. Paper records with sensitive information will be shredded before being placed into the trash.
33. Any data storage media will be disposed of by shredding, punching holes in, or incineration.

## Appendix 800-A SCHEDULE OF FEES FOR PARKS DEPARTMENT FACILITIES

The District Board of Directors may establish and periodically amend fees for using the various park facilities managed by the District. These facilities include Mary Laveroni Community Park, Leon Rose Ball Field, and the Groveland Dog Park.

Use of the Park or Ball Field for special events is on a first-come-first-served basis. Large events are defined as those in which more than 1,000 people are in attendance. Use Fees and Deposit Fees **must be separate checks!**

### Mary Laveroni Community Park

#### USE FEES (non-refundable)

Park Use Fee	\$25 /day
Large Event Use Fee	\$100/day
Use of Large Stage	\$200 /day
Additional Janitorial Services	\$25/day
Use of District Chairs	\$25/day
Use of District Tables	\$25/day
Use of Traffic Control Signs	\$35/event
Installation of Snow Fencing	\$150/event
District Staff Time During Event	\$35/hour per person
Use of P.A. System	\$35/event

#### DEPOSIT FEES (refundable)

Small Event Security Deposit	\$100/event
Large Event Security Deposit	\$500/event
Table, Chair, P.A. System Security Deposit	\$100/event

### Leon Rose Ball Field

#### USE FEES (non-refundable)

Ball Field	\$25 (4-hr event), \$50 (8-hr event)
Field Lights	\$25/night
Additional Janitorial Services	\$25/visit
District Staff Time During Event	\$40/hr per person

**DEPOSIT FEES (refundable)**

Small Event Security Deposit	\$100/event
Large Event Security Deposit	\$500/event
Table, Chair, P.A. System Security Deposit	\$100/event

**Dog Park Permit**

1. One or Two Dogs: \$25.00 per year (January 1<sup>st</sup> through December 31<sup>st</sup>)
2. Third Dog: \$10.00 per year (January 1<sup>st</sup> through December 31<sup>st</sup>)

## Appendix 900-A Fire Department Fees for Service

### Introduction

The following contains the fee structure for Fire Department responses outside the District and for vehicle accidents. These fees are periodically reviewed and adjusted by the District Board of Directors.

### Motor Vehicle Accidents

Level 1—Scene Safety & Investigation: \$450.00

Level 2—Cleanup & Material Used: \$500.00

Level 3—Car Fire: \$625.00

Level 4—Extrication: \$1,800.00

Level 5—Advanced Response: \$2,100.00

### Hazardous Materials Response

Level 1—Basic Response: \$700.00

Level 2—Intermediate Response: \$2,500.00

Level 3—Advanced Response: \$6,000 plus disposal fees

Billing Level 3 includes three (3) hours of on scene time, with an additional hourly rate per team of \$300.00, as needed.

### Arson Investigation

The billing begins when the arson investigator responds to the incident and is billed for logged time only. The billing rate is \$275.00 per hour.

### Structure Fires

Structures fires within District are not charged. Structure fires are billed to the home/business owner outside the District at \$300.00 per hour per engine.

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# **Groveland Community Services District**

## **Operational Policies & Procedures Manual**

**Adopted as District Ordinance 4-10**

**Adopted on October 11, 2010**