



RULES AND REGULATIONS FOR WATER SERVICE

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SECTION 1 GENERAL

1.1 INTRODUCTION

Serrano Water District is an independent water district established under the California Water Code with a five-member board of directors elected by divisions. The board appoints a general manager or a contract general manager to implement the policy decisions of the board and oversee day-to-day operations and services.

Special districts are one of the most basic forms of local government, created by the people within the district to provide a specialized service. Special districts have very precisely defined responsibilities which minimize their overhead and provide a value-added service to the people they serve. Because they are localized, special districts tend to be very responsive and accountable to the voters. They are a very efficient form of government.

Serrano is an "Enterprise Activities" special district and as such it is financed by water related revenues. Almost all other Southern California water suppliers are "Non-Enterprise Activities" special districts which are subsidized with property taxes and/or general funds.

Serrano Water District is formed under the irrigation district law, water code section 20500, et seq.

Serrano provides water service to all applicants, subject to availability of water and/or the facilities necessary to provide the service, conditional upon receipt of all required fees and charges and in accordance with these rules and regulations. All terms, conditions, rates and requirements contained herein are subject to change by actions of the Board.

1.2 DEFINITIONS

Whenever the following terms, or pronouns used in their place, occur in these Rules and Regulations, or in any documents that these Rules and Regulations govern, the intent and meaning shall be interpreted as follows:

Abandoned Service - shall mean any service where the meter, the meter angle stop, curb stop or gate valve, and all tubing, have been removed. The service saddle and the corporation stop may or may not have been removed.

Air-Gap Separation - shall mean a physical separation between the free-flowing discharge end of a water supply pipeline and an open or non-pressure receiving vessel. The separation shall be at least double the diameter of the supply pipe

measured vertically above the overflow rim of the vessel, and in no case less than one-inch. The design shall be to the satisfaction of the General Manager or authorized agent and the Appropriate Regulatory Agencies.

Applicant - shall mean any person, persons, firm, corporation, association or agency that desires and applies to obtain water service from the District.

Application for Water Service - shall mean a contractual agreement applied for by a person, persons, firm, corporation, association or agency who desires to obtain water service through an established meter.

Application for Temporary Water Service - shall mean a contractual agreement applied for by a person, persons, firm, corporation, association or agency who desires to obtain temporary water service for use during construction.

Appropriate Regulatory Agencies - shall mean those public agencies legally constituted to protect the public health and water quality such as, but not limited to, the California Department of Health Services, the Santa Ana Regional Water Quality Control Board, the Orange County Health Care Agency and the Orange County Building and Safety Department.

Backflow - shall mean the flow of water or other liquids, mixtures, gases or any other substances into the distributing pipes of a Potable Water supply from any source or sources other than the District's sources.

Backflow Prevention Device - shall mean a specially designed and certified device, such as, but not limited to, the Reduced Pressure Principle Backflow Prevention Device and the Double Check Valve Assembly, that is used in protecting the Potable Water system from contamination that originated downstream of the device. The device shall be recognized and approved as such by the General Manager or authorized agent and the Appropriate Regulatory Agencies.

Board - shall mean the elected Board of Directors of the Serrano Water District.

Business Day - shall mean Monday – Thursday, 7:00 am to 4:30 pm excluding holidays and Friday, 7:30 am to 4:30 pm.

Connection Charge - shall mean a fee charged to a Retail Zone Applicant in connection with a Water Service Agreement or charged to an existing customer for an increase in demand for Potable Water service (increasing the size of the service meter), as set forth in the Schedule of Rates, Fees and Charges, together with the District's applicable wholesale connection charge. A Connection Charge shall be charged for property not previously served by the District or property with an existing water service requiring an increase in demand for water service. The Connection Charge includes a retail water system capacity charge but does not include the cost of meter setting, service lateral, any main extension or reimbursement for main extension.¹

Connected Capacity Demand (CCD) - shall mean the total estimated demand for water service, expressed in terms of gallons per minute, as calculated using the procedures specified in the California Plumbing Cod [pe.

Construction Use - shall mean an approved use of water to support construction activities such as soil compaction and dust control.

Contractor - shall mean the party entering into contract with the Applicant for performance of the work for which the District issues a permit. The Applicant and the Contractor may or may not be one and the same.

Cross Connection - shall mean any unprotected, actual or potential connection between any part of a Potable Water system used to supply water for drinking purposes and any source or system containing water or substance that is not or cannot be approved by the District as safe, wholesome and potable. By-pass arrangements, jumper connections, removable sections, swivel or changeover devices, or other devices through which Backflow could occur, shall be considered to be Cross Connections.

Customer - shall mean any person, persons, firm, corporation, association or agency receiving retail water or services from the District.

Customer Control Valve - shall mean a valve with a lever-type turn handle, manufactured of bronze and may be installed on the outlet side of a water meter.

Customer of Record - shall mean the person, persons, firm, corporation, association or agency that owns the property and has entered into a Water Service Agreement or other contractual agreement with the District for water service or is the successor and/or assignee to a Water Service Agreement or such other contractual agreement; and/or the property tenant who is the Applicant in an Application for Water Service or Application for Temporary Water Service. The contractual agreement may include, but is not limited to, the Water Service Agreement, the Application for Water Service permit, the Application for Temporary Water Service permit, and a request for any of these received at the District by phone, mail or in person. The Customer and Customer of Record may or may not be one and the same. The Customer of Record is responsible for payment of all moneys owed on accounts for which the Customer of Record has entered into a contractual agreement.

Deposit - shall mean any money held by the District for the purpose of guaranteeing payment of money owed to the District. Deposits are applicable only to the account(s) for which the money was collected. Deposits are refunded only on the final bills.

District - shall mean the Serrano Water District or an authorized agent.

District's Engineer - shall mean the engineer designated by the District or an authorized agent.

District Inspector - shall mean any person authorized by the District to perform inspections of either onsite or offsite facilities prior to construction, during construction, after construction or during operation.

District Office - shall mean the District business office currently located at 18021 Lincoln Street, Villa Park, CA 92861.

Drawings - shall mean the plans, working drawings, detail drawings, profiles, typical cross sections and supplemental drawings or reproductions thereof, approved by the District, which show locations, character, dimensions or details of the work or modifications to be performed.

General Manager - shall mean the General Manager of the District or an authorized agent.

Main or Mainline - shall mean water distribution pipelines located in streets, highways, public ways or private right-of-ways used to deliver or transmit water.

Meter - shall mean the District approved primary measuring device, owned by the District, which is used for the purpose of accurately recording the consumption of water at a property, properties or on a portion of a property. The meter is typically the ending Point of Ownership.

Owner - shall mean any holder of legal title to a property to which the District provides water service or has entered into a Water Service Agreement.

Property – shall mean any real property owned, leased, rented, or otherwise controlled, utilized, or inhabited by any person, including any corporation or partnership of any form holding a water account with the District.

Point of Ownership – The point where the District’s ownership and control of water system facilities ends, which shall be the outlet (downstream) side of the water meter or the control valve upstream of the backflow device. By written agreement only, the District may designate another location as the ending Point of Ownership.

Potable Water - shall mean water that is approved for human consumption by the federal, State and local Appropriate Regulatory Agencies.

Potable Water System - shall mean the facilities that produce, convey and store Potable Water.

Pulled Meter - shall a meter that has been removed, where the service line is still in place.

Record Drawings - shall mean the design drawings that have been marked to show all construction changes for a given project to the best of available knowledge.

Retail Zone - shall mean the portion of the District’s service area where the District provides both wholesale and retail water services to the Customers. See Section 1.3.

Rules and Regulations - shall mean the Rules and Regulations for Water Service as adopted, and amended, by the District.

Schedule of Rates, Fees and Charges – shall mean the District’s “Monthly Service Charges and Delivered Water Service Charges,” as adopted and in effect at the relevant time.

Service Charge - shall mean a fixed monthly charge based on meter size levied to fund the ongoing day-to-day fixed costs of the water system.

Standard Specifications and Standard Drawings for the Construction of SWD Water Facilities - shall mean the latest edition of the District’s publication.

Tenant - shall mean the person, persons, firm, corporation, association or agency that is renting or leasing property, to which the District provides water service, from an Owner.

Violation - shall mean noncompliance with any condition or conditions of these Rules and Regulations by any person, action or occurrence, whether willfully or by accident.

Water Charge – shall mean the any of the commodity rates, service charges, and other fees and charges levied for water service.

Water Service -- shall mean retail water service provided by the District.

Water Service Agreement - shall mean an agreement entered into between the District and a person, persons, firm, corporation, association or agency, or their successors and assignees, who has already, or desires to, install, remove, alter or replace, or cause to be installed, removed, altered, or replaced, any water facility or appurtenance for the purpose of supplying water to a property.

Water Service Permit – shall mean a permit issued by the District upon approval by the District of a map or plans for the installation, removal, alteration or replacement, of any water facility or appurtenance, and upon receipt of required fees and charges, including Connection Charges.

1.3 SERVICE AREA

Serrano Water District (SWD) was established in 1876 and provides potable water to the City of Villa Park and a small portion of the City of Orange. SWD receives its water supply from local surface water which is stored in Irvine Lake and groundwater from three wells located within the City of Villa Park and occasionally must purchase water from Metropolitan Water District. SWD sells up to approximately 2,900 acre feet of water annually, to its residential customers.

The District provides water for a population of 6,500 covering approximately 4.7 square miles, serving primarily large lot single family homes and one shopping center. The District's service area is largely built out with an opportunity for a small amount of infill. Although a small district geographically, SWD provides a myriad of services. SWD is one of a few water districts in Orange County that owns and operates a water treatment plant. This allows its service area an uninterrupted supply of water even during an emergency at an advantageous cost.

SWD has 43 miles of pipe, 3 wells, a treatment plant, and two reservoirs. The District owns 50% of Irvine Lake. Irvine Ranch Water District owns the other 50% of the facility. SWD also owns 25% of the native water in Irvine Lake and Irvine Ranch Water District owns the remaining 75%. SWD is the managing district for Irvine Lake.

SWD employs 10 full time employees.

1.4 SERVICE CONDITIONS

Water service shall be available only in accordance with the District Rules and Regulations, as well as applicable Federal, State, and local statutes, ordinances, regulations, and contracts, and other requirements including, but not by way of limitation, the California Water Code, the California Administrative Code and regulations imposed by State and local health departments, as well as the terms of any service agreement and/or permit issued by the District. Any such permit may be revoked by the District, and thereupon, all such water service shall cease in the manner provided in these Rules and Regulations.

As a condition of service, the District reserves the right to require any Applicant to construct any water facility that the District deems essential, including the over-sizing or extension of water facilities.

1.5 CUSTOMER RECORDS

The District will provide information on customers in accordance with Government Code *Section 6250 - the California Public Records Act*.

The request for records shall be submitted at the District Office. It is preferred that the request be made in writing to streamline the process and to ensure that the correct records are transmitted.

1.6 ESTABLISHMENT OF RATES

In accordance with the California Water Code, the District's Board fixes the water rates and other related fees and charges. Periodically, the Board reviews and adjusts the rates, fees and charges.

1.7 GUIDELINES AND INTERPRETATIONS

The General Manager shall have the authority to adopt additional guidelines or generate written interpretations of these Rules and Regulations where necessary for day-to-day operations and/or may submit a question to the Board for clarification.

1.8 SEVERABILITY

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

SECTION 2 CONDITIONS FOR SERVICE

2.1 ACCESS TO PREMISES

Authorized employees of the District, upon presentation of credentials and during reasonable or necessary hours, shall have free access including gate codes and keys or key cards, to any premises supplied with water by the District, for the purpose of reading meters and/or making repairs, inspections, examinations or tests of the water system upon said premises and to ensure compliance with these Rules and Regulations.

If any authorized employee is refused admittance to any premises, or is hindered or prevented from reading meters, making repairs or inspections, examinations or tests, the District may cause the water service to said premises to be turned off after giving twenty-four hours' notice to the owner or occupant of said premises of the intention to do so. In the case of major violations, operational emergencies on the property, or health hazards the District may cause the water to be turned off without notice.

2.2 OPERATION BY THE DISTRICT EMPLOYEES

All of The District's water system, including but not limited to, water pipelines, reservoirs, fire hydrants, manholes, pumping stations, valves, connections, treatment facilities and other appurtenances and property, shall be under the management and control of the General Manager with oversight by the Board of Directors. No other persons, except authorized employees of the District, shall have any right to enter upon, inspect, operate, adjust, change, alter, move or relocate any portion of the foregoing or any of the District's property without the written consent of the General Manager or an authorized representative of the manager. In the event that an unauthorized person(s) enters upon, inspects, operates, adjusts, changes, alters, moves or relocates any facilities without written consent from the General Manager or an authorized representative of the General Manager, the District reserves the right to prosecute such an unauthorized person to the fullest extent of the law. In addition, the District shall be entitled to recover damages as provided in Section 3.6.2 and penalties as provided in Section 7.4.

2.3 DAMAGE TO SYSTEM

Except to shut off water to prevent damage, no person other than an authorized District employee shall at any time or in any manner, operate or cause to be operated, any valve in or connected with a water Main, service connection or fire hydrant or tamper or otherwise interfere with any water meter, check valve or other part of the District's water system, except the Customer Control Valve. In the event a person, for any reason, digs out or uncovers a corporation stop, angle meter stop or valve controlling a water supply, lifts or removes a meter box cover or its center piece or causes or suffers any such act to be done, such person will be subject to penalties as provided in Section 2.2 and will be held liable to the District for any injury or damage occasioned thereby or resulting there from. In addition, the Customer of Record will be held liable to the District for any costs incurred for repairing, replacing or adjusting any meter or other appurtenances which have been damaged due to negligence or carelessness, including but not limited to, damages caused by hot water or steam from a boiler. See Section 3.6.2.

2.4 THE DISTRICT'S RIGHT TO INTERRUPT SERVICE

The District reserves the right at any and all times to shut off water service to any property(s) for emergency, operational or maintenance purposes.

The District will make reasonable efforts to minimize negative impacts and provide appropriate notice to the affected Customer(s) when shutdowns occur. However, the District assumes no liability for damages to property or for personal injury or any other liability as a result of shutdowns.

2.5 DISTRICT LIMITS OF RESPONSIBILITY AND LIABILITY

The District assumes no responsibility for the maintenance and/or operation of the Customer's water system downstream of the Point of Ownership.

The District assumes no responsibility or liability for damage or injury resulting from any violation of these Rules and Regulations by the Customer, Customer of Record, owner or other person.

As provided in Section 2.4, the District assumes no liability for damages to property or for personal injury or any other liability as a result of interruptions in water service.

2.6 VIOLATIONS AND ENFORCEMENT

The District shall have the right to discontinue service to any Customer or property who fails to comply with the District's Rules and Regulations. Such discontinuance of service shall occur after the Customer of Record has been given notice to remedy such noncompliance and/or to cease and desist from such violation or infraction, and a reasonable opportunity thereafter within which to comply with said notices. Such time may be specified in the notice to comply/desist. No such notice need be given where the noncompliance, violation or infraction of any rule or regulation by the Customer results, or is likely to result, in a dangerous or unsanitary condition or a health, pollution or system hazard on the Customer's premises and/or in the District's water system or elsewhere, or where discontinuance of service is necessary to protect The District from fraud, loss or abuse.

The General Manager may assess a fee to the Customer of Record for each violation of the District's Rules and Regulations and for each incidence involving the intentional and improper taking of water (see Section 7.4.). Each day that a violation of these Rules and Regulations continues, or each day such intentional and improper taking of water continues, shall be treated as a separate violation of this provision. No further water service shall be provided to such Customer or property until such charge has been paid or otherwise satisfied. If the charge is paid under protest, the Customer of Record can file a written appeal to the Board.

2.7 RIGHT OF APPEAL

Notwithstanding any of the provisions of the Rules and Regulations concerning water service, any aggrieved Customer or Customer of Record, who is dissatisfied with the final decision of the General Manager in administering the Rules and Regulations, can appeal, in writing, such final decision to the Board. The Board shall hear such appeal and render its decision. The decision of the Board shall be final.

SECTION 3 WATER BILLING AND CUSTOMER SERVICE

3.1 RESPONSIBILITY FOR ACCOUNT

The Customer of Record is responsible for all bills or invoices. See Section 3.5 regarding procedure for closing account.

3.2 RESPONSIBILITY FOR UNPAID CHARGES

If, after the application of the deposit to the final billing, any charges remain unpaid, the Customer of Record shall not be relieved of his or her responsibility for unpaid water charges for the subject property, and the District may secure and collect the unpaid charges as permitted by law.

3.3 TENANT RESPONSIBILITY

Tenants may submit an Application for Water Service and arrange to become the Customer of Record with the permission of the property owner. Tenants must provide a copy of the lease or rental agreement that indicates the Owner's name, contact information and permission for tenant billing; the District will verify it before the account name is changed. Upon closing of a water service account established in a Tenant's name, from that point on, billing will revert to the Owner as Customer of Record.

3.4 NEW ACCOUNTS

Water service will be provided upon request where there is a service line and meter, once the following has been completed:

- 1) Submission of and District acceptance of the Application for Water Service (which is also the agreement for water service).
- 2) A deposit will be charged in accordance with the Schedule of Rates, Fees and Charges.

If the District determines that water may run uncontrolled at a property and no one is at the property, the water will not be turned on.

3.5 CLOSING OF ACCOUNTS

The Customer of Record is responsible for all bills or invoices. Should a Customer of Record wish to discontinue water service, the District customer service staff must be informed at least one business day before the date service is to be discontinued.

The Customer of Record will be responsible for payment for all water registering on the meter up to and including the day the final meter reading is obtained. The water service shall be turned off and the meter will be locked until a new Customer of Record has applied for service. A closing bill will be prepared, which reflects the charges for all water registering on the meter at the time of final reading, Service Charges and any previous balances owed (including prior bills, fees and charges). Any deposit retained by the District on the account shall then be credited to the account. The Customer of Record will be billed for any amounts over the deposit, in accordance with the Schedule of Rates, Fees and Charges.

The closing bill will include a due date. If payment in full is not received by this date, a closing delinquent bill will be sent. If payment in full is not received, the District may send the outstanding balance to a collection agency for collection or pursue other lawful collection measures.

3.6 BILLING

Bills cover a specified period of service, which is stated on the water bill.

Bills for water service will be based on meter readings or in some cases estimated usage. Additionally, a Monthly Service Charge will be assessed based upon the size of the water meter to the property regardless if there is no water use during the billing period.

Invoices for construction water or other services provided by the District shall be billed according to the fees, charges and conditions outlined in the Schedule of Rates, Fees and Charges.

All bills and invoices are due and payable upon receipt. Unpaid bills and invoices are considered delinquent if payment is not received by the due date shown on the bill or invoice. For all Customers, the due date shall be not less than nineteen days from the date of billing.

3.6.1 BILLING DISPUTES

Any dispute by the Customer of the amount owed on a bill or invoice must be raised within twenty days of the date of billing printed on the bill or invoice, or the bill or invoice will be considered correct and payable.

Only the disputed portion of the bill may be set aside by the District pending resolution of the dispute. The Service Charge, plus any outstanding balance, charges or deposits must be paid. The undisputed portion of the bill must be paid in accordance with the provisions of the Rules and Regulations governing undisputed bills or invoices.

The customer will contact the General Manager with their grievance. The customer has the right to attend a regularly scheduled Board of Directors meeting to state their case during the public comment section of the meeting.

3.6.2 BILLING FOR DAMAGES

Recoverable costs of damages to any District facility will be billed to the party that causes the damage.

Damages can occur from many causes, for example, traffic accidents, construction projects, or hydrant meter use. Any damage to District property resulting from any authorized or unauthorized work on, in or around District facilities also will result in billing for damages, including District staff time for inspection of damages plus the District's standard labor overhead rate. Plus a 20% administrative rate.

In the event that District staff repairs the property damage, the causing party will be billed to recover the costs of the repair. These costs will include, but are not limited to, the actual cost of replacement parts and the cost of District staff labor required to complete the repair, plus the District's standard labor overhead rate.

In the event that the District hires a contractor for the repair work, the causing party will be billed for the costs of the repairs plus a 20% administrative fee.

Payment is due 30 days from the invoice date. A bill will be delinquent if the District does not receive payment by the due date shown on the bill. A door hanger fee will be assessed if necessary according to the Schedule of Rates, Fees and Charges. If payment is not received in full, The District may refer the account to a collection agency. If the outstanding balance is referred to a collection agency, the customer is responsible for payment of the outstanding balance plus collection agency fees and administrative fees.

The District expects payment to recover all of the costs for damages at one time. However, the causing party may petition the District for payment arrangements, which will be reviewed and may be approved by the General Manager.

If the General Manager approves payment arrangements, the requesting party must complete and return a signed agreement.

3.7 PAYMENTS

Cash payments for all services provided by the District must be made at the District Office on a Business Day.

No payment by any method will be accepted by District personnel away from the District Office.

Payments received without sufficient information to properly credit the Customer's account may be returned without being processed and may be subject to charges as provided for in the Schedule of Rates, Fees and Charges.

3.7.1 PAYMENTS MADE AT DISTRICT OFFICE

Payments made at the District Office may be in the form of cash, check, cashier's check, or money order. For a fee, credit card payments may be made via the District website.

Payments received in the night drop box by the opening of business on the next regular business day will be credited to the account that business day.

Processing charges will apply if service has been discontinued for non-payment as provided for in the Schedule of Rates, Fees and Charges.

3.7.2 PAYMENTS MADE BY MAIL

Payments made by mail will be credited to the Customer's account when received at the District Office.

3.7.3 ACH PAYMENTS (AUTOMATIC CLEARING HOUSE)

Customers may initiate automatic, pre-authorized payment of their water bills by electronic funds transfer (EFT) from an account at their financial institution by completing an authorization agreement on a form provided by the District.

A Customer must submit a completed, signed authorization agreement for each water account that is to be paid by this method.

All transfers made in accordance with the authorization agreement will be subject to the Rules, Regulations, and Guidelines of the Automated Clearing House and the agreements between the District and its Originating Depository Financial Institution (ODFI).

The first EFT will occur with the next billing after the District has received and processed the properly completed authorization agreement from the Customer. If desired, the District will email or mail, via the U.S. Postal Service, a copy of the paid water bill to the Customer.

Should a Customer have a returned check for insufficient funds, they will be assessed a fee as provided for in the Schedule of Rates, Fees and Charges.

In the event of a dispute regarding the amount owed on a bill, the rules and regulations specified in Section 3.6.1, Billing Disputes, shall apply. In the event the Customer is entitled to a credit, the District credit the account.

3.7.4 PAYMENTS MADE BY CREDIT/DEBIT CARDS THROUGH THE DISTRICT WEBSITE

The District accepts payments by credit/debit card through a third-party administrator that receives a transaction fee paid by the Customer for this service. Payment can be made using a credit card through the District's website at www.serranowater.org.

Payments made by credit/debit card will be credited to the Customer's account on the date of transaction, if made before 9:00 a.m., and on the next business day if made after 9:00 a.m.

3.7.6 PAYMENTS RETURNED BY BANK

Should a check or an electronic fund transfer (EFT) or credit card charge rendered for payment be returned by the bank for any reason, the Customer will be notified and a fee will be charged against the account(s) to which the check/EFT had been credited. The fee will be in accordance with the Schedule of Rates, Fees and Charges. Should a Customer have two returned checks or EFTs in a one-year period, the District may require all payments be made by cash, cashier's check, money order or credit/debit card.

3.7.7 EXTENSIONS

Arrangements may be made between the District and the Customer prior to the due date to extend a due date for a short period of time. However, the Customer must adhere to the terms of the arrangement. Failure to do so will subject the account to the District's rules and regulations on delinquencies. A door hanger fee for delinquent payment will be charged in accordance with the late fee provisions of the Schedule of Rates, Fees and Charges.

3.8 DELINQUENCIES

A bill is delinquent if the District has not received payment by the due date shown on the bill. A door hanger fee will be charged in accordance with the Schedule of Rates, Fees and Charges.

3.8.1 DELINQUENT BILLS

A delinquent bill will be mailed to the Customer if payment is not made by the due date indicated on the water bill and a fee will be imposed in accordance with the Schedule of Rates, Fees and Charges.

The delinquent bill will have a due date. If payment in full is not received by this date, water service to the property concerned will be subject to disconnection.

3.8.2 NOTICE OF PLANNED SHUTOFF OF WATER SERVICE

If payment is not received by the due date of the delinquent bill, a notice of planned shutoff of water service (Notice) will be mailed at least 15 days prior to the planned shutoff date and not earlier than 19 days from the mailing of the bill.

The Notice will show a service shutoff date. Additionally, if payment of all water bills, fees, charges and deposits is not received by this date, the District will mail or post a Notice at least 48 hours prior to shutoff. The District will also make a

reasonable effort, using the contact information supplied by the Customer of Record to the District - to contact an adult person residing at the premises by telephone, at least 48 hours prior to shutoff. If payment of all water bills, fees, charges and deposits is not received by the end of this time water service may be discontinued without further notice.

3.8.3 SHUTOFF OF WATER SERVICE FOR NONPAYMENT

When water service is terminated for nonpayment, the meter shall be locked, where possible, and a shut off fee assessed. Fees and charges associated service shutoff are shown in the Schedule of Rates, Fees and Charges.

Tampering with the lock or turning the water back on, or in any other manner interfering or tampering with the District's property, is prohibited. Penalties for such interference will be charged and the matter may be referred to the appropriate law enforcement agency at the discretion of the District.

3.8.4 RESTORATION OF WATER SERVICE

All amounts owed, including all bills, fees, charges, and deposits, must be paid or otherwise satisfied before service will be restored. If the meter has been removed, all fees must be paid before the meter is re-installed. Fees for the restoration of service during normal working hours and limited after-hours processing are shown in the Schedule of Rates, Fees and Charges.

3.9 DEPOSITS

Deposits will be required prior to initiation of service as shown in the Schedule of Rates, Fees and Charges.

3.10 CUSTOMER INQUIRIES AND COMPLAINTS

All Customer inquiries and complaints will be handled as expeditiously as possible. In some instances, extensive research will be required, thus extending the time required for resolution, and the Customer will be so informed. Please refer to Section 3.6.1 for billing disputes.

3.10.1 METER INQUIRIES AND TESTING

If a Customer is concerned that their meter wasn't read correctly, the Customer can request the meter to be read a second time. If the new reading indicates the original reading was in error, an adjustment will be made to the original usage charges. If the new reading indicates the original reading was correct the Customer will be responsible for the original usage charges.

If a Customer is concerned that the meter is not operating correctly or is not accurate, upon written or e-mail request from the Customer, the District will test the meter for accuracy. Prior to the removal of the meter for testing, the District will charge a meter test fee in accordance with the Schedule of Rates, Fees and Charges. Meter test fees will be refunded if the meter is determined to be outside the prescribed limits for meter accuracy.

If the meter is found to be registering 3% or more in excess of the actual quantity flowing through the meter, the District will replace the defective meter, refund the meter test fee and refund to the Customer the full amount of the overcharge based on the corrected meter readings for the previous period, not exceeding six months, that the meter was in use.

If the meter is not defective and does not register 3% or more excess, the meter test fee shall be forfeited to the District and the water bill shall be paid as rendered.

If the District discovers an inaccurate or inoperable meter, the meter will be replaced and the Customer will be billed based on estimated usage.

3.10.2 HIGH WATER USE AND INVESTIGATIONS

Customers may experience high water use due to a leak or other planned or unplanned event (construction, pool filling, new plantings). No billing adjustment is allowed for leaks or planned or unplanned water consumption; the District must pay for the water regardless of the intended or unintended use of the water and that cost must be passed along to the Customer of Record.

Customers may request that the District assist them in the detection of leaks or other conditions, which may result in higher than normal water usage. Walk-through inspections may be arranged to survey the home or business to assist Customers in determining leaks and/or isolate probable areas of concern. Such requests will be handled by appointment only. Appointments may be arranged by contacting the District's customer service staff.

3.10.3 WATER QUALITY INQUIRIES

The District strives to provide Customers with high quality water at all times. If a Customer suspects any problem with the quality of water provided the Customer may contact the District and a representative will arrange to meet with the Customer at home or business to investigate the concern. Information regarding analyses of the District's water is available to the public via a published report that is mailed to each Customer annually.

The District shall not be liable for any damage by water or resulting from defective plumbing, broken or faulty services or water mains; or resulting from any condition of the water itself, or any substance that may be mixed with or be in the water as delivered to any Customer. All Applicants and Customers 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 from all damage arising from low pressure or high pressure conditions.

3.11 BANKRUPTCIES

When the District receives notice that a Customer of Record has filed for bankruptcy, the Customer of Record's account(s) will be closed, whenever possible, as of the date of the bankruptcy filing and the deposit applied to the balance due. Any outstanding balances as of that time will be considered covered in the bankruptcy proceedings and the District may file a claim accordingly with any remaining owners, including mortgage holders. Service will not be terminated and a new account will be created for the Customer of Record to reinstate service. A deposit will be charged in accordance with the Schedule of Rates, Fees and Charges.

SECTION 4 WATER FACILITIES AND APPURTENANCES

4.1 APPLICATION PROCESS

Any person, firm, or corporation who wishes to install, remove, alter or replace, or cause to be installed, removed, altered, or replaced, any water facility or appurtenance must obtain a permit from the District to do such work.

Any person legally entitled to apply for and receive the permit shall complete the District supplied Water Service Agreement form. The Applicant shall submit an Application for Water Service Permit/Change form, a complete subdivision map when applicable and a water facility construction plan showing the proposed service connection thereon, signed by a civil engineer registered in the State of California. All maps and plans shall be of the size and drawn on material specified in the District's current Standard Specifications and Standard Drawings for the Construction of SWD Water Facilities. A processing fee shall be charged pursuant to the Schedule of Rates, Fees and Charges.

Whenever reference is made herein to a requirement to be carried out or performed by an Applicant's or Customer's "Contractor," then to the extent the Contractor and Applicant or Customer are not one and the same, such reference shall be deemed to state a requirement that the Applicant or Customer shall cause its Contractor to carry out or perform such requirement. The Applicant or Customer shall be solely responsible for the fulfillment of and compliance with any requirements of these Rules and Regulations by any Contractor or any other party acting on the Applicant's or Customer's behalf.

4.1.1 PLAN CHECK PROCESS

Plan checking and inspection fees shall be computed by the District according to the Schedule of Rates, Fees and Charges and shall be deposited with the District prior to plan approval. After payment of a plan check fee, the District's Engineer, or an authorized representative, and/or other appropriate staff, will review said map and plans and either approve it or return said plans to the Applicant with notations showing required changes. All plans must conform to the District's current Standard Specifications and Standard Drawings for the Construction of SWD Water Facilities and other requirements specified by the District, the Orange County Fire Authority and Appropriate Regulatory Agencies before they will be approved.

If the plans are returned to the Applicant with notations showing required changes to be made, the Applicant shall complete all of the required changes and then resubmit a corrected set of plans. The corrected set of plans will not be accepted unless the Applicant shall return the previous set of plans containing the notations showing required changes along with the corrected set of plans.

4.1.2 ISSUING THE PERMIT

Upon approval of said map or plans, and upon receipt of required fees and charges, including Connection Charges, the District shall validate and issue a Water Service Permit.

The Permit shall be valid for a period of one year from the date of issuance. If construction has not commenced within said year, the Permit shall automatically become invalid and the Applicant shall *forfeit* all moneys, except Connection Charges, paid to the District in connection with the Application for a Water Service Permit. The Applicant will be required to reapply for a new permit and comply with all requirements as if it was the first time an application had been submitted.

4.1.3 WATER SERVICE AGREEMENT

Before water service is provided, the Applicant shall enter into a Water Service Agreement with the District regarding the terms under which the District shall provide water service to the Applicant. The Applicant shall complete, sign and submit a Water Service Agreement. The District shall enter into the Water Service Agreement only upon approval of the development project and payment by the Applicant of required fees and charges set forth in the Water Service Agreement. No water service shall be provided by temporary water service or by any other means until the Water Service Agreement has been signed by the District and the Applicant.

4.1.4 FEES AND CHARGES

The District staff will determine the fees and charges for new development in accordance with the Schedule of Rates, Fees and Charges as listed on the District website

4.1.5 CONNECTION CHARGES

The District has adopted Connection Charges in the amounts specified in the Schedule of Rates, Fees and Charges. The fees will be used to assist the District in paying for the facilities and improvements to the District's water system required by this development. Provisions in this Section 4.1.5 based upon a difference in Connection Charges corresponding to a difference in meter size shall apply only to the extent District adopted Connection Charges that vary by meter size at the time of an Applicant's or property's initial connection.

4.1.5.1 CALCULATING THE CONNECTION CHARGE

As herein provided, the amount of any Capacity Charge shall be determined by the District's engineer, or an authorized representative, subject to appeal to the General Manager or Board of Directors.

The Connection Charge shall be assessed in accordance with the Schedule of Rates, Fees and Charges.

At the time the Applicant requests meters to be installed, the District will review the assessed Connection Charge. If there have been changes in the project, which affect the Connection Charges, additional Connection Charges will be assessed or a refund will be credited to the meter costs. The meters will not be installed until both the meter costs and any additional Connection Charges have been paid.

No Connection Charges will be assessed if an Applicant is removing a meter and is replacing it with a meter of the same size, providing that one of the following conditions is also satisfied:

- 1) The new meter is installed on the same service line from which the old meter is removed; or
- 2) The new meter is installed on a new service line and the existing service line is abandoned when the old meter is removed.

The District does not assess Connection Charges for automatic fire sprinkler service connections or temporary service connected to fire hydrants.

4.1.5.2 CALCULATING CONNECTION CHARGE CREDITS ON METERS PULLED AT THE TIME OF REDEVELOPMENT

The District will apply a Connection Charge credit on an account for meters that will be pulled at the time the property is redeveloped, providing one of the following conditions is satisfied:

- 1) The old meter is pulled and the existing service line is permanently abandoned. Any new meters of a larger size will be installed on new service lines and will be subject to Connection Charges based upon their size. Any new meters of a smaller size will be installed on new service lines and will be subject to Connection charges based upon their size.

The District's engineer or an authorized representative will determine the Connection Charge credit on the meter that is pulled.

The credit will be based on the Connection Charge in effect for the meter size being pulled according to the building classification and water use type the meter presently serves.

If the Connection Charge credit exceeds the Connection Charge calculated on the new meters, the excess credit may be carried forward with the property for additional development. The excess credit will be discounted five percent each year that it is carried and at the fifteenth year, the credit can no longer be used. Any excess credit may only be used once. Subsequent excess credit cannot be carried forward.

The number of years used for Connection Charge credit will be determined by calculating the number of years between the date the Application For Water Service Permit was issued for the redevelopment project for which the credit originated and the date of completion for the redevelopment project for which the Applicant wishes to use the credit.

4.1.5.3 CALCULATING CONNECTION CHARGE CREDITS ON METERS PULLED PRIOR TO REDEVELOPMENT

The District will apply a Connection Charge credit on meters pulled prior to the redevelopment of the property providing that all of the following conditions are satisfied:

- 1) The service line to which the meter was once connected is still connected to the District's water system and is in very good to excellent condition; and
- 2) The Pulled Meter was recorded and the record is on file at the District; and
- 3) The new meters that will be installed is a downgrade from the meters that were pulled prior to the redevelopment of the property; and
- 4) A new meter can be installed on the service line to which the meter was once connected because the condition of the service line is very good to excellent.

The District will not apply a Connection Charge credit for meters where both the meter and the service line were abandoned prior to the redevelopment of the property.

The District's engineer or an authorized representative will determine the appropriate credit amount.

The credit on the Pulled Meter will be based on the fee in effect for the meter size being replaced according to the building classification and water use type the meter previously served.

The credit is subject to a five percent reduction for each year that the meter was pulled prior to the Application for Water Service Permit. No credit will be given for meters that were pulled 15 years or more prior to the date the Application for Water Service Permit is issued.

The number of years that will be used for the reduction in Connection Charge credit will be determined by calculating the difference between the date on file at the District that the meter was pulled and the date the Application for Water Service Permit is issued.

In the case where the new meters being installed are the same size as the meters that were pulled, the District will apply a discount on the amount of the Connection Charge calculated on the new meters, providing all of the following conditions are satisfied:

- 1) The service line to which the meter was once connected is still connected to the District's water system and is in very good to excellent condition; and
- 2) The Pulled Meter was recorded and the record is on file at the District; and
- 3) A new meter can be installed on the service line to which the meter was once connected due to its very good to excellent condition.

The amount of the discount will be based on the length of time since the meter was pulled. The length of time will be determined by calculating the difference between the date on file at the District that the meter was pulled and the date the Application for Water Service Permit is issued.

4.1.5.4 APPLICATION OF CONNECTION CHARGES TO PUBLIC AGENCIES

For purposes of this section "Public Agency" shall have the same meaning as set forth in Government Code Section 54999.1(c) or any successor section thereto.

Any development or application to the District for new or increased water service by any Public Agency shall be subject to a Connection Charge. The amount of such Connection Charge shall be determined on a case by case basis. The determination of the Connection Charge with regard to an individual Public Agency development project shall be made based on the same criteria and methodology applicable to the Connection Fee for non-public Applicants.

The assessment of the Connection Charge on any school district, county office of education, community college district, the California State University, the University of California or state agency, as defined in Government Code Section 54999.1(g), (collectively referred to as "School/State Agency" for the purposes of this Section) shall be subject to the following:

The Connection Charge shall be paid by such School/State Agency in an amount equal to the actual construction costs of that portion of the District's water system actually providing, or needed to provide, service to such School/State Agency.

To the extent that the appropriate Connection Charge to such School/State Agency is in excess of the amount equal to the actual construction costs, the assessment and collection of said Connection Charges may be adjusted on a case-by-case basis by the District's General Manager.

4.1.6 BONDS AND CONDITIONS FOR RELEASE OF BONDS

As security for guarantee against defective material or work quality and as security for guarantee of the completion of the proposed project, the Applicant shall deliver to the District a construction performance bond in accordance with the rate specified in the *Standard Specification and Standard Drawings for the Construction of SWD Water Facilities*. The bond must be received and approved by the District prior to the District's final approval of plans or issuance of the permit.

The District will accept only a cash bond as payment for the bond if the construction estimate for the water facilities is less than \$15,000. If the construction estimate for the water facilities is \$15,000 or greater, the District will accept a surety bond provided the following conditions are met:

- (a) The developer is charged a 1% bond administration fee.
- (b) All bonds are processed on a bond form that will be approved by the District.

The bond, whether a cash or a surety bond, will be eligible for release one year after all of the following conditions have been satisfied:

- 1) All fees and charges are paid current;
- 2) The project has been completed to the satisfaction of the District; and
- 3) The District has received and has recorded with the County Recorder's office all necessary documents of conveyance and guarantees.

Approximately one year after all of the above conditions have been satisfied, the District will conduct a follow-up inspection of the water facilities. If the facilities are free from defective material and work quality, and all fees and charges are current, the bond will be released. The bond will stay in effect until all conditions are met.

4.1.7 DOCUMENT OF CONVEYANCE AND GUARANTEE

Within 30 days after the completion of construction and testing of water facilities, the Applicant shall deliver to the District an appropriate document of conveyance. The document will transfer to the District all interest and title to said system and appurtenances, guaranteed free of all liens, together with necessary rights-of-way for future maintenance and upkeep.

For a period of one year after acceptance of the work by the District, repair and/or replacement of any and all dedicated facilities that may prove to be defective in work quality and/or materials, together with any other works that may be displaced in so doing, shall be at the sole cost and expense of the Applicant. Such repair and/or replacement shall be without expense whatsoever to the District unless the repair and/or replacement were the result of ordinary wear and tear or unusual abuse or neglect by the District.

In the event of an emergency, as determined by the District, the District shall notify the Applicant of any defect and shall immediately proceed to have the defects repaired and/or replaced at the expense of the Applicant, who shall pay the costs and charges upon demand.

In the event that the District becomes aware of a defect in material or work quality, which does not involve an emergency, the District shall notify the Applicant and the Applicant shall undertake to accomplish the necessary repair or replacement. If within one week from the date of notification the Applicant has not accomplished the necessary corrective procedures or

made satisfactory arrangements thereof, the District shall proceed to have the defects repaired and/or replaced at the expense of the Applicant, who shall pay the costs and charges upon demand by the District.

In the event that the Applicant fails to pay for the costs and charges resulting from repairs and/or replacements of the facilities as provided in this section, the District reserves the right to reduce the amount of, or draw upon, the Applicant's security bond by the amount necessary to cover any such costs and charges.

4.2 CONSTRUCTION OF WATER FACILITIES

The Applicant is encouraged to perform construction with the assistance of a Contractor; however, the Applicant may request the District to perform the work.

It will be the responsibility of the Contractor to furnish all materials that meet the specifications contained in the then current edition of the District's Standard Specifications and Standard Drawings for the Construction of SWD Water Facilities. It also will be the responsibility of the Contractor to provide all labor and equipment necessary to install the water facilities in conformance with the approved plans and the specifications contained in the latest edition of the Standard Specifications and Standard Drawings for the Construction of SWD Water Facilities.

The District may construct facilities at the District's cost upon approval of the General Manager. The District shall prepare a cost estimate of the construction. The Applicant must pay a deposit in the amount of the cost estimate before the District will begin construction. After the work has been completed, the actual cost of the construction will be determined and excess funds from the deposit will be refunded or the Applicant shall be required to pay the costs in excess of the deposit.

4.2.1 UNDERGROUND SERVICE ALERT

The Contractor shall be responsible for researching utility records and indicating the location of all known utilities on the plans. At least two business days (48 hours) before beginning the work, the Contractor shall call U.S.A. (Underground Service Alert) for utility owners to mark the location of substructures, except for public sewers and storm drains. It shall be the Contractor's responsibility to determine the true location and depth of all utilities and service connections. The Contractor shall become familiar with the type, material, age and condition of any utility that may be affected by the work.

The Contractor shall not interrupt the service function or disturb the supporting base of any utility without authority from the utility owner or on order from the District.

Where protection is required to ensure support of utilities, the Contractor shall furnish and place the necessary protection at the Contractor's expense.

The Contractor shall immediately notify the District's engineer and the utility owner if the Contractor disturbs, disconnects or damages any utility.

4.2.2 SAFETY REQUIREMENTS

The Contractor must adhere to all appropriate CAL/OSHA safety requirements while on the job site. The Contractor shall have, at the job site, copies or suitable extracts of Construction Safety Orders, Tunnel Safety Orders and General Industrial Safety Orders issued by the California State Division of Industrial Safety. The Contractor shall comply with provisions of these and all other applicable laws, ordinances and regulations.

4.2.3 CHARGES FOR DAMAGES

It will be the Contractor's responsibility to "protect in place" all the District facilities. In the event it becomes necessary for the District to provide assistance to the Applicant, the Contractor or any third party, or to make repairs to the District's facilities damaged by any of the above, the District will charge the Applicant, Contractor or third party for the actual cost of assistance and/or repairs plus the District's standard overhead rate.

4.2.4 VALVES AND WATER MAIN SHUTDOWNS

It shall be the Contractor's responsibility to keep all valves exposed and accessible at all times. If a water Main shutdown is required, only the District personnel are authorized to perform shutdown operations. The Contractor shall notify the District staff and affected users at least 48 hours in advance in areas where shutdown is requested.

4.2.5 THE DISTRICT INSPECTION

All new water facilities shall be subject to inspection by the District or its authorized agent(s). Such facilities shall be installed in accordance with the latest version of the District's Standard Specifications and Standard Drawings for the Construction of SWD Water Facilities.

The Contractor shall notify District staff at least two business days (48 hours) prior to the commencement of construction of any water facilities.

Contractors requiring inspection outside the District's normal working hours shall pay the costs of such inspections prior to installation of water meters. These costs shall include the District's standard overhead rate and overtime rate.

4.2.6 SIZE, LOCATION AND INSTALLATION OF WATER SERVICES

The District reserves the right to determine the size of the meter and service connection and determine location of the meter and service connection in relation to boundaries of the premises to be served.

The District reserves the right to limit the number of houses or buildings, or the area of the land that is under one ownership, to be supplied by one service connection. When property provided with a service connection is subdivided, the service connection shall be considered as belonging to the lot or parcel of land that it directly enters.

A service connection shall not be used to supply an adjoining property.

If a service connection relocation is more than five feet laterally from the existing service connection, it will be considered a new service connection.

4.2.7 SERVICE LATERAL, METER INSTALLATION, FEES

All meters shall be provided and installed by the District, either separately or in conjunction with the installation of a service lateral, and shall remain the property of the District at all times, though committed to a particular service connection, and shall be maintained, repaired, replaced and read by District personnel. The Applicant shall pay the cost of installing meters before any meters will be installed. The fees for meter installation will be in accordance with the rates in the Schedule of Rates, Fees and Charges.

Service laterals, from the point beginning on the customer side of the meter, are the responsibility of the Applicant.

4.2.8 SINGLE METER POLICY

The District's standard metering policy is that individually owned units should be individually metered. Furthermore, all developments that have five or more units whether individually metered or not, shall install a separate irrigation meter.

However, the District recognizes that there may be local and individual conditions that make individual metering not feasible. Therefore, the Board delegates to the General Manager the authority to waive the single meter per unit policy on a case by case basis according to the following standards:

- 1) The District's policy of appropriate distribution of costs to all consumers still applies. For example, regardless of whether a party occupies the traditional single-family residence or occupies a condominium unit, the same Service Charges and Connection Charges, plus the cost of the water would apply.
- 2) A development shall be billed on the greater of the following: The cost of water used, plus the Service Charge plus the Connection Charge based upon actual meter size, or number of individual units multiplied by the Service and Connection Charge for the size of meter that would have been installed at each unit, if the variance had not been granted.
- 3) In addition, the District shall require a letter signed by the appropriate officer or agent stating that the appropriate entity accepts full responsibility for payment of all water bills, and that in the event of transfer of ownership, the new owner(s), or owners association, accepts full responsibility for payment.

The District's engineer shall review each case and make recommendations to the General Manager. The General Manager shall report to the Board about each variance granted, the location, owner and conditions.

4.2.9 SUBMETERING AND PROHIBITED PRACTICES

4.2.9.1 APPLICATION

This rule pertains to multi-family residential units or mobile home parks located within the District's service boundaries to which the District provides water service. For purposes of this rule, multi-family residential units shall mean two or more residential units served from one water meter.

4.2.9.2 PROHIBITED PRACTICES

In the case of multi-family residential units or mobile home parks that install or utilize submeters or a submetering system in order to allocate the costs of water to tenants, subtenants, lessees or similar persons or parties, the following practices shall be prohibited (unless authorized in advance in writing by the Board, or by the General Manager at the direction of the Board):

- 1) No Customer, or contractor to a Customer, shall represent to any submetered tenant, subtenant, lessee or similar person or party that such Customer (or such contractor) is a provider of water service or water services; and
- 2) No Customer, or contractor to a Customer, shall terminate, or threaten to terminate, water service to any submetered tenant, subtenant, lessee or similar person or party by reason of non-payment of any allocated costs for water.

A violation of this rule occurs whenever the District becomes aware of a violation of Rule 4.2.9.2 (1) or 4.2.9.2 (2), as set forth above. Upon the District becoming aware that such a violation has occurred, the District shall provide written notice to the Customer of Record to cure such violation, and the notice shall include; (1) a statement of the nature of the violation, (2) the date upon which the District became aware of the violation, and (3) a date by which the Customer of Record shall cure such violation. If such violation is not cured by the date stated in the notice, the provisions of Rule 2.3 of the District's Rules and Regulations shall apply. Any such violation shall be reported by the General Manager to the Board of Directors, in writing, together with a description of the action(s) taken to compel enforcement of these Rules and Regulations as soon thereafter as shall be practical.

Customers of Record that have submeter systems attached to the District's water system shall comply with all applicable laws, statutes and regulations of the State of California and the city in which they are located, or the County of Orange, as applicable.

The District encourages conservation efforts, including submetering, to support and promote conservation of water use within its service boundaries; however, the District does not encourage, favor or support any submetering system or process that is used to generate revenue(s) over and above the fair and reasonable cost of installation of such system, fairly allocated costs of water and reasonable administrative costs.

4.2.10 AUTOMATIC FIRE SPRINKLER SERVICE CONNECTIONS

When an automatic fire sprinkler service connection (AFSSC) is installed, the control valve will be left closed and sealed until a written order to turn on the water is received by the District from the Customer of Record.

After an AFSSC is activated, the District shall not be liable for damages of any kind whatsoever that may occur on or to the premises served, due to the installation, maintenance, or use of such AFSSC, or due to pressure fluctuations or interruption of water supply.

The District will not approve any request for an AFSSC be shut off, unless approval is received from the Chief of the appropriate Fire Authority

Water is not to be used through an AFSSC for any purpose other than the extinguishing of fires, or a purpose related thereto. The District shall have the right to shut off the entire supply of water to the premises through the AFSSC when improper use occurs or for nonpayment of bills. The District will notify the appropriate fire department or authority prior to any such shutoff.

Should water be used through an AFSSC for an unauthorized purpose, the Customer of Record shall be charged for the unauthorized taking of water in accordance with the Schedule of Rates, Fees and Charges.

4.2.10.1 DOWN-STREAM RESIDENTIAL FIRE SPRINKLER SYSTEMS

Certain residential dwelling units located within the District's service area may have installed, or may in the future install, fire sprinkler systems that are connected down-stream of the District's service meter (Point of Ownership) (for purposes of this Section, a "System"). The District hereby provides notice that it is not responsible, and assumes no liability of any kind, for the installation, ownership, operation or use of any such System. The provisions of Sections 2.4 and 2.5 of these Rules and Regulations shall apply to any such System. The District expressly declines to provide, or guarantee, any particular water service, or pressure, to a District Customer, or customer account, that has such a System, and no contractual obligation therefore shall arise, whether through a Water Service Agreement or otherwise, without the express prior written agreement of the Board. The District assumes no liability whatsoever for any injuries or damages, of whatever nature, that arise or occur

based on the installation, ownership or use of any such System. The provisions of this Section shall be in addition to, and not in derogation of, The District's statutory protections applicable to such matters.

4.2.11 FIRE HYDRANT INSTALLATION

The appropriate fire department or authority having jurisdiction shall designate the size and location of all fire hydrants to be installed. Fire hydrants shall be installed in the parking and/or sidewalk area adjacent to the curb. Upon request and approval by the appropriate fire agency the District will change the location of fire hydrants when necessary.

4.2.12 WATER MAIN EXTENSIONS, ENLARGEMENTS AND OTHER SYSTEM IMPROVEMENTS

The District will extend its water distribution Mains to individual developers at the expense of the property owner. If the District deems it necessary to install larger Mains for future use, the District may enter into a development agreement and may share a portion of the cost of the extension or may enter into a benefited property agreement (Section 4.2.13)

4.2.13 BENEFITED PROPERTY AGREEMENT

In the event that a mainline extension or a new mainline will benefit adjacent properties and/or future use, at its discretion, the District may enter into a benefited property agreement with developer(s) of the adjacent properties. All terms and conditions of such a benefited property agreement will be subject to approval by the District's Board of Directors.

4.2.14 REGULATION OF BOOSTER PUMPS

When it becomes necessary, due to low water pressure or special operating conditions, to install a booster pump on the service to any premise, such pump shall be equipped with a low pressure cut-off switch designed to shutoff the pump when a water pressure gauge on the inlet side indicates 25 pounds per square inch or lower. It shall be the duty of the Customer of Record to maintain the cut-off device in proper working order and certify to the District, at least once a year that the device is operable. A person deemed competent by the District shall execute low-pressure cut-off device certification.

4.2.15 METER DOWNSIZING REQUESTS

No refund of connection charges for changes under this section.

The District will entertain a request for downsizing of a residential meter under the following conditions:

A Customer of Record who wishes to change the meter size of an installed meter and does not have an Automatic Fire Suppression Sprinkler System (AFSSC) served by their meter shall submit a Meter Downsizing Request form, along with a processing fee pursuant to the Schedule of Rates, Fees and Charges. Within 30 days of submittal of the application, the District General Manager shall review such application and make a determination whether to allow the requested meter size for the property. Such decision may be appealed to the District Board of Directors, provided requesting party submits a request for hearing within 45 days of General Manager's initial determination.

4.2.16 ACCEPTANCE OF EASEMENTS

In the event that the District is requested or required either to install new District facilities within private lands, or to relocate existing District facilities to a new location within private lands, for the purpose of providing or improving water

service to that property or to facilitate the property owner's use of his or her property, the property owner shall grant to the District an easement in a form approved by the District for the construction, operation and maintenance of the District facilities. The title to the easement granted to the District shall be insured in a coverage amount to be determined by the District. All costs relating to the preparation and processing of the easement instrument, the title insurance, and the recordation of the easement shall be paid by the property owner.

SECTION 5 TEMPORARY WATER SERVICES

5.1 TEMPORARY CONNECTIONS

On a case-by-case basis, the District will allow the use of temporary connections to the District's water system when water service is needed only for construction purposes. The District reserves the right to require the Applicant to use an existing service connection whenever feasible.

The District reserves the right at any time to set a meter on any temporary service connection and collect the required deposits, and thereafter charge the regular metered rate for the kind of service to be rendered.

All meters set on temporary service connections will be read by the District on a monthly basis, and all temporary service accounts will be billed monthly.

5.2 HYDRANT METERS

Water may be procured from fire hydrants for construction or other purposes only in the manner prescribed in these Rules and Regulations. When water is to be procured from a fire hydrant, the Applicant shall sign a Rules For Hydrant Meters For Construction Water Service form and also a Hydrant Meter Activity Report and Permit, wherein the Applicant shall specify the location of the fire hydrant to be used, the anticipated length of use and shall agree to make the required deposit to the District. Copies of both forms shall be issued to the Applicant and shall constitute authority to procure and make such limited use from the fire hydrant therein designated, through a District supplied hydrant meter.

The hydrant permit shall be valid for one (1) month and must be renewed for each additional month. Illegal use of a hydrant meter, including without limitation the failure to renew the permit, is subject to the penalties in Section 7.

Only District personnel are allowed to install or remove fire hydrant meters unless the fire hydrant meter is being installed on a private hydrant, with prior approval of the District's engineer and the General Manager. If the fire hydrant meter is being placed on a private hydrant, The District staff will monitor the placement of the fire hydrant meter upon the private hydrant. The District shall not assume any liability for damage to private hydrants. Prior to installation of the meter, the permit holder must pay a construction meter charge in accordance with the Schedule of Rates, Fees and Charges. The permit holder is required to give the District at least one business day (24 hours) notice when requesting the installation of a fire hydrant meter.

Unless the Applicant has applied for, and has been granted, a permit for a roving fire hydrant meter, only the District staff may relocate a fire hydrant meter. The permit holder must give the District at least one business day (24 hours) notice when requesting meter relocation or a relocation fee will be assessed. The construction meter charge will be in accordance with the rates listed in the Schedule of Rates, Fees and Charges.

The permit holder of a roving fire hydrant meter account shall inform the District as to the location of the meter at all times. Failure to do so may result in additional charges.

The permit holder is responsible for paying the costs of repairing any damages to the meters or hydrants. These costs will be the actual cost of repairs plus the District's standard labor overhead rate.

5.3 PAYMENT

5.3.1 REGULAR MONTHLY BILLS

Payment is due 25 days from the billing date. Closing bills are due upon receipt.

5.3.2 DELINQUENT BILLS

A bill will be delinquent if the District does not receive payment by the due date shown on the bill. A late fee on the unpaid balance will be charged. If payment is not received in full, the District may refer the account to a collection agency. If the outstanding balance is referred to a collection agency, the customer is responsible for payment of the outstanding balance plus collection agency fees and administrative fees.

SECTION 6 CROSS CONNECTION AND BACKFLOW PREVENTION

6.1 INTRODUCTION

The District recognizes that it has a responsibility to take all reasonable precautions to protect the public water supply. Thus, in the exercise of this responsibility, the District must take all reasonable precautions to protect the District's water system from the hazards originating on the premises of its Customers that may degrade the water in the District's water system.

To affect such precautions, the District, has adopted these Rules and Regulations pursuant to the State of California Administrative Code, Title 17 - Public Health entitled "Regulations Relating to Cross Connections."

In addition to the District's Rules and Regulations for Water Service, the Customer must comply with Public Law 99-339 - the Safe Drinking Water Act and its amendments, all state and local regulations including but not limited to Title 17 - Regulations Relating to Cross Connections, and the latest edition of the Manual of Cross Connection Control from the Foundation for Cross Connection Control and Hydraulic Research, University of Southern California.

These Rules and Regulations were written to assist the District in safeguarding the District's Potable Water supply. The District cannot, and will not, be held liable for actions by others that are beyond the District's control, including, but not limited to, willful sabotage, deceptive or fraudulent activities and acts of nature. These Rules and Regulations do not provide regulatory measures for protection of water users from the hazards of Cross Connection within the water users own premises.

6.2 GENERAL PROVISIONS

6.2.1 PROTECTION

Protection shall be accomplished by isolating within the premises, any and all used, degraded, contaminated or polluted water or other liquids, mixtures or substances. The District recognizes that there are varying degrees of potential and actual hazards; consequently, the degree of protection shall be commensurate with the degree of hazard.

6.2.2 BACKFLOW PREVENTION DEVICES

Backflow prevention devices shall be provided and maintained by the Applicant, owner or Customer of Record at his/her expense. Such devices shall be located on the premises of the property served and shall not be installed on the District's portion of the water system.

6.2.3 UNPROTECTED CROSS CONNECTIONS

Unprotected Cross Connections to the public water supply are prohibited.

6.2.4 NEW SERVICE REQUESTS

The District shall review all requests for new service to determine if Backflow protection is needed. Plans and specifications must be submitted to the District for review of possible Cross Connection hazards as a condition of service for new service connections.

6.2.5 PROTECTION REQUIRED BEFORE GRANTING SERVICE

Whenever Backflow protection is found necessary, the District will require the Customer of Record or Applicant to install an approved Backflow prevention device at the Customer's expense for continued services or before a new service is approved.

6.2.6 PROTECT ALL WATER LINES

Wherever Backflow protection is necessary on a water supply line entering a Customer's premises, any and all water service lines from the District's Mains entering such premises, buildings or structures shall be protected by an approved Backflow prevention device. The type of device to be installed will be in accordance with the requirements of these Rules and Regulations.

6.3 WHERE PROTECTION IS REQUIRED

6.3.1 PREMISES HAVING AN AUXILIARY WATER SUPPLY

Premises that have an auxiliary water supply shall be protected against Backflow of water from the premises into the public water system, unless the auxiliary water supply is accepted as an additional source by the District and is approved by the public health agency having jurisdiction.

6.3.2 PREMISES HANDLING PROCESSED WATER

Premises on which any substance is handled in such fashion that it may allow its entry into the water system, shall be protected against backflow of the water from the premises into the public water system. Such substances include, but are not limited to, the handling of processed waters and waters originating from the District's water system subjected to deterioration in sanitary quality.

6.4 PREMISES HAVING OR POSSIBLY HAVING CROSS CONNECTIONS

Premises that have any one of the following shall be protected against Backflow of the water from the premises into the public water system:

- 1) Internal Cross Connections;
- 2) Intricate plumbing and piping arrangements susceptible to Cross Connection; or
- 3) Where entry to all portions of the premises is not readily accessible for inspection purposes, making it impracticable or impossible to ascertain whether or not Cross Connections exist.

6.5 TYPE OF PROTECTION

6.5.1 TYPE OF BACKFLOW DEVICE

The type of approved Backflow prevention device shall depend upon the degree of hazard. The decision as to when, where and which device to be used shall be made at the discretion of the District and shall depend upon the facts of each particular situation. In determining the degree of hazard and the type of approved Backflow device required, the following principles shall apply:

6.5.1.1 HEALTH OR SYSTEM HAZARD

An approved air-gap separation or an approved reduced pressure principle Backflow prevention device shall be used where there is an existing or potential health or system hazard.

6.5.1.2 POLLUTION HAZARD

A double check valve assembly is to be used where there is an existing or potential pollution hazard only.

6.6 APPLICATION

6.6.1 STRUCTURES OF MORE THAN TWO STORIES IN HEIGHT

At the service connection to any premises, where there are more than two stories in height above the service connection, an approved Backflow prevention device shall protect the District water supply. Devices may be required for residential buildings on a case-by-case basis.

6.6.2 RECIRCULATING WATER

At the service connection to any premises containing recirculating water systems (hot or cold), the District water supply shall be protected by an approved Backflow prevention device.

6.6.3 FIVE OR MORE UNITS

At the service connection to any premises where there are multiple units or dwellings that have five or more individual units being serviced through one metering system, the District water supply shall be protected by an approved Backflow prevention device.

6.6.4 HEALTH OR SYSTEM HAZARD FROM AUXILIARY WATER SUPPLY

At the service connection to any premises, where there is an auxiliary water supply that may constitute a health or system hazard, an approved air-gap separation or an approved reduced pressure principle Backflow assembly, or both, shall be installed.

6.6.5 SEWAGE AND STORM DRAIN FACILITIES

At the service connection to any wastewater treatment plant, wastewater pumping station or storm water pumping station, the District water supply shall be protected by an approved air-gap separation. All piping between the meter and the receiving vessel shall be entirely visible. If, in the opinion of The District, an air-gap separation provides insufficient protection, The District may require installation of an additional approved Backflow prevention device(s).

6.6.6 HOSPITALS, MORTUARIES, ETC.

At the service connection to hospitals, medical and dental buildings, mortuaries and other premises where special hazards exist, the District water supply shall be protected by an approved reduced pressure principle Backflow prevention assembly.

6.6.7 COMMERCIAL OR INDUSTRIAL BUILDINGS

At the service connection to any premises containing commercial or industrial buildings subject to varying and unknown use, the District water supply shall be protected by an approved Backflow prevention device.

6.6.8 FIRELINE SERVICES

Approved Double Check Detector Assembly (DCDA) shall be installed on all fireline services, except where, in the opinion of The District, the DCDA does not provide sufficient Backflow protection. In this case, The District will require the installation of an approved Reduced Pressure Principle Detector Assembly (RPDA).

6.6.9 IRRIGATION SERVICES

Meters serving only irrigation systems shall be protected by an approved reduced pressure principle Backflow prevention device.

6.7 INSTALLATION

6.7.1 ONLY THE DISTRICT APPROVED DEVICES

Only Backflow prevention devices that have been approved by the District and the California Department of Public Health Office of Drinking Water shall be acceptable for installation on a service connection. Upon request, the District will provide a list of approved Backflow prevention assemblies.

6.7.2 INSTALLATION SPECIFICATIONS

Backflow prevention devices shall be installed in a manner prescribed in Section 7603, Title 17 of the California Administrative Code and they shall be installed on the Customer's side of, and as close to the service connection as is practical. The device shall be installed a minimum of twelve inches (12") and a maximum of thirty-six inches (36") above final grade measured from the concrete pad to the bottom of the device and with a minimum of twelve inches (12") clearance on either side. The device shall be installed so that it is readily accessible for maintenance and testing. The District shall have the final authority in determining the required location of a Backflow prevention device.

6.7.3 REPLACEMENT OF OBSOLETE DEVICES

The Customer of Record must replace obsolete Backflow prevention devices when notified by the District that the device is no longer appropriate or acceptable. An obsolete device may be upgraded provided that a factory manufactured upgrading kit is available. The upgraded Backflow prevention device must be approved by the District and the California Department of Public Health Office of Drinking Water.

6.7.4 TESTING NEW DEVICES

As soon as the installation of the Backflow prevention device has been completed, the Customer of Record shall have the device tested by a certified tester, and submit the test results to the District within ten days of the test date. An Orange County Health Department approved list of local certified testers may be obtained at the District's offices.

6.7.5 RIGHT TO REJECT

The District reserves the right to reject any installation or device.

6.8 INSPECTION AND TESTING

6.8.1 ORIGINAL TEST

All Backflow prevention devices shall be inspected, tested and certified as operational when the device is originally installed or relocated. All tests shall be conducted by a certified tester who shall prepare a report certifying that the device has been tested and is operating satisfactorily.

6.8.2 ANNUAL TEST BY CERTIFIED TESTER

At the expense of the Customer of Record, all Backflow prevention devices shall be inspected, tested and certified as operational at least once a year. All tests shall be conducted by a certified tester who shall prepare a report certifying that the device has been tested and is operating satisfactorily.

6.8.2.1 FIRST NOTIFICATION

The District will notify each Customer of Record and supply the necessary forms for Backflow prevention device testing when it is time for the annual Backflow prevention test. The Customer of Record shall have 30 days to comply with the Backflow prevention device testing requirements. The District will not accept test results on unapproved forms or from unapproved Backflow prevention device testers.

6.8.2.2 SECOND NOTIFICATION

A second notice shall be sent to each Customer of Record who does not have the Backflow prevention device tested within the 30-day period as prescribed in the first notice. The second notice will give the Customer of Record a two-week period to have the Backflow prevention device tested. If no action is taken within the two-week period, the District may terminate water service to the Customer's premises until the subject device is tested and the necessary certification provided to the District.

6.8.2.3 CUSTOMER OF RECORD'S RESPONSIBILITY

The Customer of Record shall cause annual tests to be made of the device at the expense of the Customer of Record. Defective devices shall be repaired, overhauled or replaced immediately at the expense of the Customer of Record. As a courtesy the District provides a notice of annual testing, but failure to receive such notice shall not relieve the Customer of Record of requirements under this section.

6.8.2.4 REPORTS

Reports of inspections, tests, repairs, overhauling of the device and corrections made shall be submitted to the District within ten days of the test date by the certified tester. Such reports shall be submitted to the District on forms supplied by the District. No other forms will be accepted.

6.8.3 RANDOM TESTS AND INSPECTIONS OF DEVICES

The District will maintain a program of random or spot testing of various Backflow prevention devices at no cost to the Customer of Record. This testing may be done at the time of installation and periodically thereafter. This testing will in no way relieve the Customer of Record from responsibility for maintaining functional devices, but will serve to help assure that the program is serving its intended purpose.

6.8.4 ON-PREMISE INSPECTION BY THE DISTRICT

The District may, at its discretion, require an on-premises inspection for Cross Connection hazards on any property to which it serves water. The District will transmit a written notice requesting an inspection appointment to each Customer of Record. Any Customer or Customer of Record who cannot or will not allow an on-premise inspection of the piping system shall be required to install any Backflow prevention device that the District considers necessary.

6.8.5 MORE FREQUENT INSPECTION

Where successive annual reports indicate defective operation of a Backflow prevention device, the District may require more frequent inspections and/or require replacement of the device.

6.8.6 DUTY OF TESTER

The certified tester shall be responsible for the competency of inspections, corrective actions and the accuracy of reports required under this Section and the District's code of conduct for Backflow assembly testers.

6.8.7 TESTING METHODS

Test results of Backflow prevention devices will only be accepted if performed in accordance with the methods used by the Foundation for Cross Connection Control and Hydraulic Research at the University of Southern California and County of Orange/Health Care Agency/Environmental Health.

6.9 TERMINATION

6.9.1 BASIS FOR TERMINATION

The District may immediately discontinue service to any premises where an actual or potential Cross Connection or other hazard to the District's water supply is found to exist. Any Customer who violates any of the provisions of these Rules and Regulations or alters, bypasses or renders inoperative, or removes any installed Backflow prevention device, or fails to test the device as required, shall be subject to immediate termination of water service. Conditions that create a basis for water service termination shall include, but are not limited to, the following items:

1. Refusal to install a required Backflow prevention device.
2. Refusal to test a Backflow prevention device.
3. Refusal to repair a faulty Backflow prevention device.
4. Refusal to replace a faulty Backflow prevention device.

5. Direct or indirect connection between the District's water system and a sewer line.
6. Unprotected direct or indirect connection between the District's water system and a system or equipment containing contaminants.
7. Unprotected direct or indirect connection between the District's water system and an auxiliary water system.
8. A situation that presents an immediate health hazard to the District's water system.
9. Failure to comply with other provisions of the District's Rules and Regulations for Water Service.

6.9.2 TERMINATION PROCEDURES

For conditions 1 through 4 stated in Section 6.9.1, the District will terminate service to a Customer's premises after two written notices have been sent specifying the corrective action needed and the time period in which it must be taken. If no action is taken within the allowed time period, water service may be terminated without further notice.

For conditions 5 through 9 stated in Sections 6.9.1 the District will make a reasonable effort to advise the Customer of the intent to terminate water service before termination.

SECTION 7 ENFORCEMENT

7.1 NEW SERVICE CONNECTIONS

No new service connections shall be completed, nor meters installed, until all provisions of the Rules and Regulations have been satisfied.

7.2 EXISTING SERVICE CONNECTIONS

Existing service connections shall comply with all provisions of the Rules and Regulations. If it is found that the service is out of compliance, the service will be brought into compliance with all provisions of the Rules and Regulations when the Customer of Record is notified by the District. Failure to comply shall result in termination of water service.

7.3 TERMINATION OF WATER SERVICE

The District may terminate service for violation of these Rules and Regulations, including termination as provided under Section 2.6 and Section 6.9. Water service shall not be restored until hazards are eliminated and/or violations have been corrected to the satisfaction of the District. Nor shall water service be restored until the District has received reimbursement for any costs incurred in terminating the water service and advance payment for the cost of service restoration. The District will pursue recovery of actual costs including legal fees and any penalties.

7.4 CIVIL AND CRIMINAL ACTIONS

Violation of these Rules and Regulations may constitute a public nuisance within the meaning of Health and Safety Code Section 4036 and Penal Code Section 372. Violators may be subject to civil actions for abatement and/or damages (Civil Code Section 3479, et seq.) and Criminal Penalties of up to \$500 or both (Penal Code Section 29). Customers may also be assessed a fine of \$500 per day by the District for violation of the Rules and Regulations.

8.0 MISCELLANEOUS

8.1 STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2017-0024

TO PARTIALLY REPEAL A REGULATION FOR STATEWIDE URBAN WATER CONSERVATION WHEREAS:

1. On January 17, 2014, Governor Edmund G. Brown Jr. issued Proclamation No. 1-17-2014 (January 2014 Proclamation) declaring a drought State of Emergency to exist in California due to severe drought conditions presenting urgent problems to drinking water supplies, cultivation of crops, and threatening the survival of animals and plants that rely on California's water resources. The January 2014 Proclamation called on all Californians to voluntarily reduce their water usage by 20 percent;

2. On April 25, 2014, Governor Edmund G. Brown Jr. issued an Executive Order

(April 2014 Proclamation) to strengthen the State's ability to manage water and habitat in drought conditions, calling on all Californians to redouble their efforts to conserve water. The April 2014 Proclamation noted that the severe drought conditions presented urgent challenges across the State, including water shortages in communities and for agricultural production, increased wildfires, degraded habitat for fish and wildlife, threat of saltwater contamination, and additional water scarcity. The April 2014 Proclamation also suspended the environmental review required by the California Environmental Quality Act to allow certain actions, including State Water Resources Control Board (State Water Board) rulemaking pursuant to Water Code section 1058.5, to take place as quickly as possible;

3. On May 5, 2015, in response to Executive Order B-29-15, the State Water Board adopted Resolution No. 2015-0032 and a regulation pursuant to Water Code section 1058.5 that, among other things, required a mandatory 25 percent statewide reduction in potable urban water use between June 2015 and February 2016. To implement the Executive Order, the regulation placed each urban water supplier in a conservation tier, ranging between 4 and 36 percent, based on residential per capita water use for the months of July – September 2014. The State Water Board extended and revised the emergency regulation in 2016 (Resolution No. 2016-0007) to better consider a range of factors that contribute to water use, including climate, growth, and investment in local drought resilient supplies;

4. On May 9, 2016, Governor Brown issued Executive Order B-37-16, calling for the State Water Board to adjust emergency water conservation regulations through the end of January 2017 in recognition of the differing water supply conditions across the state. To implement the Executive Order, the State Water Board adopted, by

Resolution No. 2016-0029, revised regulations to allow individual suppliers to self-certify that there would be no supply shortfall assuming three additional dry years. The self certification "stress test" allowed many suppliers to self-certify that there would be no supply shortfall, even after three additional drought years; 2

5. From June 2015 through February 2017, urban water suppliers reduced statewide potable water usage 22.5 percent compared to 2013, through the significant efforts of the suppliers and their customers. Conservation has generally exceeded requirements set by individual urban water suppliers using the stress test approach. Cumulative water savings since June 2015 has reached 2.6 million acre-feet of water, which is enough water to supply approximately 13 million Californians for one year;

6. Many California communities have faced and continue to face social and economic hardship due to this drought. Groundwater basins remain critically low in some areas, causing community and domestic wells to go dry. The rest of us can make adjustments to our water use, including landscape choices that conserve even more water;

7. In many areas, 50 percent or more of daily water use is for lawns and outdoor landscaping. Outdoor water use is generally discretionary, and many irrigated landscapes will survive while receiving a decreased amount of water. Furthermore, some landscape watering practices and other discretionary water uses can be considered wasteful or unreasonable both during and outside of drought conditions;

8. Water conservation is the easiest, most efficient, and most cost-effective way to quickly reduce water demand and extend supplies, providing flexibility for all California communities. Water can be conserved even when it's raining, by turning off outdoor irrigation when the weather is providing adequate irrigation;
9. Transparent water use data, education, and enforcement against water waste are key tools in efficient water use. When conservation becomes a social norm in a community, the need for enforcement is reduced or eliminated;
10. Appropriate messaging is necessary to help make water conservation a California way of life as we move out of one of the most severe droughts in recorded California history. Public awareness and readily accessible conservation tips are critical to achieving local, regional, and statewide conservation goals. The Save Our Water campaign, run jointly by the Department of Water Resources (DWR) and the Association of California Water Agencies, is an excellent resource for conservation information and messaging that is integral to effective drought response and efficient water use (<http://saveourwater.com>). And while efficient water use is necessary, it is important to properly water trees, which improve air quality, provide shade, and enhance aesthetic value. Excellent information on tree irrigation and care during drought can be found at www.saveourwater.com/trees;
11. The California Constitution declares, at article X, section 2, that the water resources of the state must be put to beneficial use in a manner that is reasonable and not wasteful. Relevant to the current drought conditions, the California Supreme Court has clarified that "what may be a reasonable beneficial use, where water is present in excess of all needs, would not be a reasonable beneficial use in an area of great scarcity and great need. What is a beneficial use at one time may, because of changed conditions, become a waste of water at a later time." (*Tulare Dist. v. Lindsay Strathmore Dist.* (1935) 3 Cal.2d 489, 567);
12. Water Code section 1058.5 grants the State Water Board the authority to adopt regulations pursuant to the emergency rulemaking process during a declared drought emergency in order to: "prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water, to promote water recycling or water conservation, to require curtailment of diversions when water is not available under the diverter's priority of right, or in furtherance of any of the foregoing, to require reporting of diversion or use or the preparation of monitoring reports";
13. Water Code section 1058.5 also provides that an emergency regulation adopted under that section "is deemed repealed immediately upon a finding by the board that due to changed conditions it is no longer necessary for the regulation to remain in effect";
14. By State Water Board Resolution No. 2012-0061, the State Water Board has delegated to the Executive Director "the authority to conduct and supervise the activities of the State Water Board..." including, but not limited to amending or revising emergency regulations previously adopted by the Board;
15. By "Resolved" paragraph number 4 of Resolution No. 2017-0004 the State Water Board directed the Executive Director to consider promptly modifying or repealing the regulation consistent with Water Code section 1058.5 and State Water Board Resolution No. 2012-0061 if the Governor lifts the declaration of a drought state of emergency;
16. On April 7, 2017, the Governor issued Executive Order B-40-17, directing the State Water Board to rescind portions of its existing emergency regulations that require a water supply stress test or mandatory conservation standard for urban water agencies. EO B-40-17 also directs the State Water Board to continue development of permanent prohibitions on wasteful water use, permanent requirements for reporting water use by urban water agencies, and to continue the portions of the emergency regulations that prohibit certain wasteful water practices and require water use reporting as a bridge until permanent requirements are in place;
17. On April 7, 2017, in accordance with directives in EO B-37-16, the State Water Board, Department of Water Resources, Department of Food and Agriculture, California Public Utilities Commission, and the California Energy Commission, released

a final report titled "Making Water Conservation a California Way of Life." The report describes a proposed framework for developing new water use efficiency standards, urban water use targets, and enhanced urban and agricultural water management planning requirements;

18. The state-mandated conservation standards developed by the State Water Board are no longer necessary under current conditions as determined by the Governor in

EO B-40-17. Continued prohibition of wasteful and/or unreasonable water use practices and continued availability of transparent water use data are, however, prudent to address water supply needs and the lingering impacts of prolonged drought, and to provide a bridge to permanent rules for making water conservation a California way of life as identified in EO B-37-16 and EO B-40-17; and

19. This action does not constitute a new rulemaking and shall not have any effect on the dates for automatic expiration of the remaining portions of the regulation not repealed by this resolution.

THEREFORE BE IT RESOLVED THAT:

1. The State Water Board repeals portions of California Code of Regulations, title 23, sections 864.5, 865 and 866, as appended to this resolution, pursuant to Water Code section 1058.5;

2. State Water Board staff will submit the revised text of the regulation to Office of Administrative Law (OAL) pursuant to California Code of Regulations, title 1, section 100 for OAL to review and file with the Secretary of State to update the text of the regulation; and

3. If, during the OAL review process, State Water Board staff, the State Water Board, or OAL determines that minor corrections to the language of the regulation or supporting documentation are needed for clarity or consistency, the State Water Board Executive Director or the Executive Director's designee may make such changes.

THEREFORE BE IT FURTHER RESOLVED THAT:

4. The State Water Board shall continue to work with DWR, the Public Utilities Commission, and other agencies to support urban water suppliers' actions to implement rates and pricing structures to incentivize additional conservation while protecting low-income ratepayers, as required by directive eight in the Governor's April 1, 2015 Executive Order and Assembly Bill 401 (2015). The Fourth District Court of Appeal's Decision in *Capistrano Taxpayer Association Inc. v. City of San Juan Capistrano* (G048969) does not foreclose the use of conservation-oriented rate structures, and conservation-oriented rate structures are an important tool to promote ongoing conservation and meet the water efficiency standards set forth in

Executive Order B-37-16;

5. Nothing in the remaining text of the regulation precludes a local agency from exercising its authority to adopt more stringent conservation measures, and local agencies retain the enforcement discretion in enforcing the remaining text of the regulation to the extent authorized. Local agencies are encouraged to develop their own progressive enforcement practices to help make water conservation a California way of life;

6. The State Water Board calls upon all homeowners' associations to support and cooperate with water suppliers' and their residents' efforts to conserve water in community apartment projects, condominium projects, planned developments, and stock cooperatives statewide and to take reasonable steps to encourage efficient outdoor water use practices and locally-water efficient landscapes;

7. The State Water Board commends wholesale water agencies that have set aggressive conservation targets for their retail water suppliers and who have invested heavily in subsidizing efficiency measures such as turf and toilet rebates, recycled water production, and other potable water augmentation measures;

8. The State Water Board commends water suppliers that have made investments to boost drought-resistant supplies, such as advanced treated recycled water and desalination. Those investments help to make communities more resilient in the

face of drought and the Board is committed to moving towards a more resilience-based approach to emergency water conservation and in any permanent measures going forward;

9. The State Water Board commends the many water suppliers that have taken steps and made systemic changes that have led to them surpassing their 20x2020 conservation targets as well as their emergency conservation targets. Long-term conservation efforts are critical to maintaining economic and social well-being, especially in light of the impacts of climate change on California's hydrology;

10. During the declared drought emergency, heightened conservation that extends urban resilience was both necessary and effective at reducing dramatic economic impacts of the drought. The State Water Board's focus is on making water conservation a California way of life and encouraging efficient use of all water;

11. The California Water Action Plan calls for making conservation a way of life, increasing regional water self-reliance, and expanding storage capacity, among other actions. Long-term water security will depend on implementing a range of actions and the State Water Board recognizes that these actions must advance in a complementary manner such that one action does not impede the progress of another. The State Water Board recognizes that conservation requirements implemented in response to critical drought conditions differ from those actions needed to optimize urban water use efficiency and build resilience over the long-term. Resilience to drought requires a combination of water efficiency and the development of new sustainable supplies, such as recycling, stormwater capture and re-use, local storage to capture water in wet years for use in dry years, and other actions. However, the effect of climate change on California weather patterns and snowpack will undoubtedly put increased pressure on the water supply and pose greater risk for extreme weather conditions, including longer and more severe droughts. It is imperative that State agencies and water suppliers have the information and mechanisms needed to best respond to critical drought emergencies and that all sources of urban water be used efficiently over the long-term. Staff is directed to continue working with the Department of Water Resources, the Department of Food and Agricultural, the Energy Commission, and the Public Utilities Commission to carry out the directives in Executive Order B-37-16, by taking actions to facilitate a transition to permanent, long-term improvements to water use.

8.2 Public Record Requests forms are available on the District website for submittal. See Exhibit A attached.

EXHIBIT A



Public Records Request Form

18021 Lincoln Street, Villa Park, CA 92861

Requestor Contact Information

Name _____ Phone Number _____
 Company _____ Fax Number _____
 Address _____
 E-mail _____

Preferred Method of Contact (✓ check one) Phone Fax E-mail Mail

Description of Record(s) (e.g., subject, record title, etc.)

	Date from	Date to

Please indicate how you want to receive the records.

Review in Person Paper Copies (fee) Pick-up (fee)

For District's Use Only

Approved Denied

Comments and/or reason, if denied.

District Secretary's Signature _____ Date _____

Request Received _____
 Response Due _____
 Requestor Notified _____

Request Completed _____

Initials Initials