

ORDINANCE NO. 2-10 WATER

AN ORDINANCE AMENDING ORDINANCE 2-05 AS AMENDED BY ORDINANCE 2-08
—ADOPTING NEW RATES, CHARGES AND FEES, AND RELATED ADMINISTRATIVE
AMENDMENTS.

BE IT ORDAINED BY THE BOARD OF THE DIRECTORS OF THE GROVELAND
COMMUNITY SERVICES DISTRICT AS FOLLOWS:

GENERAL PROVISIONS

PURPOSE AND POLICY

This Water Ordinance sets uniform requirements for providing public water supplies to Groveland Community Services District (hereinafter referred to as "District") and enables the District to comply with drinking water supply requirements set by the California Department of Health Services and the U.S. Environmental Protection Agency. This Ordinance also provides for the setting of user rates, charges, and fees for the equitable distribution of cost to all Users, and the issuance of permits to certain Users.

The District Standard Specifications and Standard Details are hereby made a part of this Ordinance, including other standards and codes referenced herein and referenced in the Standard Specification and Details. The Standard Specifications and Details are "Dynamic" documents and shall be revised periodically to reflect changing regulations, design and construction methods, materials and test/inspection procedures. Revisions to the Standard Specifications and Details will not require this Ordinance to be modified.

ADOPTED BY THE BOARD OF DIRECTORS: March 8, 2010

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ARTICLE I - DEFINITIONS

Section 1.01 Meaning of Terms

For the purpose of this Ordinance, the terms used herein are defined as follows:

Angle Meter Stop is a valve on the District's side of a water meter used to shut and lock off water service to a premise.

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

Bill Deposit is the amount up to 3 months of a customer's average monthly water and sewer bill collected as security for payment.

Board of Directors: The Board of Directors of the Groveland Community Services District; also referred to herein as "the Board."

Building is any structure used for human habitation or a place of business, recreation or other purposes containing water facilities.

Business includes professions, trade and occupations in all and every kind of calling, whether or not carried on for profit.

Community Housing Project means and includes the following: A condominium project as defined in Section 1351 of the Civil Code, containing two or more condominiums, as defined above; a community apartment project, as defined in Section 11004 of the Business and Professions Code, containing two or more rights of exclusive occupancy; a stock cooperative, as defined in Section 11003.2 of the Business and Professions Code, containing two or more rights of exclusive occupancy; and a planned development, as defined in Section 11003 of the Business and Professions Code, containing two or more separately owned lots, parcels, or areas.

Contractor is an individual, firm, corporation, partnership or association duly licensed by the State of California to perform the type of work to be done, and shall be the owner or his agent.

Cost means the cost of labor, materials transportation, supervision, engineering, inspection and all other necessary overhead expenses.

County is the County of Tuolumne, State of California.

Cross Connection means any physical connection between the piping system from the District Service and that of any other water supply that is not, or cannot be, approved as safe and potable for human consumption, whereby water from the unapproved source may be forced or drawn into the District distribution mains.

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

Detector Check Valve is a component in a fire suppression system that activates an alarm if the fire system is activated.

Distribution Mains mean water lines in streets, highways, alleys, and easements used for public and private fire protection or for general distribution of water for irrigation, industrial, and municipal purposes.

District means Groveland Community Services District, its Directors, officers, staff or authorized representatives.

District Engineer is the Engineer employed or retained by the District and shall be a Registered Civil Engineer.

District Inspector is the Inspector acting for the District and may be the General Manager, the District Engineer or other authorized representative.

Dwelling Unit means a suite of one or more rooms which is occupied or intended to be occupied by one family, doing its own cooking.

Equivalent Meter Unit (EMU) ratio of a water meter is the nominal capacity (peak or non-peak use, depending on application) of that water meter divided by the nominal capacity of a 5/8-inch water meter.

Habitable Space: A structure having living, kitchen and bathroom facilities and meets code requirements for habitation. A detached garage or hangar with only a utility sink and/or bathroom is not considered habitable.

Meter Box is a plastic or cement utility box owned by the District and is used to house and protect the water meter and angle meter stop.

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

Participation Fee (also called a Connection Fee) is a one-time charge paid when a new connection is made to the District Water System. The fee is based on the capital cost of capacity and represents a reimbursement to the District's ratepayers for providing available capacity to future users of the water system. By paying this fee new customers have participated equally with existing rate payers in sharing the capital cost of water system capacity.

Permit is any written authorization required pursuant to this or any other rule, regulation, or ordinance of District or County for the installation of any water system facilities or building.

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

Premises means a parcel or parcels of real estate or portions thereof, including any improvements thereon, which is determined by the District to be a single User for purposes of receiving, using or paying for water service.

Private Fire Protection Service means water service and facilities for installing sprinkler systems, hydrants, hose reels, and other facilities installed on private property for fire protection and the water available for such use.

Public Fire Protection Service means the service and facilities of the entire water supply, storage, and distribution system of the District, including the fire hydrants affixed thereto, and the water available for fire protection, excepting house service connections and appurtenances thereto.

Regular Water Service means water service and facilities provided for normal domestic and commercial purposes on a permanent basis, and the water available for such use.

Service or Service Connection means the pipe and appurtenant facilities such as the curb cock, angle meter stop, meter and meter box, all used to extend water service from a distribution main to premises. Where services are divided at the curb or property line to serve several customers, each such branch service shall be deemed a separate service.

Service Pipeline or Service Tube or Service Lateral is a District owned pipe that connects the water main with the water meter.

Standard District Specifications and Details are the commonly used engineering designs and descriptions approved by the District for application in the construction of District facilities. These are evolutionary documents and drawings that are updated, as needed, by the District Engineer or District authorized engineering consultant.

Street is any public highway, road, street, avenue, alley, way, easement or right-of-way.

Subdivision means any division of land for the purpose of sale, lease or financing.

Temporary Water Service means water service and facilities rendered for construction work and other uses of limited duration, and the water available for such use.

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

Waterworks means the sites where raw water receives water treatment.

ARTICLE II - GENERAL PROVISIONS

Section 2.01 Rules and Regulations

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

Section 2.02 Purpose

This ordinance is intended to provide certain minimum standards, provisions, and requirements for design, methods of construction, and use of materials in water facilities and water service connections hereafter installed, altered, or repaired. This Ordinance shall not apply retroactively and in the event of an alteration or repair hereafter made, it shall apply only to the new materials and methods used therein.

Section 2.03 Short Title

This ordinance shall be known and may be cited as "Groveland Community Services District Water Ordinance."

Section 2.04 Words and Phrases

For the purpose of this ordinance, all words used herein in the present tense shall include the future; all words in the plural number shall include the singular number; all words in the singular number shall include the plural number; and all words in the masculine shall include the feminine.

Section 2.05 Water System

The District will furnish a system, plant, works and undertaking used for and useful in obtaining, conserving, and distributing water for public and private uses, including all parts of said system, all appurtenances to it, and lands, easements, rights in land, water rights, contract rights, franchises and other water supply, storage and distribution facilities and equipment.

Section 2.06 Pressure Conditions

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

Section 2.07 Interruptions in Service

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

ARTICLE III - GENERAL USE REGULATIONS

Section 3.01 Supply to Separate Structures

Each house, habitable structure, dwelling unit, or dwelling unit within a community housing project, for which application for water service is hereafter made, shall have a separate service connection, including a separate meter. However, upon written application, the Board may waive this requirement as it applies to individual dwelling units within a community housing project if special or unusual circumstances exist that, at the discretion of the Board, warrant such a waiver. Habitable space is defined as having living, kitchen and bathroom facilities and meets code requirements for habitation. A detached garage or hangar with only a utility sink and/or bathroom is not considered habitable.

Section 3.02 Water Waste

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

Section 3.03 Responsibility for Equipment on Customer Premises

All facilities installed by the District on private property for the purpose of rendering water service shall remain the property of the District and may be maintained, repaired, or replaced by the District without consent or interference of the owner or occupant of the property. The property owner shall use reasonable care in the protection of the facilities. No payment shall be made for placing or maintaining said facilities on private property. No persons shall place or permit the placement of any object in a manner that will interfere with the free access to a meter box or will interfere with the reading of a meter.

Section 3.04 Changes in Customer's Equipment

Customers making any material changes in the size, character, or extent of the equipment or operations utilizing water service, or whose change in operations results in a large increase in the use of water, shall immediately give the District written notice of the nature of the change and, if necessary, amend their application to provide for installation of a larger meter.

Section 3.05 Damage to Water System Facilities

The customer shall be liable for any damage to the District-owned customer water service facilities when such damage is from causes originating on the premises by an act of the customer, including but not limited to the breaking or destruction of locks by the customer or others on or near a meter, and any damage to a meter that may result from hot water or steam from a boiler or heater on the customer's premises. The District shall be reimbursed by the customer for any such damage promptly on presentation of a bill.

Section 3.06 Ground Wire Attachments

All persons are forbidden to attach any ground wire or wires to any plumbing which is or may be connected to a service connection or main belonging to the District unless such private plumbing is adequately connected to an effective driven ground installation on the premises. The District will hold the customer liable for any damage to its property occasioned by such ground wire attachments.

Section 3.07 Cross-Connection Control and Backflow Prevention

Ordinance 2-10 repeals Ordinance 4-96, An Ordinance Establishing Rules & Regulations for Backflow Prevention for the Groveland Community Services District, and Repealing Backflow Prevention Ordinance No. 3-95, as amended and Resolution 1-99, A Resolution of the Board of Directors of the Groveland Community Services District Establishing Backflow Prevention Program Fees and Charges Replacing Resolution 5-96. The customers shall comply with State and Federal laws governing the separation of dual water systems or installations of backflow protective devices to protect the public water supply from the danger of cross-connections. Detailed rules and regulations for backflow prevention are mandated by the State of California and are contained in Exhibit B— Rules and Regulations for Cross-Connection Control and Backflow Prevention. Fees and Charges for servicing backflow prevention devices are set forth in Exhibit A—WATER RATES, CHARGES & FEES (Section A1.03.5).

Section 3.08 Pressure Relief Valve

To protect the customer's plumbing system, a suitable pressure relief valve is recommended by the District and must be installed and maintained at property owner's expense. When check valves or other backflow devices are used, the relief valve shall be installed between the check valves and the water heater.

Section 3.09 Pressure Regulator

A pressure regulator is required in each service line if the water pressure at the meter exceeds 80 pounds per square inch (psi), per the Uniform Plumbing Code. The customer shall check with the County of Tuolumne Community Development Department for current code requirements. If a pressure regulator is required, then it must be installed, paid for, and properly maintained by the customer.

Section 3.10 Ingress and Egress

Authorized representatives from the District shall have the right of ingress and egress to the customer's premises at reasonable hours for any purpose reasonably connected with the furnishing or maintenance of water service.

ARTICLE IV - METERS AND METERED SERVICE CONNECTIONS

Section 4.01 Installations

All services shall be metered. A sum of money, as set forth in EXHIBIT A—WATER RATES, CHARGES, & FEES (Section A2.02.2), shall be deposited with the District prior to installation of the facilities to pay all or a portion of the cost. The service connection, whether located on public or private property, is the property of the District and the District reserves the right to repair, replace and maintain it, including but not limited to removing it upon discontinuance of service.

Section 4.02 Service Connections and Charges

The District will furnish and install a service of such size and at such location as the applicant requests, provided such requests are reasonable and approved by District. The service will be installed from the water distribution main to the curb line or property line of the premises, which may abut the street, on other thoroughfares, or on District rights-of-way or easements. Charges for new services are payable in advance and shall include charge for the service box, meter, meter installation, and participation fee. Applicable rates and fees are set forth in EXHIBIT A—WATER RATES, CHARGES & FEES (Section A2.02).

Section 4.03 Service Connection Fees for Government Agencies and Not-for-Profit Organizations

The District, at its discretion, may charge sixty percent (60%) of some fees and charges associated with connecting a new service for government agencies and not-for-profit organizations. Fees eligible for reduced rates shall include the participation (connection) fee and water extension application fee. Fees not eligible for reduced rates shall include administrative fees and engineering expense deposits and actual meter and meter box installation charges. Monthly charges and fees will not be discounted for government agencies or not-for-profit organizations.

Section 4.04 Meter Installations

Only authorized employees or agents of the District will be permitted to install a service connection from the District's main to the customer's premises. Meters will be installed at the curb or within the District easement, and shall be owned by the District and installed and removed at its expense after payment of the established charges. The District will not pay rent or other charge for a meter or other facilities, including housing and connections, located on a customer's premises. The District will seal all meters at the time of installation, and no seal shall be altered or broken except as authorized by the General Manager.

Section 4.05 Change in Location of Meters

Meters moved for the convenience of the customer will be relocated at the customer's expense. Meters moved to protect the District's property will be moved at its expense unless improvements made by the customer have caused the need for relocation. If the lateral distance which the customer desires to have the meter moved exceeds eight (8) feet, he may be required to pay for and install a new service at the desired location.

Section 4.06 Size and Location

The District reserves the right to determine the size of service connections, meters and their location with respect to the boundaries of the premises to be served. The laying of a customer's pipeline to the curb shall not be done until the District has approved the location of the service connection. The installation, including the meter, shall be the property of the District. The service between the meter and the building served by the installation shall be the private property of the customer and shall be maintained by the customer at his expense. The District recommends that a valve be installed on the customer's side of the water meter if customer wishes to turn water off to the residence.

Section 4.07 Angle Meter Stop

Every service connection installed by the District shall be equipped with an angle meter stop. The stop is to be on the District's side of the service installation. Such stop is intended for the exclusive use of the District in controlling the water supply through the service connection pipe. If the stop is damaged by the customer's use, replacement shall be at the customer's expense. The District recommends that a valve be installed on the customer's side of the water meter if customer wishes to turn water off to the residence.

Section 4.08 Meter Tests

All meters are factory tested prior to installation. A customer may request that his/her meter be tested by the District if he/she feels it is not reading accurately

Section 4.09 Adjustment for Meter Errors—Fast Meters

If a meter, tested at the request of a customer pursuant to Section 4.08, is found to be more than two percent (2%) fast, the excess charges for the time service was rendered to the customer requesting the test or for a period of six months, whichever is less, shall be credited to the customer's account and the meter or meter register will be changed by the District .

Section 4.10 Adjustment for Meter Errors—Slow Meters

If a meter, tested at the request of a customer pursuant to Section 4.08, is found to be more than 5% slow (i.e., registered less than 95% of actual flow) the District may bill the customer for the amount of the undercharge based upon corrected meter readings for the time service was rendered to the customer but not exceeding a period of six months and the meter or meter register will be changed by the District.

Section 4.11 Non-Registering Meters

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

ARTICLE V - APPLICATION FOR WATER SERVICE, NO MAIN EXTENSION REQUIRED

Section 5.01 Application for Water Service

Applications for water service, where no main extension is required, shall be made on the appropriate form of application provided by the District. The application form for water service to a residential or commercial customer shall be made available to customers at the District office. The District may modify forms from time to time without modification to this ordinance.

Section 5.02 Undertaking of Applicant

Such application shall signify the customer's agreement and intention to comply with this and all other ordinances or regulations relating to water service and to make prompt payment for all administrative, engineering, environmental and legal costs incurred by District in reviewing the application, all deposits required by this ordinance, and all water service charges.

Section 5.03 Payment for Previous Service

An application shall not be honored unless payment in full has been made for water service previously rendered by District to the property that is the subject of the application.

Section 5.04 Installation of Services

Water services will be installed at the approximate location desired by the applicant, as approved by the District. Service installations will be made only to property abutting on a public street or abutting on such distribution mains as may be constructed in alleys or easements, at the convenience of the District. Services installed in new subdivisions prior to the construction of streets or in advance of street improvement must be accepted by the applicant in the installed location.

Section 5.05 Service Connections

Service connections will be installed in accordance with applicable provisions of Article IV.

ARTICLE VI - APPLICATION FOR WATER SERVICE MAIN EXTENSION

Application for water main extension shall be processed per Sections 600 thru 602; 604, 607 and 608 of the District's Operational Policies and Procedures Manual which is incorporated herein by this reference in its entirety.

ARTICLE VII- SUBDIVISION

A subdivision developer must follow the rules and regulations provided in Sections 600, 601, and 603 thru 608 of the District's Operational Policies and Procedures Manual.

ARTICLE VIII - BILLING

Section 8.01 Person Liable for Charges and Fees

The owner of the premises shall in all cases be liable for charges and fees for services rendered to the premises. Non-receipt of a bill shall not relieve the owner of any obligation to the District. If the tenant of a property receiving District services fails to pay for said services, then the owner of the premises is responsible for paying for services, plus any penalties for delinquent payment. If the tenant of a property is delinquent in paying their utility bill, then the District shall notify the property owner of the delinquency. If tenant does not pay account in full within 30 days of vacating the premises, the balance will be transferred to the property owner's account. The owner of a premises

that intends to rent the premises, must first sign a District consent form that obliges the owner to pay for any uncollected fees and charges. The consent form shall be made available to customers at the District office. The District may modify forms from time to time without modification to this ordinance.

If a property owner has failed to pay water and/or sewer service charges as billed by District, and the property is foreclosed upon or conveyed to a new owner before the District can record a lien against the property in the amount of the unpaid water and/or sewer service charges, the new owner of the property will be responsible for payment to District of all past due water and/or sewer service charges for providing water and/or sewer service to the property as a condition precedent to receiving water service to the property in the future from District. Water and/or sewer service shall not be provided to the property until payment of all delinquent charges and penalties is received by District from the then current property owner.

Section 8.02 Billing Period

The regular billing period will be monthly, irrespective of whether the customer's meter is read monthly or bi-monthly. The District may bill such charges with other charges for services rendered by the District.

Section 8.03 Bill Deposits

Residential tenants shall be charged a bill deposit of up to 3 months average monthly water and sewer billing for the subject premises. Commercial tenants shall be charged an initial bill deposit of \$250. The deposit amount will be applied to the final billing when tenant either moves out or purchases the property.

Section 8.04 Meter Reading

The District normally reads meters on a monthly basis. Under unusual circumstances, meters that are normally read on a monthly basis might be read on a bi-monthly basis. Should this occur, customers will be notified on their next water bill that this occurred and when normal monthly meter reading will resume. The Board reserves the right, as determined by resolution, to have meters read regularly on a bi-monthly basis. If the District switches to regular bi-monthly meter reading, customers will be notified in the message section of their water bills one month prior to beginning such meter reading procedure.

- A. Monthly Meter Reading. Meters will be read, as nearly as possible, on the same day of each month, but in no case will billing period be less than twenty-five (25) nor more than thirty-five (35) days. The exception to this schedule is when a meter is replaced, at which time the first read period may be extended.
- B. Bi-Monthly Meter Reading. Meters will be read, as nearly as possible on the same day every other month. The billing period will be monthly. In the billing period when the meter is not read, the bill will be estimated based on the amount billed the previous month and then the bill will be adjusted in the second billing period after the meter is read in the second month.

Section 8.05 Opening and Closing Bills

Opening and closing bills for less than the normal billing period shall be prorated both as to service charges and debt service charges. The District may estimate closing bills for the final period to permit the customer to pay the closing bill at the time service is discontinued.

Section 8.06 Water Charges

Water charges are due and payable upon receipt and shall become delinquent if not paid by the last business day of the month.

Section 8.07 Payment of Bills

Bills for metered water service shall be rendered monthly and shall be combined with bills for sewer charges as provided by the District Sewer Ordinance 1-08, and as amended. The bills shall list separately the charges for water service and the charges for sewer service and the total charge for both services. Neither charge may be paid separately from the other. If premises with water service are not connected to the sewer system, a separate bill shall be rendered for water service only. Bills shall be payable upon receipt. Payment for utility bills must be received in the District office by the last business day of the month in which they are billed, or a ten percent (10%) penalty shall be added to that month's bill. An additional penalty shall be payable in an amount equal to one-half of one percent (0.5%) of the unpaid water service charges plus the basic ten percent (10%) penalty for each month until all delinquent charges and penalties have been paid. If the bill is not paid by the 15th of the following month, the water service will be shut off and an additional disconnection fee (as provided in Exhibit A) will be charged. When service is disconnected due to non-payment of bills, service shall not be resumed until payment of all charges and disconnection fees is received. All penalties herein provided for shall be paid whether or not water service is discontinued.

Section 8.08 Billing of Separate Meters Not Combined

Separate bills will be rendered for each meter installation except where the District has, for its own convenience, installed two or more meters in place of one meter. Where such installations are made, the meter readings will be combined for billing purposes.

Section 8.09 Customer's Guarantee

The water charge begins when a service connection is installed, the meter is set and service begins. Before water is turned on by the District for any purpose, the property owner or his authorized agent must sign a form in which he guarantees prompt payment of future water bills for the service required. The property owner will be held liable for water used until the District receives a recorded deed confirming transfer of ownership.

Section 8.10 Enforcement of Payment

Upon failure of any person billed or the owner of any property to pay any water service charge prior to delinquency, or if the owner or occupant of any premises shall violate any of the provisions hereof, any one or more of the following actions authorized by this section may be taken by District to enforce such payment.

- A. Penalties for Delinquent Payment. In each case in which all or any part of a bill remains unpaid on the delinquent date thereof, a basic penalty of ten percent (10%) of the water service charges included in such bill shall be added to such bill for the first month after delinquency, and an additional penalty shall be payable in an amount equal to one-half of one percent (0.5%) of the unpaid water service charges plus the basic 10% penalty for each month until all delinquent charges and penalties have been paid by the property owner.
- B. Discontinuance of Service for Delinquent Bills. Service may be discontinued for non-payment of bills. At least five (5) days prior to discontinuance of such service, the customer or property owner will be sent a Final Notice advising that the discontinuance of service will be enforced if payment is not made within the time specified in said notice. The failure of the District to send, or any such person to receive such notice shall not affect the District's power to discontinue services pursuant to this section. If the District supplies sewer services to the premises, the District may also shut off the sewer service until all delinquent service charges and penalties have been paid. The customer's water service may be discontinued if water service furnished to the previous location is not paid for within the time fixed for the payment of bills. If a customer receives water service at more than one location and the bill for service at any one location is not paid within the time provided for payment, water service at all locations may be turned off. Reconnection will be made by District only upon complete payment of all delinquent service charges and penalties, reimbursement to District of its actual costs of disconnecting and reconnecting District's water and/or sewer systems to the premises, payment of all applicable disconnection and reconnection fees specified in this ordinance, and payment of a security deposit in an amount equal to the combined water and sewer service charges averaged over the preceding six months times three.

- C. Recordation of Liens Against Property. Delinquent water charges shall constitute a lien against the lot or parcel of land against which the charge has been imposed if said charge remains delinquent for a period of sixty (60) days. The General Manager shall record a Notice of Lien on any such parcel with the County Recorder of Tuolumne County. The General Manager shall record a Notice of Release or Discharge of Lien upon payment by the property owner of all delinquent service charges and penalties. After the recordation of any such Notice of Lien, such lien in the amount of the delinquent charges and penalties shall attach to all property owned by property owner located within Tuolumne County.
- D. Collection of Delinquent Charges on Tax Roll. For any water charges which have been delinquent for sixty (60) days, the General Manager shall, on or about June 1 of each year, cause a written report to be prepared and filed with the District Secretary pursuant to Government Code Section 61115, and the Secretary shall thereupon cause notice to be given and published of a public hearing before the Board on the issue of placement of such delinquent charges and penalties upon the County Property Tax Roll for collection. Upon conclusion of the hearing, the Board of Directors may determine to collect such delinquent charges and penalties upon the County Property Tax Roll for the affected parcel of property. Upon such determination by the Board of Directors by resolution, the District's Secretary shall thereafter file with the County Auditor the report adopted by the Board at such public hearing and request that the delinquent charges and penalties be added to and collected with property taxes on said property at the same time and in the same manner as property taxes are collected by the County Auditor.

The District Board has adopted a resolution authorizing the District to participate in the County's Teeter Plan Financing by which the District assigns to the County its receivables of delinquent charges collected on the Tax Roll in exchange for the County providing payment to the District of such delinquent charges on the Tax Roll for that fiscal year.

- E. Collection by Legal Action. The General Manager is further authorized to institute and prosecute in the name of the District appropriate legal action for the collection of delinquent water charges and penalties. By its application for and receipt of water services, property owner/customer hereby agrees to be responsible for reimbursement to the District of all attorneys' fees and other legal costs incurred by District in collecting any delinquent charges and penalties from the property owner/customer through such legal action.

Section 8.11 Water Used Without Making Application

A person taking possession of premises and using water from an active service connection, without having made application to the District for water service, shall be held liable for the water delivered from the date of the last recorded meter reading, and if the meter is found inoperative, the quantity consumed since the last recorded meter reading will be estimated by the District. If proper application for water services is not made upon notification to do so by the District, and if accumulated bills for service are not paid immediately, the service may be discontinued by the District without further notice.

Section 8.12 Damage Through Leaking Pipes and Fixtures

When turning on the water supply as requested and the house or property is vacant, the District will endeavor to ascertain if water is running on the inside of the building. If such is found to be the case, the water will be left shut off at the angle meter stop on the inlet side of the meter. The District's jurisdiction and responsibility ends at the meter. The District will in no case be liable for damages occasioned by water running from open or faulty fixtures, or from broken or damaged pipes beyond the meter. Water use measured through the meter shall be paid for by the customer requesting service whether said use was beneficial to the customer or not.

Section 8.13 Damage to Meters

The District reserves the right to set and maintain meters on service connections. The water consumer shall be held liable, however, for any damage to the meter, meter box and fittings due to his negligence or carelessness and, in particular, for damage caused by hot water or steam from the premises.

ARTICLE IX - DISCONTINUANCE OF SERVICE

Section 9.01 Disconnection for Non-Payment

Service may be discontinued for non-payment of bills pursuant to the provisions of Section 8.09 B. of this Ordinance.

Section 9.02 Charges a Debt

Failure to receive a bill does not relieve the consumer of liability. Any amount due shall be deemed a debt to the District, and any person, firm or corporation failing, neglecting or refusing to pay said indebtedness shall be liable to an action in the name of the District in any court of competent jurisdiction for the amount thereof.

Section 9.03 Disconnection Fee

A disconnection fee will be charged as stipulated in EXHIBIT A—RATES, CHARGES, & FEES (SECTION A2.04), and will be collected prior to renewing service following discontinuance. If the user calls the District to reconnect service outside of normal District business hours, then the higher disconnection fee will be assessed, per EXHIBIT A—RATES, CHARGES, & FEES (SECTION A2.04).

Section 9.04 Unsafe Apparatus

Water service may be refused or discontinued to any premises where apparatus or appliances are in use which might endanger or disturb service to other customers.

Section 9.05 Fraud or Abuse

Service may be discontinued, if necessary, to protect the District against fraud or abuse.

Section 9.06 Non-Compliance with Regulations

Service may be discontinued for non-compliance with this or any other ordinance or regulation relating to water or sewer service.

Section 9.07 Upon Vacating Premises

Customers desiring to discontinue service shall so notify the District two (2) days prior to vacating the premises. Unless discontinuance of service is ordered, the customer shall be liable for current charges whether any water is used, or not.

Section 9.08 Temporary Suspension of Service

Upon written request from a property owner and in consideration of exceptional circumstances beyond personal control of the Owner/User that prevents habitation or use of the structure for at least six (6) months, monthly fixed and variable water charges may be suspended. However, debt service charges shall continue to be billed by the District and paid by the Owner/User. Such suspension of service shall be dependent upon approval of District's General Manager.

District will be notified as early as possible when use is resumed and no later than ten (10) business days before full service billing is to commence. If water is found to be in use during such time as suspended service is in effect, User/Owner will immediately become liable for two (2) times the normal full charges that would have been billed during the suspension period.

Section 9.09 Permanent Disconnection of Service

Upon written request of a property owner, water service may be permanently disconnected. If the property owner wishes to reinstate service in the future, all new installation charges and connection fees will be charged.

ARTICLE X - PUBLIC FIRE PROTECTION

Section 10.01 Use of Fire Hydrants

Fire hydrants are for use by the District or by organized fire protection agencies pursuant to contract with the District. Other parties desiring to use fire hydrants for any purpose must first obtain written permission from the District prior to use and shall operate the hydrant in accordance with instructions issued by the District. Unauthorized use of hydrants will be prosecuted according to law.

Section 10.02 Moving of Fire Hydrants

When a fire hydrant has been installed as approved by the District in the location specified by the County Fire Marshall or County Community Development Department the District has fulfilled its obligation. If a property owner or other party desires a change in the size, type or location of the hydrant, he shall bear all costs of such changes, without refund. The District must approve any changes in the location of a fire hydrant, with notice given to the County Fire Department.

Section 10.03 Hydrant Rental

A charge, to be determined by contract between the District and organized fire protection agencies, may be imposed for hydrant maintenance, metering and water used for public fire protection.

ARTICLE XI - PRIVATE FIRE PROTECTION SERVICE

Section 11.01 Payment of Cost

An applicant for private fire protection service not now installed shall pay the total actual costs of installation of the service from the distribution main to the customer's premises, including the cost of a detector check valve or other suitable and equivalent device, and meter box, said installation to become the property of the District.

Section 11.02 No Connection to Other System

There shall be no connection between the fire protection system and any other water distribution system on the premises.

Section 11.03 Water Use in Fire Protection Services

There shall be no water used through the fire protection service except to extinguish fires and for testing the fire fighting equipment.

Section 11.04 Meter Rates

Any unauthorized consumption recorded on the meter for private fire protection service will be charged at double the regular service rates. Regular water usage (variable) rates will be charged for water used to extinguish accidental fires where such fires have been reported to a duly authorized fire protection agency or during routine testing and inspection.

Section 11.05 Monthly Rates

The monthly standby rates for private fire protection service are provided in EXHIBIT A—WATER RATES, CHARGES, & FEES (Section A1.02.3), attached hereto and by reference incorporated herein. The District may modify these forms from time to time without modification to this ordinance.

Section 11.06 Water for Fire Storage Tanks

Occasionally, water may be obtained from a private fire service for filling a tank connected with the fire service, but only if written agreement is secured from the District in advance and an approved means of measurement is available. The regular water usage (variable) rates will be applied.

Section 11.07 Violation of Agreement

If water is used from a private fire service in violation of the agreement or of these regulations, the District may, at its option, discontinue and remove the service.

Section 11.08 Water Pressure and Supply

The District assumes no responsibility for loss or damage due to lack of water or pressure, either high or low, and merely agrees to furnish such quantities and pressures as are available in its general distribution system. Water service is subject to shutdowns and variations as noted in Sections 2.06 and 2.07 of this ordinance.

Section 11.09 Rules for Fire Service Connections

The following rules shall apply to fire service connections:

- A. The land to be served is within the contract area of the Groveland Community Services District and within an area served or servable by the District.
- B. The applicant's land has been annexed to the District and has become subject to any applicable bonded indebtedness of the District.
- C. The District possesses an adequate supply of surplus water capable of serving a private fire system.
- D. The private fire suppression system is for the sole and exclusive benefit and use of the applicant and is located entirely within applicant's property.
- E. The said private fire suppression system will be connected to an isolated service to be used exclusively for the suppression of fire or for the testing of the fire prevention system.
- F. The type and location of the said private fire suppression system has been approved by the responsible fire protection agency.
- G. The applicant assumes full responsibility for all maintenance and repair of the said system from the underground fitting prior to the inlet side of the backflow prevention device.
- H. The size and design of the service connection, backflow prevention device, check valve, and cold water fire service type meter shall be subject to approval by the District and shall comply with all applicable ISO and county fire department standards and requirements.
- I. The backflow prevention device with the bypass meter shall be furnished by the applicant and installed in compliance with the District's Standard Specifications.
- J. In the event that water is taken through an existing fire service connection for any other use than fire fighting or testing, the District reserves the right to disconnect such a system, or in the alternative, to require the installation of an upgraded detector check valve assembly at the expense of the applicant upon whose land the system is installed.
- K. An application for service is required on forms provided by the District, and signed by the legal owner of the subject property.
- L. The applicant will be required to maintain a current billing status and pay service charges as described in EXHIBIT A—RATES, CHARGES & FEES (Section A1.02.3).
- M. Applicants for new fire service connections will be required to install and maintain a backflow prevention, as described in Section 3.07.

- N. When a fire service connection is installed, the valve governing it will be placed and sealed and remain so until a written order is received from the owner of the premises to have the water turned on.
- O. The District shall have the right to take a domestic, commercial, or industrial service connection from the fire service connection at the curb to supply the same premises as those to which the fire service connection belongs. The District shall also have the right to determine the proportion of the installation costs properly chargeable to each service connection, if such segregation of costs shall become necessary.

ARTICLE XII - TEMPORARY SERVICE

Section 12.01 Duration of Service

Temporary service connections shall be disconnected and terminated within six (6) months after installation, unless the District grants an extension of time in writing.

Section 12.02 Deposit

The applicant shall deposit in advance the estimated cost of installing and removing the equipment required to furnish said service, exclusive of the cost of salvageable material. Upon discontinuance of service, the District shall determine the actual cost, including repair of any damage to District facilities caused by applicant, and an adjustment made as an additional charge, refund or credit. If service is supplied through a fire hydrant, the applicant shall pay a deposit and fees as set forth in EXHIBIT A—WATER RATES, CHARGES, & FEES, attached hereto and by reference incorporated herein. The District may modify these forms from time to time without modification to this Ordinance.

Section 12.03 Rates for Temporary Service

The rates for temporary service shall be in accordance with EXHIBIT A—WATER RATES, CHARGES, & FEES (Section A2.06), attached hereto and by reference incorporated herein.

Section 12.04 Installation and Operation

All facilities for temporary service to the customer connection shall be made by the District and shall be operated in accordance with its instructions. All temporary connections must have a backflow device approved by the District installed at customer's expense.

Section 12.05 Responsibility for Meters and Installation

The customer shall use all possible care to prevent damage to the meter and valve or to any other loaned equipment of the District which are involved in furnishing the temporary service from the time they are installed until they are removed, or until 48 hours notice in writing has been given to the District that the customer is through with the meter or meters and the installation. If the District finds that the customer has damaged the meter or other equipment due to improper use, then the customer shall pay the cost of making repairs.

Section 12.06 Unauthorized Use of Hydrants

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

Section 12.07 Charge for Unauthorized Use of Fire Hydrants

In the event any person, other than organized fire protection agencies, makes any connection to a fire hydrant without written permission from the District, a charge shall be levied against that person in the amount set forth in EXHIBIT A—WATER RATES, CHARGES & FEES (Section A2.07), attached hereto and by reference incorporated herein. Any such unauthorized connection shall be immediately disconnected upon discovery thereof,

and no further connection by said person shall be permitted until payment of the charge for unauthorized use plus estimated water use rendered by District has been paid.

ARTICLE XIII - SPECIAL PROVISIONS

Section 13.01 Pools and Tanks

When an abnormally large quantity of water is desired for filling a swimming pool or for other purposes, arrangements must be made with the District prior to taking such water. Permission to take water in unusual quantities will be given only if it can be safely delivered through the District's facilities and if other customers are not inconvenienced thereby.

Section 13.02 Responsibility for Equipment

The customer shall, at his own risk and expense, furnish, install and keep in good and safe condition all equipment that may be required for receiving, controlling, applying and utilizing water, including pressure regulating devices, and the District shall not be responsible for any loss or damage caused by the improper installation and maintenance of such equipment or the negligence or wrongful act of the customer. The District shall not be responsible for damage to property caused by faucets, valves and other equipment that are open when water is turned on at the meter, either originally or when turned on after a temporary shutdown.

ARTICLE XIV - RATES AND FEES

Section 14.01 Standard Rate Schedules

Standard monthly rates for regular water service are established in this ordinance and set forth in EXHIBIT A—RATES, CHARGES & FEES (SECTION A1). Water user rates are divided into four components, as follows:

- A. Fixed Rate. The District incurs regular, ongoing costs associated with operating the buildings, grounds, and facilities of the District, irrespective of that quantity of water used by District customers or the occupancy status of the dwelling.
- B. Variable Rate. As water is pumped and distributed to its customers, the District incurs variable expenses that are directly proportional to the amount of water delivered.
- C. Debt Service. The District has from time to time sold bonds to build capital improvements, such as storage tanks and treatment facilities. Debt is generally repaid on a semi-annual basis over a period ranging from 20 to 30 years.
- D. Fire Service. Some structures have fire sprinkler systems that are separate from the structures main water supply. A separate charge is made for these services based on meter size.

Section 14.02 Single Service Connection—Multiple Use

For each additional commercial, professional, dwelling, or living unit situated upon a single lot or parcel of real property, not separately metered, the following monthly service charges shall be made:

- A. Single Dwellings. Single dwellings pay a service charge based on the size of the existing meter. Each additional and separate dwelling serviced through a single metered service connection, whether occupied or not, shall pay an added minimum service charge based on the ¾-inch meter size rate.
- B. Multiple Dwellings. Multiple dwellings, such as duplexes, triplexes, apartment houses, and community housing projects, in addition to the appropriate rate established for the size of the existing meter, shall pay a monthly service charge based on the ¾-inch meter size rate for each unit in excess

of one.

- C. Hotels, Motels, Auto Courts. Hotels, motels and auto courts, shall pay a monthly service charge based on the size of the existing meter(s). (See sub-section G).
- D. Trailer Parks. Trailer parks shall pay a monthly service charge based on the size of the existing meter(s). (See sub-section G).
- E. Dwelling Units Combined With Business Units. Dwelling units combined with business, professional, or commercial units, in addition to the appropriate rate established for the size of the existing meter, shall pay a monthly service charge based on the ¾-inch meter size rate for each unit in excess of one.
- F. Business Units Combined With Other Business Units. Where two or more business, professional or commercial, units occupy a single premise, in addition to the appropriate minimum rate established for the size of the existing meter, each additional unit in excess of one shall pay a monthly service charge based on the ¾-inch meter size rate.
- G. Permanent Occupancy of Hotels, Motels and Trailer Parks. Subsection (C) and (D) notwithstanding, any hotel or motel unit with complete living facilities, or trailer in a trailer park, occupied for more than thirty (30) days shall pay an additional monthly service charge per unit based on the ¾-inch meter size rate.

Section 14.03 Special Standby, Debt and Facilities Charges

Capital facilities are often paid for through the sale of bonds or other types of debt (e.g., bank loans or special state loans). The charges for this debt are made each month to the water customer on the water bill and are identified as "Debt Services." The specific debt service charges are outlined in EXHIBIT A—RATES, CHARGES & FEES (Section A2). Most of the debt service charges are for all District customers and these are identified specifically in EXHIBIT A—RATES, CHARGES & FEES (Section A2.08). The District may from time to time incur debt to pay for capital improvements and as these debts are incurred, the pro-rata share for debt service will be apportioned to the customer on the monthly utility bill. Incurring additional debt will not require amendment to this Ordinance.

Section 14.04 New Business - Duty to Notify District

Owners or proprietors of newly established businesses, professional, or commercial enterprises shall notify the District that such business is being conducted within thirty (30) days of inception.

Section 14.05 Domestic, Commercial and Industrial Service Connections—Separate Building

Each house or building under separate ownership must be provided with a separate metered service connection. Two or more houses under one ownership and on the same lot or parcel of land may be supplied through the same service connection as provided in Section 14.02. The District reserves the right to limit the number of houses or the area of land under one ownership to be supplied by one metered service connection.

ARTICLE XV - RATE ADJUSTMENTS, REQUIREMENT TO BALANCE WATER FUND ANNUALLY

Section 15.01 Annual Review of Rates and Water Fund Balance

The Board shall set certain financial and operational performance goals annually and audit the water fund for balance acceptable to the Board in accordance with established and required performance goals. Said requirement for the annual audit and review of water rates and balance of the water fund is established for the purpose of securing a steady and sound financial condition while at the same time keeping the impact from rate change to rate change on ratepayers and the need for special assessments upon taxpayers to a minimum within established

practices of sound financial management.

Section 15.02 Financial and Operational Performance Goals

The Board shall review and adjust, thereby setting for the next fiscal year, the following performance goals at the January regularly scheduled Board meeting to be used as the basis for an audit of the water funds ability to meet capital needs and cover expenses:

- A. Working Capital Goal. The General Manager shall determine and justify a working capital goal commensurate with the District's risk of unexpected operating costs or a drop in operating revenues. Working capital as a percent of operating costs shall be not less than fifteen (15) percent or more than thirty-five (35) percent. This range may be adjusted by the Board from time to time and as needed to meet the financial goals of the District.
- B. Repair and Replacement Forecast. The General Manager shall prepare a detailed repair and replacement schedule covering only those items which are not the same item being repaired every year for about the same amount of money (routine maintenance expensed within the fixed and variable operating costs), and which are not so costly that grants and or public debt are required to pay for it.
- C. Repair and Replacement Reserve Required Minimum Balance. The actual minimum reserve balance amount is a function of the risk that the District is willing to assume in order to manage the draw on accounts and actual expenditures. Unless approved otherwise by a majority of the Board, the minimum required balance shall be at least equal to the next fiscal year's estimated expense for repairs and replacements, less any carryovers, or \$150,000, whichever is more. The Board of Directors may adjust the minimum Repair and Replacement Reserve from time to time to meet District financial goals and as needed.
- D. Incremental Adjustments to Headcount. Required headcount adjustments, additions or reductions in current headcount, along with the average burdened annual compensation shall be forecasted in order to determine changes in rates in order to maintain a balanced water fund based upon realistic manpower leveling.
- E. New Connections & Annual Increase in Customers Forecast. The General Manager shall estimate the growth rate of customer hook ups, not including reconnects, based upon historical trends and the best available community development estimates.
- F. Key Indices/Rates Forecast (AMHI, rates of growth, inflation rate, interest rates for balances invested and amounts borrowed). Growth, inflation and interest rates, and the Average Mean Household Income (AMHI) are estimates to be derived from credible sources generally recognized as authorities for such estimates. The General Manager or Finance Director shall determine these rates; and make a recommendation to the Board along with a rationale and sources of information.
- G. Percent of Average Participation Fee for Capital Improvements. The percentage amount of participation fees for capital improvements shall be determined from current rates, and the General Manager shall evaluate and recommend changes in such participation fees for capital improvements based upon anticipated improvements or such improvements necessary to accommodate additional connections.
- H. Major Capital Investment Requirements Forecast. The General Manager shall identify major capital improvement projects anticipated to be implemented over the next five (5) years, and shall specify funding amounts, sources, required debt reserve levels, and most likely funding vehicles for said major capital improvements and shall determine the major capital improvement reserve accumulations necessary over that same period to obtain required funding.

- I. Financial Targets as Ratios (operating, coverage & affordability indicators). The General Manager shall select certain financial performance indicators and specify an acceptable range of values for each indicator that most accurately defines the District's financial goals and which act as an indicator of progress towards those goals. The Board shall hear the General Manager's selection, goals, and impact assessment associated with their pursuit at the December regular Board meeting and shall negotiate and adopt financial performance indicators and goals for the purpose of balancing the water fund.

Indicators and goals shall be as follows:

- i. Operating Ratio. Operating ratio shall be the operating revenue divided by operating expenses not including debt service, and shall be between fifteen (15) and thirty-five (35) percent.
- ii. Affordability Index. Affordability index shall be the average residential bill for one year divided by the annual median household income for that year, and shall be less than two (2) percent.
- iii. Coverage Ratio. Coverage ratio shall apply to debt service maintenance and for purposes of planning debt service requirements, and shall be the revenue available for debt service divided by the amount of debt service carried or planned to be carried, with a target range of sixty (60) to ninety (90) percent.

Section 15.03 Approved Model for Rate Adjustment Analysis and Fund Balancing

The General Manager shall determine the computer model appropriate for analyzing rate adjustments within the context of maintaining a balanced water fund, and shall use such model to present and discuss recommended rate adjustments and to show the financial impact from such recommendations as adjustments relate to the attainment of the District's established financial goals.

Section 15.04 Required Rate Change Reviews

The General Manager shall present to the Board at the January regular Board meeting his or her review of water rates, any required or recommended adjustments and a plan of action if adjustments are recommended for amending the water rates approved by this ordinance.

Section 15.05 Automatic Annual Adjustment

The Board may elect to have an automatic annual adjustment of the Monthly Fixed Rate Service Charge and Usage (Variable) Rate Charge by a fixed percentage based on the April to April Bay Area Consumer Price Index. This automatic rate increase will go into effect on January 1st of each year for the period of years stipulated in EXHIBIT A—RATES, CHARGES & FEES (Section A1.02.5).

ARTICLE XVI – MISCELLANEOUS & PENALTIES

Section 16.01 Violations of Ordinance

Any violation of this Ordinance shall be a misdemeanor and shall be punishable by imprisonment in the County Jail for a term not exceeding six months, or by fine, not exceeding \$1,000.00 or by both. Every day violation of this Ordinance shall continue shall constitute a separate offense.

Section 16.02 Tampering with District Property

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

Section 16.03 Ordinance Applies to All

The purpose of this Ordinance is to safeguard health, property, and public welfare by regulating and controlling the design, construction and quality of materials used in public water systems. Except as otherwise herein stated, all of the provisions of this Ordinance shall apply to all buildings and structures heretofore erected or to be erected, and all connections heretofore made or to be made to the public water system in the District.

Section 16.04 Notices to Customers

Notices to District customers will normally be given in writing, either delivered or mailed to his last known address. Where conditions warrant and in emergencies, the District may resort to notification either by telephone or messenger.

Section 16.05 Notices from Customers

Notice from the customer to the District may be given by him or his authorized representative in writing, to the District's office at:

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

Section 16.07 Unusual Hardship or Economic Oppression

In the case of unusual hardship or economic oppression resulting from the enforcement of any of the terms of this Ordinance, the Board in its sole judgment and discretion may grant a variance in the application and enforcement of any of the terms of this Ordinance. Furthermore, the Board of Directors recognizes that some customers may have difficulty in paying their sewer bill and for that reason will support the efforts of charitable organizations in the community and county in assisting these customers.

Section 16.08 Repayment Plan

Subject to interest and penalties along with all other charges or fees levied by this Article, the General Manager may permit continuance of use for water service upon customer's written agreement to comply with all terms and conditions of a short-term repayment plan. The plan shall include the following requirements:

1. The customer's account must be brought current by the end of the repayment plan term.
2. Failure to comply with agreed to terms and conditions will result in a discontinuance of service.

Section 16.09 Penalty, Liens, & Suits

Failure to comply with all or any part of this ordinance, or any ordinance, resolution, or order of the District relating to water service, a penalty for which violation has not hereafter been specifically fixed, shall cause customer's service to be discontinued. Water service shall not be supplied to such customer until he shall have complied with the rule or regulation, rate or charge, which he has violated or, in the event that he cannot comply with said rule or regulation, until he shall have satisfied the District that in the future he will comply with all rules and regulations established by ordinance of the District, and with all rates and charges of this District. In addition, thereto, he shall pay the District a Renewal of Service and Disconnection fees, as stipulated in EXHIBIT A—WATER RATES & FEES (A2.01).

- A. Penalty Rates & Charges. Rates and charges that are not paid on or before the day of delinquency shall be subject to a penalty of ten percent (10%) and thereafter shall be subject to a further penalty of one-half of one percent (0.5%) per month for non-payment of the delinquent charges and a basic 10% penalty, which shall be levied on the first day of each following month.
- B. Suits and Costs. All unpaid rates, charges and penalties herein provided may be collected by legal action. Defendant shall pay all costs of suit including all attorneys' fees incurred by District in

obtaining any judgment rendered in favor of the District.

- C. Liens and Costs. As an alternative to suit, the District may record a lien upon the property to recover water, sewer and other service charges, including penalties. District costs for preparation, filing, recording and release of liens shall be paid prior to reconnection. The District reserves the right to sell liens to the County, per the Teeter Plan, to recover water, sewer, or other District services charges.

Section 16.10 Rulings Final

All rulings of the General Manager shall be final unless appealed in writing to the Board within fifteen (15) days. When appealed, the Board's ruling shall be final.

Section 16.11 Relief on Application

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

Section 16.12 Relief on Own Motion

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

Section 16.13 Severability

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

Section 16.14 Temporary Suspension of Service

Upon written request of a property owner and in consideration of exceptional circumstances beyond personal control of the Owner/User that prevents habitation or use of the metered structure for at least six (6) months, monthly fixed and variable water charges may be suspended. However, debt service charges shall continue to be billed by the District and paid by the Owner/User.

Such suspension of service shall be dependent upon approval of District's General Manager. The District will be notified as early as possible when use is resumed and no later than ten (10) business days before full service billing is to commence. If the Water is found to be in use during such time as suspended service is in effect, User/Owner will immediately become liable for two (2) times the normal full charges that would have been billed during the suspension period.

ARTICLE XVII - EFFECTIVE DATE

Section 17.01 Adoption and Effective Date

This ordinance shall take effect and be in full force in 30 days as to rates and 60 days as to fees after the date of its final passage and adoption. Before the expiration of fifteen (15) days after its passage it shall be posted by the Secretary in three (3) public places and for not less than 30 days within the Groveland Community Services District.

Section 17.02 Amendment of Ordinance 2-08
Ordinance No. 2-08, as amended by Ordinance No. 2-10, is hereby repealed.

Section 17.03 Adoption of Ordinance 2-10

The foregoing ordinance was introduced at a regular meeting of the Board of Directors of the Groveland Community Services District held on February 8, 2010 and given a first reading at said meeting. Said ordinance was given a second reading at a regular meeting of said Board of Directors March 8, 2010 and at said meeting Director Lennen moved the adoption of said ordinance, which motion was seconded by Director Graham and upon call for vote was carried by the following vote:

AYES: Directors Graham, Allegri, Perreira, Lennen, and Riley
NOES: None
ABSENT: None

ATTEST:

John Graham, District President

Lena Spilman, District Secretary

EXHIBIT A—WATER RATES, CHARGES, & FEES

A1 - STANDARD WATER RATES, CHARGES, & FEES (Ref. Section 14.01)

Section A1.01 General

This Exhibit A lists all the Groveland Community Services District (GCSD) rates, charges and fees for water related services. It is an integral part of Ordinance 2-10, and is intended to specify all rates, charges and fees on a single, comprehensive, and complete list. This Exhibit A and the Ordinance it is attached to replaces Ordinance 2-08 and its amendments regulating the use of public water supply systems, setting rates and charges for water use and service fees of the Groveland Community Services District.

Section A1.02 Standard Monthly Water Rates

Standard monthly water rates are divided into four components: fixed charge, usage (variable) charge, bond debt repayment (such as Revenue Improvement District Bond debt), and private fire service. The additional charge that is dependent of water meter size is established to account for the fact that additional service capacity is needed in the water system to accommodate the higher flow rate potential of the larger water meters, which are quantified by equivalent meter unit (EMU), as determined in the GCSD Water Rate Study by Hilton Farnkopf & Hobson, November 1, 1995. Standard monthly fixed rates (A1.02.1), usage (variable) rate (A1.02.2), private fire service rate (A1.02.3), and bond debt charge (A2.01) for regular monthly water service are provided in the following subsections.

Section A1.02.1 Monthly Fixed Rate Service Charges

<u>Meter Size</u>	<u>EMU Ratio*</u>	<u>Monthly Charge</u>
5/8-3/4"	1.0	\$ 30.06
1.0-inch	1.6	\$ 48.10
1.5-inch	2.6	\$ 78.16
2.0-inch	3.5	\$105.21
3.0-inch	5.5	\$165.33
4.0-inch	7.8	\$234.47

* EMU Ratio used for Monthly Fixed Rate Service Charge is based on non-peak flow rates.

Example: for 1.5" Meter, the Base rate (5/8" meter) is \$30.06 times EMU for 1.5" meter (2.6) is \$78.16.

[Note: In past water ordinances, an additional fixed charge of \$5.00 per month was charged for tax-exempt entities to cover a portion of the ad valorem taxes not normally collected by the State for the purpose of paying debt retirement. Because all but a small bond payment (around \$10,000 per year for David Grunsky Bonds) are eligible for this type of levy, the Board decided to discontinue the collection of this special charge for tax-exempt entities.]

Section A1.02.2 Usage (Variable) Rate

To promote conservation, the District has adopted a Tiered Structure for the Usage Rate, as follows:

<u>Gallons Used per Month</u>	<u>Residential Usage Charge per gallon</u>	<u>Commercial/Industrial Usage Charge per gallon</u>
0 to 4,000	\$0.00190	\$0.00190
4,001 to 7,000	\$0.00379	\$0.00379
7,001 to 12,000	\$0.00569	\$0.00569
>12,001	\$0.00757	\$0.00757

Section A1.02.3 Private Fire Service Standby Rate (Ref. Section 11.09)

Because private fire service systems are only used occasionally (during fires and testing), the Board considers a reduced rate from the normal fixed monthly rate fair and equitable for operators of private fire service systems. The fixed monthly standby rate for these systems is set at Ten Dollars (\$10.00) per month/inch of meter size/connection.

Section A1.02.4 Charges for Special Uses

Rates for water supply special uses not cited herein shall be determined in each case by agreement between the District and the user.

Section A1.02.5 Automatic Annual Adjustment (Ref. Section 15.06)

Beginning January 1, 2009, and each January thereafter until 2011, the Monthly Fixed Rate Service Charge and Usage (Variable) Rate Charge for water shall be adjusted by April to April Bay Area Consumer Price Index (CPI).

Section A1.03 Standard Fee Schedules

Fees charged for District services not established elsewhere in this Ordinance are hereby established as follows:

Section A1.03.1 Applications for Water Service

- A. Where no water main extension is required the application fee is Twenty-Five Dollars (\$25.00) plus a deposit estimated by District.
- B. Where a water main extension is required the application fee is Eighty Dollars (\$200.00) plus a deposit estimated by District.

Section A1.03.2 Property Transfers

- A. Unimproved property in RID#1 where Standby or Facilities Charges are levied shall be charged Twenty-Five Dollars (\$25.00) per conveyance.
- B. Improved properties in the District where water and/or sewer service is provided shall be charged Forty Dollars (\$40.00) per conveyance.
- C. Tenant changes by owner or agent of rental properties shall be charged Fifteen Dollars (\$15.00) per transfer.

Section A1.03.3 Liens

District costs to prepare, record and release liens for delinquent charges shall be paid prior to release of such liens. District costs to be paid per lien released shall be Fifty Dollars (\$50.00) plus County Recorder fees.

Section A1.03.4 Dishonored Checks

A charge of \$35.00 per occurrence shall be paid for each check tendered as a payment to the District that is not honored by the bank. If the dishonored check was paid to avoid disconnection of service, then the responsible party will be contacted immediately and given two (2) days to honor the check. If the District receives two dishonored checks, cash payment (cash or a cashier's check) of all future utility bills may be required. The charge for dishonored checks is contained in Exhibit A.

Section A1.03.5 Fees for Cross-Connection Control Program

A customer may be required by law or District Ordinance to install a backflow prevention device within his premises. The District will charge \$350 for installation of a 3/4-inch backflow prevention device. Larger sizes will be quoted as needed.

A backflow prevention device is required by law to be inspected annually. The District will charge an inspection fee of Forty Dollars (\$40.00) per connection, exclusive of any repairs that need to be performed. If additional maintenance is required for the device, then the District will charge for actual labor and materials costs. When an assembly fails the annual testing, has had major repair or is relocated, a retesting fee of \$40 shall be charged.

Inspection and repair charges shall be paid after receipt of billing mailed with District requirements for the approved backflow prevention device. The District may choose to subcontract the inspection and repair costs for backflow prevention devices.

Any owner of three or more backflow prevention devices will receive a 30% discount in annual testing fees if they pre-arrange a specific time with the District to do all the testing at one time.

A2 – OTHER FEES AND CHARGES

Section A2.01 Renewal of Service Fee (Ref. Section 16.09)

Renewal of service fee shall be Forty Dollars (\$40.00).

Section A2.02 Service Connections & Charges (Ref. Section 4.02)

The District will furnish and install a service of such size and at such location as the applicant requests, provided such requests are reasonable and approved by District. The service will be installed from the water distribution main to the curb line or property line of the premises, which may abut the street, on other thoroughfares, or on District rights-of-way or easements. Charges for new services are payable in advance and shall include charge for the service box, meter, meter installation, and participation fee.

Section A2.02.1 Charge for Service (Meter) Box

The charge for a service box with fittings installed by District shall be the actual cost for labor, equipment, and materials determined after installation. The cost for a typical installation ranges from \$400.00 to \$1,200.00 per meter box.

Section A2.02.2 Meter Charges and Participation Fees (Ref. Section 4.01)

The District charges a participation fee (also known as “connection fee”) in order to reimburse existing rate payers for the investment they have made to oversize the water system’s facilities so that sufficient excess capacity is available to new customers. Section 66000 of the California Government Code describes how participation fees should be calculated and restricts how the funds collected from such fees can be utilized.

The equivalent meter unit ratio multiplier was calculated for the District by the consulting firm of Hilton, Farnkopf & Hobson, in the Water Rate Study completed for the District on November 1, 1995.

Meter installation charges shown in the following table are based on the actual cost for the District to purchase the meter at the time this ordinance was promulgated, plus one man-hour of installation time at the rate of \$25 per hour. The actual prevailing meter cost will be charged to the applicant at the time installation is done.

The standard charge for participation fees to obtain water service and for water meters provided by District shall be as follows:

Meter Size	EMU Multiplier*	Participation Fees	Meter Install Charges
5/8-inch	1.0	\$ 1,827.00	\$210.00
3/4 –inch	1.0	\$ 1,827.00	\$235.00
1.0-inch	1.7	\$ 3,106.00	\$285.00
1.5-inch	3.3	\$ 6,029.00	\$475.00
2.0-inch	5.3	\$ 9,684.00	\$605.00
3.0-inch	11.7	\$21,377.00	\$1,735.00
4.0-inch	20.0	\$36,542.00	\$2,715.00

*EMU Ratio Multiplier used to calculate participation fees is based on peak flow rates, which is slightly higher than the EMU ratio used for calculating monthly fixed rate charges, which uses non-peak flow rates.

Example of calculation for 1.5-inch meter: Base participation fee is \$1,827.00 times the EMU ratio multiplier of 3.3 is \$6,029.00.

Section A2.02.3 Water Connection/Extension Application Fee

The Water Connection or Extension Application Fee of Eighty Dollars (\$200.00) covers the District’s administrative costs for new file preparation and provides applicant with copy of agreement form and current fee schedule.

Section A2.02.4 Administrative Fee for Water Extension

The non-refundable Water Extension Administrative Fee of Five Hundred Dollars (\$500.00) covers the District’s expected administrative staff time, which would involve assistance to the applicant regarding agreement preparation, agenda scheduling, and bookkeeping functions.

Section A2.02.5 Engineering Deposit for Water Extension

The Water Extension Engineering Deposit of Fifteen Hundred Dollars (\$1,500.00) covers the District’s actual Engineering (in-house or contracted) time and materials expended for review of CEQA requirements, plan reviews, easement reviews, project management, and construction site and facility inspections. Any unused money left from the deposit will be credited back to the applicant.

Section A2.03 Meter Test—Deposits (Ref. Section 4.08)

If a customer desires to have the meter serving his premises tested, he shall first deposit Twenty-Five Dollars (\$25.00).

Section A2.04 Disconnection Fee (Ref. Section 9.03)

A disconnection fee of Forty Dollars (\$40.00) plus penalties will be made and collected prior to renewing service following discontinuance. If the user calls the District to reconnect service outside of normal District business hours, then the disconnection fee will be increased to One Hundred Dollars (\$100.00).

Section A2.05 Water Main Extension Fees

The applicant for water main extension shall submit the required charges and fees prior to the District’s review, inspection, and final acceptance for the Water Main Extension Project. Funds collected under the Administrative Expense and Engineering Expense Deposits shall maintain a positive balance at all times; any charges in excess of the deposit will be monthly. Any funds collected under the District Engineer Expense Deposit but not used, shall be refunded after the close of the one-year warranty period. The following charges and fees shall apply to a water main extension with service connection:

**FEES & DEPOSIT FORM
WATER MAIN EXTENSION & SERVICE CONNECTION**

Water Extension Application Fee	\$200.00	Covers Administrative cost for new file preparation and provides applicant with copy of Agreement form and current fee schedule. (Section A2.02.3)
Administrative Expense Fee	\$500.00	Covers Administrative staff time involving assistance to the Developer regarding Agreement preparation, agenda scheduling, and bookkeeping functions. (Section A2.02.3)
District Engineering Expense Deposit	\$1,500.00	Covers actual Engineer’s time expended for review of CEQA requirements, plan reviews, easement reviews, project management, and construction site and facility inspections. (Section A2.02.4)

Performance (Security) Bond		Irrevocable Letter of Credit, Performance Bond, or Cash Deposit with the District, shall be provided for estimated cost of the construction project using prevailing wage rates.
Maintenance Bond		After the project is finished, but prior to District acceptance, the owner shall furnish the actual cost of construction. The Maintenance Bond will be set at 25% of the actual cost of the project. The Maintenance Bond shall remain in effect for one year after final acceptance by the District.
Single Family Residence Connection Fee	\$2,062.00	Payable after District acceptance of the Improvement project, but prior to the start of construction. Application Fee: \$200.00 Meter Charge: \$210.00-\$2,715.00 Participation Fee: \$1,827.0000-\$36,542.00 (Section A2.02.2, A2.02.3)
4-inch Commercial Connection Fee	\$39,282.00	
Service Box	\$400.00 to \$1,200.00	The actual cost for meter box, fittings, and labor and equipment installed by the District. The typical installation ranges from \$400 to \$1,200, depending on size and complexity of service. (Section A2.02.1)

Section A2.06 Temporary Authorized Use of Fire Hydrant Water (Ref. Section 12.03)

District may authorize the temporary beneficial use of water from fire hydrants. The District has identified four hydrants throughout the service area from which water can be drawn after receiving permission from the District. The following fees and charges will apply:

- Non-Refundable Service Charge (for flow meter and backflow device) \$100.00
- Hydrant Charge \$ 5.00 per day
- Hydrant Change Charge \$65.00 per move
- Water Use Charge \$ 0.70 per 100 gallons

Damage done to the hydrant and/or meter by the customer will be repaired at the customer's expense.

Section A2.07 Charge for Unauthorized Use of Fire Hydrants (Ref. Section 12.07)

In the event any person, other than organized fire protection agencies, makes any connection to a fire hydrant without written permission from the District, a charge of One Thousand Dollars (\$1,000.00) shall be paid to the District by the person making such connection. Any such unauthorized connection shall be immediately disconnected upon discovery thereof, and no further connection by said person shall be permitted until such payment of the charge for unauthorized use plus the estimated water use rendered by the District has been paid.

Section A2.08 District-Wide Debt Service Charges (Ref. Section 14.03)

The District has incurred debt in the form of bonds or other types of loans for all customers of the District. The amount of the monthly debt service charge is based on meter size, using the meter size equivalency calculated by Hilton, Farnhopf & Hobson, 1995. At the time of passage of this Ordinance, the District-wide debt service charged to customers each month on utility bills is as follows:

<u>Meter Size</u>	<u>EMU Ratio*</u>	<u>Monthly Charge</u>
5/8-3/4"	1.0	\$ 20.58

1.0-inch	1.6	\$ 32.93
1.5-inch	2.6	\$ 53.51
2.0-inch	3.5	\$ 72.04
3.0-inch	5.5	\$113.20
4.0-inch	7.8	\$160.52

Section A2.09 Charge for Tampered or Destroyed Meter Locks (Ref. Section 16.02)

If the customer tampers with or destroys a meter lock installed by the District, a charge of Twenty-Five Dollars (\$25.00) will be billed to the customer.

EXHIBIT B – RULES AND REGULATIONS FOR CROSS CONNECTION CONTROL AND BACKFLOW PREVENTION

Groveland Community Services District has a moral and legal obligation to protect the quality of the community public drinking water supply as provided by the District.

Certain private connections to the community potable water supply have the potential to contaminate it through backflows and cross connections to non-approved water sources or other objectionable fluids.

There are approved mechanical devices known as Backflow Prevention Devices that are installed in piping and designed to prevent such backflows under all conditions. The proper specification, installation, inspection, testing, and maintenance of said assemblies is essential for their reliable operation and must be done by American Water Works Association (AWWA) certified technicians.

Groveland Community Services District has established a Backflow Prevention Program which shall exercise complete control over the specification, installation, inspection, testing, maintenance, and record-keeping for all existing and future backflow prevention devices required on District water services and on connection premises within the District's service area.

The District shall, for all existing and future service connections to its water system:

- Inspect private premises for plumbed cross-connections or other actual or potential backflow hazards including but not limited to auxiliary water systems such as private wells, landscape irrigation systems, water-using commercial or industrial equipment, stock-watering facilities, and HVAC heat exchangers.
- Specify and require approved backflow prevention devices as a condition of water service, based on State of California statutes and established professional practice for recognized backflow situations.
- Discontinue water service to any premises or customer not in compliance with approved backflow prevention and cross connection control conditions of service and established practices.
- Discontinue water service immediately upon detection of an imminent sanitary threat to the District water supply due to an actual or potential backflow situation on any customer premises.
- Assess normal charges for turn-on or reconnection of a discontinued service after customer comes into full compliance with District backflow prevention requirements.
- Procure and install backflow prevention devices at or near water service connections (adjacent to water meter) or when such is installation is impractical, at District's option, within a customer's premises on or near plumbing backflow hazards.
- Test backflow prevention devices upon installation, repair, and annually thereafter, as required by State of California regulations.
- Make minor repairs incident to the testing of a backflow prevention device and, at other times as necessary, to effect and insure proper operation of the backflow prevention device, during the entire period between annual tests.
- Require major repairs or replacement of any backflow prevention device deemed by the District to be inoperable, unreliable or non-repairable, at the expense of the customer.
- Prepare and present annual program billings to customers with backflow prevention devices installed on their premises, timely payment of which will be a condition of continued water service.
- Require a customer to abate actual and potential unprotected plumbing cross-connections or water use activities which are not amenable to feasible backflow prevention practices.