



TEMPLETON COMMUNITY SERVICES DISTRICT

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Templeton Community Services District Water Code

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TEMPLETON COMMUNITY SERVICES DISTRICT WATER CODE

SECTION 1: GENERAL PROVISIONS.

1.1 Title.

This document shall be known as the “Templeton Community Services District Water Code” and may be cited as such.

1.2 Definitions.

Except as otherwise expressly provided, the following words used in this Code shall have the meanings hereinafter set forth:

- (a) **Agent.** The person, firm, corporation, partnership or other entity duly authorized by the applicant to act for the applicant.
- (b) **Air-Gap Separation.** The term "air-gap separation" means a physical break between a supply pipe and a receiving vessel. The air-gap separation shall be at least double the diameter of the supply pipe measured vertically above the top rim of the vessel, in no case less than one inch.
- (c) **Applicant.** The person, firm, corporation, partnership, public entity, or other entity applying to receive a commitment of water and/or sewer service, or applying to receive water and/or sewer service for property owned by the applicant.
- (d) **Approved Backflow Prevention Device.** The term "approved backflow prevention device" means devices that have passed laboratory and field evaluation tests performed by a recognized testing organization that has demonstrated their competency to perform such tests to the California Department of Health Services.
- (e) **Approved Tentative Map.** Approved tentative map means an approved or conditionally approved tentative map or vesting tentative map for a subdivision, as such terms are found in Government Code Sections 66410, et seq.
- (f) **Approved Water Supply.** The term "approved water supply" means any water supply whose potability is regulated by a State or local health agency.
- (g) **Auxiliary Water Supply.** The term "auxiliary water supply" means any water supply on or available to the premises other than the approved water supply.
- (h) **Available Water Capacity.** Available water capacity means that District water supply which is or becomes available to serve new or additional water service connections

over and above that water supply required to serve users of existing water service connections and development for which will serve commitment letters have been issued.

- (i) **AWWA Standard.** The term "AWWA Standard" means an official standard developed and approved by the American Water Works Association (AWWA).
- (j) **Backflow.** The term "backflow" means a flow condition, caused by a differential in pressure, that causes the flow of water or other liquids, gases, mixtures or substances into the distributing pipes of a potable supply of water from any source or sources other than an approved water supply source. Back-siphonage is one cause of backflow; back pressure is the other cause.
- (k) **Board.** Board shall mean the Board of Directors of the Templeton Community Services District.
- (l) **Certified Backflow Prevention Device Tester.** The term "certified backflow prevention device tester" means a person certified by the District pursuant to Section Six herein to test backflow prevention devices within the District.
- (m) **Code.** The Templeton Community Services District Water Code.
- (n) **Construction Purposes.** Construction Purposes are limited to building construction, dust control, and irrigation for erosion control (including re-vegetation).
- (o) **Contamination.** The term "contamination" means a degradation of the quality of the potable water by any foreign substance which creates a hazard to the public health or which may impair the usefulness or quality of the water.
- (p) **Cross-Connection.** The term "cross-connection" means any unprotected actual or potential connection between a potable water system used to supply water for drinking purposes and any source or system containing unapproved water or a substance that is not or cannot be approved 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.
- (q) **County.** County shall mean San Luis Obispo County.
- (r) **Development Plan.** Development plan shall have the same meaning as that term is used within San Luis Obispo County's land use ordinance.
- (s) **District.** District shall mean the Templeton Community Services District.

- (t) Double Check Valve Assembly (“DC”). The term "double check valve assembly" means an assembly of at least two independently acting check valves including tightly closing shut-off valves on each side of the check valve assembly and test cocks available for testing the water-tightness of each check valve. At a minimum, a double check valve assembly shall conform to AWWA Standard C506-78 (R83) adopted on January 28, 1978 for Double Check Valve Type Backflow Preventive Devices.
- (u) Final Map. Final map means a final map or parcel map that is recorded for a subdivision pursuant to California Government Code Sections 66464, et seq.
- (v) Guesthouse. Guesthouse shall have the same meaning as such word is used in section 22.08.032e of Title 22 of the San Luis Obispo County Code, as such may be amended from time to time.
- (w) Health Agency. The term "health agency" means the California Department of Health Services, or the local health agency with respect to a small water system.
- (x) Local Health Agency. The term "local health agency" means the county or city health authority.
- (y) Lot. Lot means any piece or parcel of land bounded, defined, or shown upon a final map or deed recorded or filed in the Office of the County Recorder of San Luis Obispo County; provided, however, that in the event any building or structure covers more area than a lot as defined above, the term "lot" shall include all such pieces or parcels of land upon which said building or structure is wholly or partly located, together with the yards, courts or other unoccupied spaces legally required for the building or structure.
- (z) Person. The term "person" means an individual, corporation, company, association, partnership, municipality, public utility, or other public body or institution.
- (aa) Plot Plan. Plot plan shall have the same meaning as that term is used within the San Luis Obispo County's land use ordinance.
- (bb) Premises. Premises shall mean any lot or any piece or parcel of land comprising two or more lots of record in one ownership, or any building or other structure or any part of any building or structure used or useful for human habitation or gathering or for carrying on a business or occupation or any commercial or industrial activity.
- (cc) Property Profile. A document issued by a title company containing the property owner's name and address, assessor's parcel number and map, and a copy of the deed of the property described in the application.

- (dd) **Public Water System.** The term "public water system" means a system for the provision of water through pipes or other constructed conveyances to the public for human consumption that has 15 or more service connections or regularly serves at least 25 individuals daily at least 60 days out of the year. A public water system includes the following:
- (i) Any collection, treatment, storage, and distribution facilities under control of the operator that are used primarily in connection with the system.
 - (ii) Any collection or pretreatment storage facilities not under the control of the operator that are used primarily in connection with the system.
 - (iii) Any water system that treats water on behalf of one or more public water systems for the purpose of rendering it safe for human consumption.
- (ee) **Recycled water.** The term "recycled water" means wastewater that as a result of treatment is suitable for uses other than potable use.
- (ff) **Reduced Pressure Principle Backflow Prevention Device ("RP").** The term "reduced pressure principle backflow prevention device" means a device incorporating two or more check valves and an automatically operating differential relief valve located between the two check valves, a tightly closing shut-off valve on each side of the check valve assembly, and equipped with necessary test cocks for testing. As a minimum, a reduced pressure principle backflow prevention device shall conform to AWWA Standard C506-78 (R83) adopted on January 28, 1978 for Reduced Pressure Principle Type Backflow Prevention Devices.
- (gg) **Retrofit.** The replacement of all plumbing fixtures within an existing building or other structure within the District with the following:
- (i) Toilets: ultra-low flush, 1.6 gallon per flush maximum;
 - (ii) Urinals: 1.0 gallon flushometer positive pressure type;
 - (iii) Showerhead with shut off valve: 2.0 gallons per minute maximum;
 - (iv) Lavatory faucets: 2.0 gallons per minute maximum; and
 - (v) Kitchen faucets: 2.0 gallons per minute maximum
- (hh) **Secondary Dwelling.** Secondary Dwelling shall have the same meaning as such word is used in section 22.80.030 of Title 22 of the San Luis Obispo County Code, as such may be amended from time to time. Secondary Dwelling shall include an "Accessory

Dwelling Unit” as defined in section 65852.2, subdivision (i)(4), of the California Government Code, as such may be amended from time to time.

- (ii) Service Connection. The term "service connection" means the point of connection of a user's piping to the water supplier's facilities.
- (jj) Site Plan. Site plan shall have the same meaning as that term is used in San Luis Obispo County's land use ordinance.
- (kk) Subdivision. A subdivision as defined in Section 66424 of the California Government Code.
- (ll) Sub-Meter. Sub-meter means a water flow measuring device approved by the District that is owned, installed, operated, maintained, repaired and replaced by the property owner, at its expense. The District shall have rights of access across the property owner's property to read the sub-meter.
- (mm) Unit of Use. A unit of use is equivalent to 575 gallons of water per day (“gpd”), which is the average amount of water used on a daily basis in one apartment, one single family residence, one condominium unit and one mobile home unit.
- (nn) Water Supplier. The term "water supplier" means the person who owns or operates the approved water supply system.
- (oo) Water User. The term "water user" means any person obtaining water from an approved water supply system.

1.3 Enforcement of this Code.

The District General Manager, Fire Chief or their designees are authorized by Government Code sections 53069.4 and 61064 to cite violators of District Ordinances, including all provisions of this Code, and they shall perform the aforementioned task in a professional manner without malice or personal bias.

1.4 District Access onto Private Property.

- (a) District agents, employees and representatives shall have the right of access, ingress and egress, to the premises of customers of the District water system at all reasonable hours for any purposes reasonably connected with the furnishing of water service, including, but not limited to, inspecting and closing such laterals as necessary to protect the public health and District operations and facilities, and inspecting, maintaining, improving, replacing and operating District water system facilities, equipment and apparatus located on such premises. Such agents, employees and representatives also shall have the right of access to install and construct on the

customer's dwelling or building an automatic meter reading system, including necessary connections to the telephone utility line, and the installation of necessary cable lines, equipment and apparatus.

- (b) District employees, agents and representatives shall identify themselves upon request when entering upon the premises of any customer for the purposes allowed by this section.

1.4.1 Interference with Access.

No person shall install, construct, place or locate any structure, building, or facility of any kind, whether permanent or temporary, or any other object which is difficult of removal, on any District water line easement, or in such manner as to interfere with the District's ready and easy access to any District water system equipment, facility or apparatus. Any such obstruction, upon request of the General Manager, shall be removed immediately by the violator at no expense to District, and shall not be replaced.

1.4.2 Enforcement

The rights conferred, and restrictions imposed, by this Section 1.4 shall be conditions of receiving District water service. By receiving District water service, the customer agrees to comply with and consents to access by the District, in accordance with the terms of this Section 1.4. If a customer fails to comply with this Section 1.4, or otherwise violates any provision of this Section 1.4, such action shall be grounds for termination of water service to the affected premises in the manner provided by Section 8.7, or in any manner provided by law.

1.5 Service to Separate Premises.

Each separate premises under single control or management shall be supplied through separate, individual service connections and meters, unless the District elects otherwise.

1.6 Service to Multiple Units on Same or Adjoining Premises.

Separate houses, buildings, living or business establishments on the same premises or on adjoining premises under single control or management, or separately owned lots or units in multi-lot or unit structures, may be served at the option of the District by either of the following methods:

- (a) Through separate service connections and meters to each and any unit or structure, provided that the piping system from each service connection is independent and not interconnected.

- (b) Through one or more service connections or meters, which supply the entire premises or lots. Each separate premise shall be provided with a sub-meter, unless the District elects otherwise.

1.7 Division of Presently Serviced Lots or Premises.

When a lot or premises which is presently serviced by the District is divided into two or more lots or premises, the existing service connection and/or meter shall be considered as belonging to the lot or premises which the service connection and/or meter directly enters. Prior to the delivery of water to the new lot(s) or premises, the new lot(s) or premises shall require the installation of a service connection and meter, payment of appropriate fees, such as water hook-up fees, and compliance with other District ordinances.

1.8 Meters.

- (a) All equipment associated with metering, including valves, fittings, settings, meter box and meter, shall be supplied by the District at the permittee's expense.
- (b) At the District's option, the meter and related equipment shall be installed by the District at the permittee's expense or by the permittee at the permittee's expense.
- (c) If the District elects to allow the permittee to install the meter and related equipment, the District shall inspect and approve the meter and related installation. Until the District inspects and approves the installation, water service shall not be charged to any permittee based upon metered usage. The District reserves the right, for any meter installation determined to be inadequate by the District, to complete the installation and charge the permittee for the District's installation costs.
- (d) The size of the meter and related equipment supplied by the District shall be based upon the information provided in the permit, upon existing construction, and upon the estimated water usage computed from this data.
- (e) The District reserves the right to require the location of the meter and meter box on the curb line or property line most accessible for the District from existing distribution lines. Existing service connections shall determine the point of delivery of water to the permittee.
- (f) When the District is to install the meter, the permittee or the permittee's agent shall notify the District at least five days (holidays and weekends excluded) in advance of the time the meter is required for installation. Multiple meter installation shall be scheduled with the District at the time the permit is issued.

1.9 Operation and Maintenance of Distribution System.

- (a) The owner of the property served by the District's distribution system shall be responsible for the operation and maintenance of the private water line, and all devices or safeguards required by the District, which are located upon the owner's property and which are outside the public right-of-way line.
- (b) The District shall be responsible for the operation and maintenance of that portion of the distribution system, which is in the public right-of-way, which has been dedicated to the District, or which is not located upon the owner's property served by the District's distribution system.
- (c) The owner served by the District's distribution system shall be responsible and liable for all costs involved in the repair of all damage caused by the owner or agents thereof to any portion of the owner's distribution system, wherever located.

SECTION 2: WATER AVAILABILITY & WATER WILL SERVE COMMITMENTS.

2.1 Water Availability Letter.

Upon receiving a written request, the District shall issue a letter giving the current status of water availability to a project or parcel of land. This letter will state, in general terms and without making a commitment to serve the project or parcel, whether the project or parcel is within the boundaries of the District, if water supply and facility capacity are currently available to serve the project or parcel, and under what conditions service would be made available. The District will attempt to identify potential problems that may be associated with making water service available to the project or parcel.

2.1.1 Fee for Water Availability Letter.

The written request for a water availability letter shall be accompanied by a fee, as established by Resolution of the District's Board of Directors, to cover the District's administrative costs in processing and responding to the request and issuing the letter.

2.2 Application for a Will Serve Commitment.

2.2.1 Information Required of the Applicant.

- (a) Any person desiring a will serve commitment for water service for a subdivision, final map, development plan, site plan, plot plan or premises shall submit an application to the District on a form and in such manner as determined by the District. At a minimum, said application shall include the following information:

- (i) Date of application;
 - (ii) Name, address, and telephone number of owner and agent of the subject premises;
 - (iii) Location and legal description of the subject premises, number of lots to be served, and proposed zoning;
 - (iv) Number of expected water units of use for each expected lot; and size and number of water meters for needed water service;
 - (v) Date that water service is expected for all or any part of the subject premises;
 - (vi) Purpose for which water service will be used; and
 - (vii) Such other information as District may reasonably require.
- (b) The District shall be notified by the applicant of any change in the information provided above within thirty (30) days after such change.
- (c) If an agent will act for the owner of the subject premises in matters concerning the application, the agent shall submit to the District written evidence of such agency and authority, having a notarized signature of the owner of the subject premises.
- (d) All applications for a will serve commitment shall be accompanied by a Lot Book Guarantee issued no more than thirty (30) days prior to the date of the application or such other written evidence satisfactory to the District evidencing the applicant's ownership of the subject premises. The Lot Book Guarantee shall be issued by a title company located within San Luis Obispo County and shall be at the expense of the applicant.
- (e) The District shall not accept applications for water will serve commitments or applications for water service for service outside its boundaries except as provided in the succeeding sentence. Annexation shall be required to become eligible for such service, provided that commitments may be issued and service may be provided pursuant to an agreement entered into pursuant to District ordinances, rules and regulations, and as otherwise may be decided by the Board and may be required by law.
- (f) The applicant shall pay a non-refundable application fee of \$350 per parcel at the time of submittal of the application to cover the District's costs of processing the application; provided that if the applications concerns a

proposed subdivision which includes more than one Assessor's Parcel, then the application fee shall be \$350 for proposed subdivision. In addition, if the application is for a sewer will serve commitment as well, the application fee shall be just \$350 for both the water and sewer will serve commitment application.

2.2.2 Determination of Water Availability.

Upon the furnishing of the information required in Section 2.2.1 above, the District shall determine within sixty (60) days whether or not there is available water supply and facility capacity to serve the subject premises at the time of application.

- (a) If the determination is affirmative, then the District will so notify the applicant.
- (b) If the District determines there is not available water supply or facility capacity to serve the premises at the time of application, then the application shall be denied without prejudice and placed on the District's waiting list. At the time water supply or facility capacity becomes available to serve the subject premises on the waiting list, the applicant and his/her successor shall be so notified and, if the applicant or his/her successor still desires water service, the application that was denied without prejudice shall be reconsidered and the District shall follow the procedures set forth in Sections 2.2.3 to 2.2.9.

2.2.3 Deposits.

2.2.3.1 Deposits Required for Non-Discretionary Projects.

For any application for a will serve commitment which is not required by the County in connection with any discretionary approval of a project for the subject premises, such as a tentative map, development plan, use permit, site plan or plot plan, the applicant shall deposit with the District, within fifteen (15) days after the date of the notice referenced in Section 2.2.2, one-fifth of the water hook-up fees owing on the application which are in effect at the time of the notice. The applicant and District shall enter into a recordable agreement affecting the subject premises providing for the applicant's payment of the balance of the hook-up fees owed in 4 equal annual installments based on the hook-up fees in effect at the time of the initial deposit. Such agreement shall provide that if, during the term of the agreement, the District pursues formation of a special zone covering those lands subject to will serve commitments and the payment of water hook-up fees, the applicant's property shall be proposed for inclusion in the zone and whatever balance may be owing on the water hook-up fees at the time of formation of the zone shall be paid through whatever taxes, assessments, fees and/or charges are approved for such zone. The recordable agreement also shall provide for an annual fee to administer the

agreement and the payment of the installments, and the consequences if any such annual installment is not timely paid. Such agreement further shall provide that the then balance owing on the hook-up fees shall be fully paid prior to the issuance of a building permit for the subject premises as no water service shall be provided until 100% of the hook-up fees is paid. On the date of such one-fifth payment and full execution of such agreement, the application for a will serve commitment shall be deemed complete. Refunds on money paid in connection with the application are nonrefundable, except as provided in Section 2.2.5.

2.2.3.2 Deposit Required for Discretionary Projects.

With respect to applications for will serve commitments that will be submitted to the County in connection with the discretionary approval of a project for the subject premises, such as a tentative map, site plan, use permit, development plan or plot plan, the applicant, within thirty (30) days after the date of the notice provided in Section 2.2.2, shall submit proof from the County that it has accepted the applicant's application for a tentative map, development plan, site plan, use permit, plot plan or other project approval application for the subject premises ("County Accepted Application") and shall deposit within said thirty (30) day period one-fifth of the water hook-up fees due for the units of use applied for consistent with the County Accepted Application. The amount of the hook-up fees due shall be based on those in effect at the time of the payment. The District and applicant shall enter into a recordable agreement affecting the subject premises providing for the applicant's payment of the balance of the hook-up fees owed in 4 equal annual installments based on the hook-up fees in effect at the time of the initial deposit. Such agreement shall provide that if, during the term of the agreement, the District pursues formation of a special zone covering those lands subject to will serve commitments and the payment of water hook-up fees, the applicant's property shall be proposed for inclusion in the zone and whatever balance may be owing on the water hook-up fees at the time of formation of the zone shall be paid through whatever taxes, assessments, fees and/or charges are approved for such zone. The recordable agreement also shall provide for an annual fee to administer the agreement and the payment of the installments, and the consequences if any such annual installment are not timely paid. Such agreement further shall provide that the then balance owing on the hook-up fees shall be paid prior to the recording of a final map pursuant to the County Accepted Application or within thirty (30) days after County approval of the project for the subject premises, whichever is applicable. No water service shall be provided to the subdivision or project until 100% of the hook-up fees is paid. As of the date of such submission of proof of the County Accepted Application, the full execution of the recordable agreement and the payment of the deposit with the District, the application for a will serve commitment shall be deemed complete.

Refunds of money paid in connection with the application are nonrefundable, except as provided in Section 2.2.5.

2.2.4 Issuance of Will Serve Commitment.

2.2.4.1 Issuance of Will Serve Commitments for Non-Discretionary Projects.

- (a) With respect to an application for a will serve commitment for water service only which is not required by the County in connection with any discretionary approval of a project for the subject premises, the District shall issue to the applicant a will serve commitment for the subject premises upon receipt of the deposit submitted pursuant to Section 2.2.3.1, execution of the recordable agreement also referenced in Section 2.2.3.1 and compliance with any other requirements of the District. The will serve commitment shall obligate the District to provide water service to the premises to the extent that water service applications for such premises propose no more units of water use than are stated for such premises in the application for the will serve commitment. There shall be no time limit on the commitment so long as all of the installment payments on the hook-up fees are timely paid.
- (b) If an applicant fails to pay an installment of the hook-up fees due pursuant to a recordable agreement, as referenced in Section 2.2.3.1, within 60 days after the date that it is due, then the will serve commitment shall be deemed forfeited and the water units of use specified in such commitment shall be relinquished to the District as of the date of such forfeiture. Interest at 1 % per month and a penalty of 10% of the installment payment due shall be paid with respect to any late installment payment made prior to such forfeiture. Upon forfeiture, refunds of installment payments made on forfeited units shall be made without interest and in accordance with Section 2.2.5.

2.2.4.2 Issuance of Will Serve Commitments for Discretionary Projects.

- (a) With respect to applications for will serve commitments that will be submitted to the County in connection with the discretionary approval of a project for the subject premises, the District shall issue the applicant a will serve commitment for such premises upon payment of the deposit, the execution of the recordable agreement, submission of proof of the County Accepted Application and compliance with any other requirements of the District. The will serve commitment shall be effective for so long as the County Accepted Application remains in effect and its continued validity shall be subject to timely payment of the installments of the hook-up fees, and County approval of the project

for the subject premises consistent with such Application. If the County approves the project consistent with the County Approved Application, then the will serve commitment shall remain in effect consistent with such County approval and have no time limit.

- (b) If the County Accepted Application is withdrawn, expires, is denied or fails for any reason in whole or in part, then the units of use in the will serve commitment no longer required for the project, as described in said County Accepted Application, because of the withdrawal, expiration, denial or other failure shall be deemed forfeited and relinquished to the District as of the date of such withdrawal, expiration, denial or other failure. Refunds of money paid on units of use so forfeited and relinquished shall be refunded in accordance with Section 2.2.5.
- (c) If County approval of the project reduces the number of units of use required for the subject premises from that stated in the County Accepted Application, then those units not so approved shall be forfeited and relinquished to the District as of the date of the County approval. Refunds of money deposited on units of use so forfeited and relinquished shall be refunded in accordance with Section 2.2.5.
- (d) Upon forfeiture of a will serve commitment, the applicant must apply for a new will serve commitment for the subject premises in accordance with District rules, regulations and ordinances.
- (e) The will serve commitment issued pursuant to Section 2.2.4.2 shall obligate the District to provide water service to the subject premises to the extent that applications for water service to any portion or all of the subject premises propose no more units of use than such are stated for such premises in the application for the will serve commitment consistent with any County approval.
- (f) If an applicant fails to pay an installment of the hook-up fees due pursuant to a recordable agreement, as referenced in Section 2.2.3.2, within 60 days after the date that it is due, then the will serve commitment shall be deemed forfeited and the water units of use specified in such commitment shall be relinquished to the District as of the date of such forfeiture. Interest at 1 % per month and a penalty of 10% of the installment payment due shall be paid with respect to any late installment made prior to such forfeiture. Upon forfeiture, refunds of installment payments made on forfeited units shall be made without interest and in accordance with Section 2.2.5.

2.2.5 Refunds of Hook-up Fees.

No refunds on water hook-up fees paid shall be allowed, except under the following circumstances:

- (a) With respect to hook-up fees paid pursuant to Section 2.2.3.1 or 2.2.3.2, the applicant may request a refund of the hook-up fees paid without interest for any unit of use forfeited as long as a written request therefor is made within thirty (30) days after the units of use were forfeited to the District. The amount of the refund shall be equal to the amount of hook-up fees paid on the units of use forfeited. All refunds shall be made in accordance with (b) below. The District finds that it incurs certain administrative costs with respect to the processing of applications for will serve commitments and requests for refunds. The applicant requesting a refund shall pay a nonrefundable \$500 administrative fee at the time of making the refund request. Such fee reasonably covers the District's costs incurred in such refund processing.
- (b) Upon the timely submittal of a request for refund, the District, so long as it does not have a water supply to allocate, shall make the units of use forfeited available to the next applicant for a will serve commitment or service consistent with such applicant's application. Within five (5) business days after the date of the District's notice of availability of such units, the next applicant shall provide the District with written notice as to the acceptance of all or any portion of the units made available. The applicant shall pay one hundred percent (100%) of the hook-up fees due on the accepted units within twenty (20) days after the date of the District's notice referenced above. The amount of the hook-up fees due shall be based on the water hook-up fees in effect at the time of the payment for the accepted units. Upon payment of the hook-up fees due, the District shall make the refund due, as provided in (a) above within ten (10) days after the next applicant who accepts the forfeited units pays the requisite hook-up fees in the case of a non-discretionary project, and in the case of a discretionary project, within ten (10) days after the applicant accepting the forfeited units timely submits a County Accepted Application.
- (c) If the next applicant does not accept all or any portion of the units made available to him or her pursuant to subdivision (b), then the applicant shall retain his or her position on the waiting list with respect to any units covered by his or her application and not accepted pursuant to the notice of availability.
- (d) If the applicant accepting the forfeited units of use pursuant to (b) above has submitted an application for a will serve commitment which will be submitted to the County in connection with the discretionary approval of a project for the subject premises, as specified in Section 2.2.3.2, and the applicant has deposited the required amount of the hook-up fees for all of the units of use

requested in the applicant's application, then the applicant shall have on hundred twenty (120) days from the date of the applicant's deposit of hook-up fees to submit proof of submission of a County Accepted Application. As of the date of such submission, the application for a will serve commitment shall be deemed complete. Thereafter, the District shall issue a will serve commitment consistent with the provisions of Section 2.2.4.2. If the applicant fails to timely submit proof of submission of the County Accepted Application, then the District shall refund the amount deposited without interest, less an administrative fee of \$500 to cover the District's costs in processing the refund, and the applicant will be removed from the waiting list and will have to reapply for a will serve commitment in accordance with District rules, regulations and ordinances. Further, any units of use previously accepted and paid for by the applicant shall be forfeited and shall revert to the District as of the date of the deadline for submission of proof of submittal of a County Accepted Application. Refunds of money paid on such forfeited units of use shall be refunded in accordance with Sections 2.2.5(a) and (b).

- (e) A request for refund of forfeited units may be made only by the then legal owner of the premises for which the will serve commitment regarding such units was issued. The person making the refund request must submit to the District, at such person's cost, a Lot Book Guarantee evidencing the person's ownership of the subject premises, which is issued no more than thirty (30) days prior to the date of the refund request, or submit other evidence satisfactory to the District evidencing the person's ownership of the subject premises. The Lot Book Guarantee shall be issued by a title company located within San Luis Obispo County. All refunds made pursuant to such request shall be made to the legal owner at the time of the refund request.
- (f) If, at the time of the refund request, the District does not have a waiting list for water and/or sewer service or if no one on the waiting list accepts the forfeited units, then no refund shall be made and the amount of hook-up fees paid by the applicant for the forfeited units shall be credited against any hook-up fees due on any subsequent application for a will serve commitment or application for service for the subject premises.

2.2.6 Water Allocation System.

- (a) The District's water supply shall be allocated and regulated in accordance with the policies, priorities and procedures set forth in this Section 2.2.6.
- (b) The District's water service waiting list in existence as of May 1, 2012, shall continue in effect.

2.2.6.1 Allocation of Supply.

- (a) Any newly developed District water supply source that the District determines can be made available to new users shall be allocated first to those applicants on the waiting list who already have secured from the District all of the sewer units of use applied for by such applicants or have applied for only water service or a water will serve commitment only. Such allocation shall be based on the applicant's priority on the waiting list. The District shall provide that applicant with a written notice of availability of units of use. If an applicant receives such a notice of availability, then, within ten (10) business days after the date of such notice, the applicant shall notify the District in writing whether the applicant will accept the units of use offered in the notice. An applicant for a water will serve commitment of a water/sewer will serve commitment shall pay one-fifth of the hook-up fees due on the accepted units within thirty (30) days after the date of the District's written notice of availability. An applicant for water service shall pay 100% of the hook-up fees due within 30 days after the date of the District's written notice of availability. The amount of the hook-up fees due shall be based on the water hook-up fees in effect at the time of the payment for the accepted units. If there is any remaining water supply after completion of the allocation process addressed above, then such remaining supply shall be allocated to other applicants on the District's waiting list based on their priority on that waiting list and pursuant to the procedures set forth in the District's Water Code.
- (b) If the applicant's application is for a water will serve commitment only that will be submitted to the County in connection with the discretionary approval of a project for the subject premises, as specified in Section 2.2.3.2, and the applicant has timely deposited the required amount of the hook-up fees for all of the water units of use requested in the applicant's application or has otherwise secured the requisite water units of use needed for the applicant's application, then the applicant shall execute a recordable agreement consistent with Section 2.2.3.2 and submit proof of submission of a County Accepted Application within one hundred and twenty (120) days from the date that the applicant deposited the hook-up fees as required in (a) above. As of the date of such submission, the applicant's application for a will serve commitment shall be deemed complete. Thereafter, the District shall issue a will serve commitment consistent with the provisions of Section 2.2.4.2. If the applicant fails to timely submit proof of submission of the County Accepted Application, then the District shall refund the amount deposited without interest, less a \$500 administrative fee to cover District's costs in processing the refund, and the applicant will be removed from the waiting list and will have to reapply for a will serve commitment in accordance with District rules,

regulations and ordinances. Further, any units of use previously accepted and paid for by the applicant shall be forfeited and shall revert to the District as of the date of the deadline for submission of proof of submittal of a County Accepted Application. Refunds of money paid on such forfeited units of use shall be refunded in accordance with Section 2.2.5.

- (c) If the applicant's application is for a water and sewer will serve commitment that will be submitted to the County in connection with the discretionary approval of a project for the subject premises, as specified in Section 2.2.3.2, and the applicant has timely deposited the required amount of the hook-up fees for all of the water and sewer units of use requested in the applicant's application or has otherwise secured the requisite water and sewer units of use needed for the applicant's application, then the applicant shall execute a recordable agreement consistent with Section 2.2.3.2 and submit proof of submission of a County Accepted Application within one hundred-twenty (120) days from the date that the applicant deposited the hook-up fees as required in (a) above. As of the date of such execution and submission, the applicant's application for a will serve commitment shall be deemed complete. Thereafter, the District shall issue a will serve commitment consistent with the provisions of Section 2.2.4.2. If the applicant fails to timely submit proof of submission of the County Accepted Application or fails to timely execute the recordable agreement, then the District shall refund the amount deposited without interest, less a \$500 administrative fee to cover the District's costs in processing the refund, and the applicant will be removed from the waiting list and will have to reapply for a will serve commitment in accordance with District rules, regulations and ordinances. Further, any units of use previously accepted and paid for by the applicant shall be forfeited and shall revert to the District as of the date of the deadline for submission of proof of submittal of a County Accepted Application. Refunds of money paid on such forfeited units of use shall be refunded in accordance with Section 2.2.5.

- (d) If the applicant is offered all of the water and sewer units of use requested or the balance needed by the applicant to complete the applicant's application but the applicant declines such offer or fails to timely deposit the required amount of the hook-up fees as specified in (a) above and (g) below, the applicant shall be removed from the waiting list and will have to reapply for water and sewer service or a will serve commitment in accordance with District rules, regulations and ordinances. Any units of use previously accepted and paid for by the applicant shall be forfeited and shall revert to the District as of the

date that the applicant declines the offer or fails to timely make the required deposit. Refunds of money paid on such forfeited units of use shall be refunded in accordance with Section 2.2.5.

- (e) If the applicant is offered only a portion of the remaining balance of the water units of use needed to complete the applicant's application, then the applicant may decline such offer and retain his or her position on the waiting list with respect to any units of use covered by his application and not accepted and paid for pursuant to the notice of availability. If the applicant accepts some or all of the portion of water units needed to complete his/her application, then the applicant shall pay one-fifth of the hook-up fees due on the accepted units within thirty (30) days after the date of the District's written notice of availability and within said period of time also shall execute a recordable agreement consistent with Section 2.2.3.1.
- (f) If the applicant's application is for a water will serve commitment only and the applicant does not require County discretionary approval for the project for the subject premises, then the applicant, to the extent it accepts the units of use offered in the notice provided in (a) above, shall pay one-fifth of the hookup fees due on the accepted units within thirty (30) days after the date of the District's written notice of availability and within that period of time also execute a recordable agreement consistent with Section 2.2.3 .1.
- (g) When an applicant is offered all or the balance of the water units of use needed to complete the applicant's application and the applicant has not secured all of the sewer units of use needed to complete the applicant's application for a sewer will serve commitment or application for sewer service, then, assuming there is sewer treatment capacity available, the District shall offer the sewer units needed to complete the applicant's application at the same time that it offers the water units. The total amount of the sewer hook-up fees due shall be paid within the same period of time required for the payment of the deposit on the water hook-up fees.
- (h) After any waiting list is exhausted, then any remaining water supply shall be allocated on a first-come, first-served basis with the date of a completed application establishing the applicant's priority. If the District exhausts any newly developed supply, then it shall reestablish a waiting list for all applicants.

2.2.6.2 Public Interest Variance, Applicant Dedication of Additional Water Supply.

At times when the District does not have available water capacity, the Board of Directors of the District may consider and allow exceptions to the foregoing allocation scheme and priorities when the Board finds that an applicant can provide the District an additional source of water sufficient in quantity to meet the water service demands of the applicant's development. A will serve commitment for new or additional units under this section will be issued by the District only after the District and the applicant have executed a contract in a form acceptable to the District whereby the applicant firmly commits and binds itself to provide and dedicate to the District the additional source of water, such source is actually developed and can be made available for use, and the applicant complies with all other provisions of this Section 2.2 concerning issuance of will serve commitments, unless the District determines otherwise.

2.2.6.3 Public Interest Variance, Service to Public Agencies.

- (a) If, at any time, a public agency applies for water service for one of its facilities when the District does not have water supply or facility capacity available, then the application of such public agency shall be placed at the top of the District's then existing waiting list. If more than one public agency applies for water service when the District does not have water supply or facility capacity available, then those applicants shall be considered in accordance with the priority date of each completed application; and when water capacity becomes available, it shall be allocated in accordance with such priorities. This section shall apply to any need of the District for water service to one of its facilities.
- (b) The Board finds that the above provisions serve valid public purposes and are necessary in order to provide assistance to other governmental entities to allow the carrying out of public services and functions within the District and to make such services more available, responsible, efficient and effective for the inhabitants of the District.

2.2.6.4 Service to Address Failing Water Wells.

The Board of Directors of the District may allow exceptions to the allocation system in this Section 2.2.6 when the Board finds that an applicant's current water supply for the applicant's existing residential or institutional use is failing and no longer adequate to provide the water supply necessary to meet health, safety, sanitation and fire protection needs. If the Board of Directors grants such an exception, the applicant shall disconnect the well serving potable water to any structure on the Premises and install a District approved backflow prevention device on the customer side of the District meter. District

water service to the Premises shall not commence until such disconnection and installation have occurred. The applicant, at its cost, shall be responsible for the operation, maintenance, repair and replacement of the backflow prevention device. The District shall have the right to periodically test the device at the applicant's cost. If the device is not functioning properly, the District shall so notify the applicant and may disconnect service until the applicant repairs or replaces the device to the satisfaction of the District. The applicant shall also be responsible for any and all other applicable fees and charges, including, but not limited to, connection fees, inspection fees and meter installation charges.

2.2.6.5 Highest Priority Water Service for Low Income Housing.

- (a) If, at any time, a proposed development that includes housing units affordable to lower income households, as defined in Government Code Section 65589.5(h)(3), applies for water service when the District does not have sufficient water supply as defined in paragraph (2) of subdivision (a) of Government Code section 66473.7, or is operating under a water shortage emergency as defined in Water Code section 350, or does not have sufficient water treatment or distribution capacity to serve the needs of the proposed development, as demonstrated by a written engineering analysis and report, or the District is subject to a compliance order issued by the State Department of Health Services that prohibits new water connections, then the application of such proposed low income housing shall be placed at the top of the District's then existing waiting list. If more than one proposed development that includes housing units affordable to lower income households applies for water service when such service cannot be provided for the aforementioned reasons, then those applicants shall be considered in accordance with the priority date of each completed application; when water capacity becomes available, it shall be allocated in accordance with such priorities.
- (b) This priority shall take precedent over any other public interest variance.

2.2.6.6 Additional Service to Existing Permanent Structures.

- (a) If, after the property owner has diligently attempted to reduce water usage, additional water units of use are needed in order to effect a change in water use at an existing permanent building and/or modify or expand an existing permanent building which already is served by the District, then the property owner shall submit an application for water service requesting the additionally needed water units of use. Upon District review and approval of said application, the application shall

be placed on a waiting list separately created for additional service to existing structures. Applications placed on such list shall be listed based on the date that the District approves the application with the oldest dated application placed first on the list. With respect to any newly developed District water supply source that the District determines can be made available to new users in accordance with Section 2.2.6.1, 15 percent of such supply shall be allocated to those on the waiting list created by this Section 2.2.6.6 after allocating any such supply to those on the Section 2.2.6 (b) waiting list pursuant to Section 2.2.6.5. If, after the allocation is provided as provided herein, there is an unused portion of such allocation, then such unused portion shall be allocated pursuant to Section 2.2.6.1.

- (b) The Board finds that this Section 2.2.6.6 is reasonable and serves valid public purposes in order to facilitate changes in use at existing buildings approved by the County where the increased water demand is known and limited.

2.2.6.7 Priority of Water Service.

If the District's waiting list contains pending applications for service pursuant to more than one of the above-referenced sections providing a priority for service (Sections 2.2.6.3, and 2.2.6.5), then when allocating a new supply or newly available water units of use, the District shall make such allocation in the following order of priority: 2.2.6.5, and 2.2.6.3.

2.2.7 Will Serve Commitments and Applications for Water Service for Guesthouses and Secondary Dwellings.

- (a) Upon application to the District in the forms provided for in Sections 2.2 and 2.3 (if applicable), or in a form otherwise provided by the District, a Secondary Dwelling shall be entitled to a will serve commitment, water service from the District, and connection through the existing service connection and meter of the primary residence without payment of any hook-up fees or the need for an additional water unit of use, provided that the Secondary Dwelling: (i) is on a single-family lot and there is no other Secondary Dwelling on the lot, (ii) is within a zone for single-family use, (iii) is contained within the existing space of a single-family residence or accessory structure (e.g., studio, pool house, or similar structure), (iv) has independent exterior access from the primary residence, and (v) has side or rear setbacks that are sufficient for fire safety. For a Secondary Dwelling that does not meet these requirements, the District may require a new or separate service connection between the Secondary Dwelling and the District, subject to payment of hook-up fees. Any increase in water use required to serve any Secondary Dwelling beyond the existing

number of water units of use allocated to the primary residence shall require an application under Section 2.2.6.6.

- (b) Upon application to the District in the forms provided for in Sections 2.2 and 2.3, a guesthouse shall be entitled to a will serve commitment and water service from the District without payment of any hook-up fees or the need for a water unit of use and shall not otherwise be subject to the provisions of this Code, on condition that the primary residence, through whose meter the guesthouse will receive water service, has allocated to it a valid water unit of use. Except as otherwise specifically provided for herein, a guesthouse shall be subject to District rules, regulations, resolutions and ordinances governing sewer and water service.

2.2.8 Request for More Units of Use.

If an applicant for a will serve commitment for any premises requests additional units of use for such premises over that amount stated in the initial application after the will serve commitment has been issued, then the applicant shall reapply for such additionally requested units of use in accordance with the provisions of this Section 2.

2.2.9 Non-Transferability of Will Serve Commitments.

The water units of use set forth in a will serve commitment issued to premises described in an application for a will serve commitment shall not be transferable to any other premises; provided, however, that if adjacent lots under one legal ownership are combined into one legal lot by virtue of a lot line adjustment or other means, units of use committed to any one of said adjacent lots can be used anywhere on the newly created combined legal lot.

2.2.10 One-Time Voluntary Relinquishment of Water Units of Use.

- (a) Holders of will serve commitments may relinquish water units of use without payment of the nonrefundable fee of \$500 and receive the amount of water hook-up fees paid on such units, together with interest at the Local Agency Investment Fund rate earned by the District from the date of the holder's said payment of the water hook-up fees, subject to the following conditions:
 - (i) the ability to relinquish water units of use under this Section shall expire at the earliest of December 31, 2015, or when the District has refunded \$1,000,000 to those relinquishing units;
 - (ii) water units of use may not be relinquished if associated with a final recorded subdivision map or other final County approved development, unless the will serve commitment is for more units of use than required

for the final map or approved development in which case the excess units may be relinquished;

- (iii) holders of will serve commitments issued pursuant to riparian agency agreements may not relinquish water units of use;
 - (iv) holders of will serve commitments associated with pending and outstanding tentative subdivision maps or other County tentative project approval may relinquish water units of use covered by such commitment subject to the District's consultation with the County and District resulting approval of the relinquishment which shall be in the District's sole discretion;
 - (v) a relinquishment shall not be permitted if it would cause a legal parcel to no longer have a water unit of use associated with it; and
 - (vi) the total amount refunded on any water unit of use shall not exceed the then current amount of the District's water hook-up fee.
- (b) The Board finds that this Section 2.2.10 is reasonable and serves valid public purposes in order to provide certainty in the demand for District water service, facilitate District water system and supply planning and capital improvements needed to meet expected demand, and enable the District to provide water service to those who actually have a need for it.
- (c) The water units of use relinquished pursuant to this Section 2.2.10 shall be allocated by the District in the same manner as if the District were allocating a new source of water supply pursuant to Section 2.2.6.1.

2.3 Applications for Water Service.

2.3.1 Information Required.

- (a) Each applicant for water service shall be required to sign an application form, provided by the District, which, at a minimum, will set forth:
 - (i) Date of application;
 - (ii) Names, addresses and telephone numbers of the owner, agent, and the customer, who is the person to whom District bills shall be mailed;
 - (iii) Legal description (Assessor's Parcel No.(s)) of premises to be served;
 - (iv) The number and size of meters required for requested services;

- (v) Date applicant will be ready for service;
 - (vi) Whether the premises have been previously served by the District;
 - (vii) Purpose for which water service is to be used;
 - (viii) Whether water hook-up fees have been previously paid for such premises, and, if so, the amount of such fees, and the date that they were paid;
 - (ix) Number of water units of use required for the subject premises, as determined by the District upon information provided by the applicant;
 - (x) Such other information as the District may reasonably require.
- (b) The District shall be notified by the applicant of any change in the information provided above within thirty (30) days after such change.
 - (c) If an agent will act for the owner of the subject premises in matters concerning the application, the application shall so provide, and the agent shall submit to the District written evidence of such agency and authority, having a notarized signature of the owner of the subject premises.

2.3.2 Service to Premises for Which a Will Serve Commitment Has Been Issued.

- (a) If the application is for service to premises for which a will serve commitment is outstanding and effective, and the number of units of use applied for such premises do not exceed that stated in the will serve commitment, then a water service permit shall be issued for the premises upon submission of the information required in Section 2.3.1, payment of a Water Capacity Fee, payment of any applicable charges and compliance with other District rules and regulations governing water service. The Water Capacity Fee, enacted by the District Board in Ordinance No. 2014-4, will be effective as of January 1, 2019. The Water Capacity Fee shall be determined in accordance with the formula set forth in Exhibit A to Ordinance No. 2014-4. The District shall notify in writing all holders of outstanding and effective will serve commitments of the new Water Capacity Fee and its effective date. Until the effective date of the Water Capacity Fee, applications for service pursuant to this Section 2.3.2 shall not be subject to such fee. The permit shall not be transferable to other property. There shall be no time limit on the permit.
- (b) An applicant, who prior to the effective date of the Water Capacity Fee, applies for service but does not need actual service at such time, shall not be subject to

such fee, if a water meter is installed pursuant to the provision of the District's Water Code prior to the effective date of the Water Capacity Fee and consents to the payment of the District's monthly base water charge per water unit of use.

- (c) With respect to holders of will serve commitments issued in connection with projects for which County discretionary approval is necessary, the Water Capacity Fee shall not apply, if the water units of use covered by such will serve commitments are utilized for connections to the District water system by January 1, 2019; provided the District may grant the holder of any such a will serve commitment an extension(s) of up to three years if the holder demonstrates due diligence in obtaining County final approval of the project.

2.3.3 Service to Premises for Which a Will Serve Commitment is Not Outstanding and Effective.

- (a) **Determination of Water Availability.** Once the applicant has supplied the information required in Section 2.3.1, the District shall determine within sixty (60) days whether there is water supply and facility capacity available to provide the requested service. If the determination is affirmative, then within sixty (60) days of such determination, the District shall notify the applicant to pay all applicable charges, including the requisite water hook-up fees in effect at the time of the notice, which shall be paid within sixty (60) days of the date of the request.
- (b) **Determination of Non-Availability.** If the District determines there is not available water supply or facility capacity to provide the required service at the time of application, then the application shall be denied without prejudice and placed on the District's waiting list. At the time water supply and/or facility capacity becomes available to serve the applicant on the waiting list, the applicant shall be so notified and, if the applicant still desires service, the application that was denied without prejudice shall be reconsidered, and the District shall proceed in accordance with the provisions of subdivision (a) above.
- (c) Once the applicant has supplied all of the information required pursuant to Section 2.3.1, has paid all applicable fees, and has otherwise complied with other District rules and regulations governing water service, then the application shall be deemed complete. The date of such completion shall be stated on the application. As of that date, the applicant shall be entitled to a water service permit for the service provided to the subject premises. There shall be no time limit on such permits. The permit shall not be transferable to other property.

2.3.4 Refunds.

The applicant shall not be entitled to any refund of monies paid pursuant to this Section 2.3, except that the applicant shall be entitled to a refund of the hook-up fees paid for any unit of use no longer required by the applicant, if a request therefor is made in writing and is received by the District prior to commencement of service. The request for refund shall be accompanied with a non-refundable fee in the amount \$500 to cover the costs to process the request. The District shall make the refund in accordance with Section 2.2.5(b). The Board finds that it incurs certain administrative costs with respect to the processing of requests for refunds, and that a non-refundable fee of \$500 reasonably covers the District's costs incurred in such processing.

2.3.5 Limitations on Water Use.

Use of water by an applicant on different premises, through more and/or larger meters, for different purposes, or for more units of use than stated in the application shall be considered an unauthorized use and is prohibited. Water and/or sewer service to the applicant may be entirely disconnected pursuant to District ordinances, rules and regulations for any such unauthorized use. Use of water on any unauthorized premises, through an unauthorized meter, for unauthorized purposes, or for more units of use shall require the submittal of a new application and shall be subject to the availability of water supply or facility capacity and/or sewer treatment capacity at the time of such application, the payment of all application charges then in effect, and the District ordinances, rules and regulations then in effect.

2.3.6 Property Owner's Liability.

Applicants for service to rental units may be the lessee or renter of the premises for which service is requested or may be the owner of said premises. Bills shall be mailed to the person designated as the customer on the application who shall be liable for payment of all District rates and charges, and shall otherwise be subject to the District ordinances, rules and regulations. In any situation where the lessee or renter is the designated customer for the premises to be served by the District, the owner of the premises so leased or rented shall guarantee payment of all District rates and charges incurred for service to his/her premises, shall otherwise be subject to District ordinances, rules and regulations, and shall be responsible jointly and severally with the designated customer for payment of any delinquent bill.

2.3.7 Individual Liability for Joint Service.

Two or more parties who join in one application for service shall be jointly and severally liable for payment of bills. One person shall be designated on the application for receipt of the bills.

2.3.8 Change in Applicant's Equipment.

Applicants desiring to make any material change in the size, character or extent of the equipment utilized in receiving District service, as such equipment is stated in the completed application for service, shall give the District advance written notice of the extent and nature of the change. If the proposed change requires more water units of use, then the applicant shall submit a new application for service, and shall be subject to the availability of water supply and facility capacity at the time of such application, the payment of all applicable charges then in effect, and the District ordinances, rules and regulations then in effect.

2.3.9 Allocation of Units of Use When a Lot Split Occurs and Payment of Increased Hook-Up Fees.

Upon the subdivision of a lot to which water units of use have been committed by the District, units of use so committed in excess of those required to serve any existing building or other structures on any of the newly created lots may be used on any of the other newly created lots; provided that upon application for service to such lots where such application is based on utilization of all or any portion of the excess units, the applicant shall pay the difference between the hook-up fees previously paid for such units of use and the hook-up fees in effect at the time of the application for service.

2.3.10 Water Service Only When No Available Sewage Treatment Capacity.

2.3.10.1 Request for Water Service Only.

An applicant may apply for a will serve water commitment or apply for water service only, and the District shall provide such commitment or service upon compliance with the applicable provisions for obtaining such commitments or service as provided in this Code, if the following conditions apply:

- (i) The new construction or development on the subject premises does not require District sewer service, or will not utilize any additional sewage treatment capacity; and
- (ii) The District has available water supply and facility capacity to serve the new construction or development.

2.3.10.2 Conditions of Will Serve Commitment Issuance.

- (a) The issuance of a will serve commitment pursuant to this Section 2.3.10 shall be made notwithstanding a waiting list established for applicants who require both water and sewer service when sewage treatment

capacity is not available, but water supply and facility capacity is available.

- (b) Notwithstanding Section 2.2.4, a will serve commitment issued pursuant to this Section 2.3.10 shall be valid for ten (10) years. Upon the expiration of such period, the applicant may request renewal of such commitment. Such request shall be in the form of a new application for a will serve commitment. The application shall be treated the same as any other new application for a will serve commitment. For instance, it will be subject to any then existing waiting list established, shall be subject to the availability of water supply and facility capacity at the time of the application, and shall otherwise be subject to District ordinances, rules and regulations then in effect. However, with respect to hook-up fees, the applicant shall pay the difference between the hook-up fees in effect at the time of the notice given pursuant to Section 2.2.2 and the fees already paid.

2.3.10.3 Conditions for Providing Water Service.

- (a) The provision of water service pursuant to this Section 2.3.10 shall be provided notwithstanding a waiting list established for applicants who require both water and sewer service when sewage treatment capacity is not available, but water supply and facility capacity is available.
- (b) Notwithstanding Sections 2.3.2 and 2.3.3 hereof, any permit issued on an application for water service shall be valid for two (2) years from the date of issuance. Service shall commence to the subject premises within that two (2) year period. The applicant may request renewal of the permit. Such request shall be in the form of a new application for water service. The application shall be treated the same as any other new application for water service. For instance, it will be subject to any then existing waiting list established pursuant to Section 2.2 hereof, shall be subject to the availability of water supply and facility capacity at the time of the application, and shall otherwise be subject to District ordinances, rules and regulations then in effect. However, with respect to hook-up fees, the applicant shall pay the difference between hookup fees in effect at the time of the notice given pursuant to Section 2.3.3 and the fees already paid.

2.3.10.4 Subsequent Need for Sewer Service.

If subsequent to the issuance of a will serve commitment or permit pursuant to this Section 2.3.10, an applicant requests sewer service before water service commences, then the will serve commitment or permit shall no longer be

effective, as of the date of the request. The applicant shall be required to reapply for both water and sewer service in accordance with the provisions of the Templeton Community Services District Sewer and Water Codes; provided, however, the applicant shall be credited for any hook-up fees paid.

SECTION 3: TEMPORARY CONSTRUCTION SERVICE.

3.1 General Provisions.

The District may authorize the use of water for temporary construction service pursuant to the terms of this Section 3.

3.2 Application for Temporary Construction Service.

Prior to receiving temporary construction water service from the District and connecting into any District facility, including fire hydrant connections, a contractor shall make written application for such service on the forms provided by the District. No temporary construction water service shall commence until the application is complete and approved by the District, and the applicant has made all deposits required by this Section 3.

3.3 Limits of Temporary Construction Service.

Temporary service shall not exceed 6 months of use without District approval and use is limited to use of water to facilitate Construction Purposes, as that term is defined in Section 1.2.

3.4 Temporary Construction Service Usage Rates.

- (a) The contractor shall pay the District for temporary construction water service at the rates for water service established by the District, as such may be amended from time to time, based on a 2” meter to be used by the contractor.
- (b) If the amount required by subdivision (a) is not paid within ten (10) days of the date of the demand, interest and penalties shall accrue on said amount at the rates and penalties charged by the District for late payment of water rate bills.

3.5 Security Deposit.

- (a) The contractor shall be responsible for the correct and safe operation of the meter and other facilities.
- (b) The contractor shall deposit with the District a hydrant security deposit and a non-refundable fee to cover the cost of installing and removing any service facilities

necessary to furnish the applied service in the amounts established by Board resolution and published in the Master Schedule of Fees and Charges.

- (c) Upon termination of temporary construction water service, the District shall refund the hydrant security deposit paid by the contractor, less an administrative charge established and published by resolution in the Master Schedule of Fees and Charges to cover the District's costs for processing the application and administering the service. The District also may charge and deduct an amount necessary to repair or replace any District facilities damaged or not returned by the contractor, including but not limited to the fire hydrant meter. In the event that the amount to repair and/or replace damaged or not returned facilities exceeds the amount of the remaining deposit, then the contractor shall pay the difference within thirty days of the date of a District bill therefor. Interest and penalties shall accrue on any late payment at the rates and penalties charged by the District for late payment of water rate bills.

3.6 Change of Temporary Construction Water Service Prohibited.

- (a) A contractor applying for temporary construction water service shall receive such service at the location approved and designated by the District and at no other location. Relocation of fire hydrant meter or other District facility necessary to furnish temporary water service to an unapproved location is a violation of this Section 3, and in addition to other applicable enforcement mechanisms, will result in forfeiture of the contractor's hydrant security deposit and immediate confiscation of the fire hydrant meter.
- (b) The contractor receiving temporary water service shall use such water received for Construction Purposes only and at the location approved and designated by the District. Use of water for purposes other than Construction Purposes or at an unapproved location is cause for immediate termination of the supply of temporary water service.

3.7 District's Termination of Temporary Construction Water Service.

The District may terminate the supply of water to any contractor receiving temporary construction water service for any of the following reasons:

- (a) The contractor's violation of this Section 3 or any other provision in this Code, or ordinance, rule or regulation of the District pertaining to the provision of water service;
- (b) Upon the District's determination that the water provided is required for the District's permanent customers; or
- (c) Upon the District's determination that such water is necessary to maintain adequate minimum pressure within the District's distribution systems.

3.8 Contractor Liable for All Reasonable Expenses.

The contractor who receives temporary construction water service shall be liable for all reasonable expenses, including but not limited to attorney's fees, incurred by the District in its enforcement of this Section 3.

3.9 Billing for Temporary Construction Water Service.

The contractor shall be billed monthly or at the time service is terminated whichever is first. The charges shall be based on a current reading of usage from the meter and be billed in accordance with Section 3.4.

3.10 General Rules Applicable.

Where applicable, the provisions of this Code, and other District rules, regulations and ordinances governing District water service shall apply to the provision of temporary construction water service, including but not limited to, the procedures for the collection and enforcement of delinquent water rates.

SECTION 4: WATER CONSERVATION STANDARDS AND REGULATIONS, AND WATER SHORTAGE CONTINGENCY PLAN.

4.1 Purposes.

4.1.1 This Section 4 establishes certain permanent and mandatory water management requirements necessary to conserve water, enable effective water supply planning, assure reasonable and beneficial use of water, prevent waste of water, prevent unreasonable use of water, and prevent unreasonable methods of use of water within the Templeton Community Services District service area in order to assure adequate supplies of water to meet the needs of the public, and further the public health, safety and welfare, recognizing that water is a scarce natural resource that requires careful management not only in times of drought, but at all times.

4.1.2 This Section 4 also establishes regulations to be implemented during times of declared water shortages, or declared water shortage emergencies. It establishes four levels of actions to be implemented in times of shortage, with increasing restrictions on water use in response to decreasing water supply or water production capabilities.

4.1.3 Levels 1 through 4 water supply shortage measures are mandatory and require increasingly restrictive measures in order to attain escalating conservation goals. All levels will be reinforced through local and regional public education and awareness measures.

4.1.4 This Section 4 is intended solely to further the conservation of water. It is not intended to replace any provision of federal, state or local statutes, ordinances, or regulations relating to protection of water quality or control of drainage or runoff.

4.2 Application of Section 4.

4.2.1 This Section 4 applies to any customer using water provided by the District, including customers located outside the District.

4.2.2 The provisions of this Section 4 do not apply to uses of water necessary to protect public health and safety or for essential government services, such as law enforcement, fire and other similar emergency services.

4.2.3 Nothing in this Section 4 is intended to affect or limit the ability of the General Manager or his/her designee to declare and respond to an unforeseeable disaster or water emergency, such as an earthquake or other major disruption of the District's water supply, pursuant to the general laws of the District or other provisions of law applicable to the District.

4.3 Definitions.

The following words and phrases whenever used in this Section 4 will have the meanings defined in this subsection 4.3:

- (a) Resident, Customer, User. The terms resident, customer, user, or any other term used in reference to a direct or indirect consumer of water provided by or through the District, shall apply to every person, firm, partnership, association, government agency or entity of any kind receiving water from the District. All water customers whose names are shown on the District's account records shall be equally responsible and liable for water use by tenants, lessees, co-owners, and all other persons utilizing water on the premises through the account.
- (b) Days are defined as calendar days, unless otherwise indicated.
- (c) Water Conservation means the efficient management and use of water resources for beneficial purposes, preventing waste, or accomplishing additional benefits with the same amount of water.
- (d) Condition means a declared water supply shortage condition, which may be at Level 1, Level 2, Level 3 or Level 4 as described in this Section 4.
- (e) Board of Directors means the District's Board of Directors.
- (f) General Manager means the District's General Manager.

4.4 Mandatory Minimum Water Conservation Requirements – Prohibition Against Waste.

The following water conservation requirements shall be in effect at all times and are permanent. Violations will be considered a waste and an unreasonable use of water and are subject to penalties as provided herein by other applicable law.

- (a) Irrigation: Irrigation of residential and commercial landscapes, including golf courses, parks, school grounds and recreation fields, shall not occur between 10 a.m. and 6 p.m., except for bubbler and drip irrigation.
- (b) No Excessive Water Flow or Runoff: Watering or irrigating of any lawn, landscape or other vegetated area in a manner that causes or allows excessive water flow or runoff onto an adjoining sidewalk, driveway, street, alley, gutter or ditch is prohibited.
- (c) No Overfilling of Swimming Pools and Spas: Overfilling of swimming pools and spas such that overflow water is discharged onto an adjoining sidewalk, driveway, street, alley, gutter or ditch is prohibited.
- (d) No Washing Down Hard or Paved Surfaces: Washing down hard or paved surfaces, including but not limited to sidewalks, walkways, driveways, parking areas, tennis courts, patios or alleys, is prohibited except under the following conditions.
 - (i) To alleviate safety or sanitary hazards, and then only by use of a hand-held bucket or similar container, or a hand-held hose equipped with a positive self-closing water shut-off device.
 - (ii) When recycled or re-purpose water is used.
 - (iii) When a low-volume, high pressure cleaning machine or a low-volume high-pressure water broom is used.
 - (iv) All wash-down activities must comply with all State or local regulations pertaining to discharges to the storm drain system.
- (e) Obligation to Fix Leaks, Breaks or Malfunctions: Excessive use, loss or escape of water through breaks, leaks or other malfunctions in the customer's plumbing or distribution system for any period of time after such escape of water should have reasonably been discovered and corrected and in no event more than seven days after written notification from the District, is prohibited.
- (f) Re-Circulating Water Required for Water Fountains and Decorative Water Features: Operating a water fountain or other decorative water feature that does not use re-circulated water is prohibited.

- (g) **Limits on Washing Vehicles:** Using water to wash or clean a vehicle, including but not limited to any automobile, truck, van, bus, motorcycle, boat or trailer, whether motorized or not, is prohibited, except by use of a hand-held bucket or similar container, or a hand-held hose equipped with a positive self-closing water shut-off nozzle or device. This subsection does not apply to any commercial car washing facility.
- (h) **Commercial Lodging Establishments Must Provide Guests with the Option to Decline Daily Linen Services:** Hotels, motels and other commercial lodging establishments must provide customers with the option of not having towels and linen laundered daily. Commercial lodging establishments must prominently display notice of this option in each bathroom using clear and easily understood language.
- (i) **No Installation of Single Pass Cooling Systems:** Installation of single pass cooling systems is prohibited in buildings requesting new water service.
- (j) **No Installation of Non-Recirculating Systems in Commercial Car Wash and Laundry Systems:** Installation of non-recirculating water systems is prohibited in new commercial conveyer car wash and new commercial laundry systems.
- (k) **New or Remodeled Restaurants Required to Use Water Conserving Dish Wash Spray Valves:** All new or remodeled food preparation establishments, such as restaurants or cafes, are prohibited from using non-water conserving dish wash spray valves.
- (l) **Water Served Only Upon Request:** Restaurants and other food establishments shall serve water only upon request.

4.5 Level 1 Water Supply Shortage – Mandatory Reductions.

- 4.5.1 The Board of Directors by resolution or in the event prompt action is necessary, the General Manager, may declare a Level 1 water supply shortage condition (“Level 1 Condition”) when there is a reasonable probability, due to a projected imbalance in available water supply and projected peak demand, that there will be a supply shortage and that a consumer demand reduction of up to 10 percent is needed in order to ensure that sufficient supplies will be available to meet anticipated demands. Upon such declaration, the General Manager or his/her designee shall take the necessary actions to implement mandatory Level 1 Condition conservation practices identified in this subsection 4.5. In the event a Level 1 Condition has been declared by the General Manager, the Board of Directors shall consider the ratification of such declaration at its next regularly scheduled meeting or at a special meeting called for such purpose.
- 4.5.2 During the period of a declared Level 1 Condition, the District will increase its public education and outreach efforts to increase public awareness of the need to implement the following water conservation practices.

- (a) During the period of April 1 to September 30, all landscape irrigation shall be limited to no more than three assigned days per week. Premises with an address ending in an even number may irrigate only on Tuesday, Thursday and Saturday; and premises with an address ending in an odd number may irrigate only on Wednesday, Friday and Sunday.
- (b) Repair or prevention of all water leaks shall be carried out upon discovery or within five days after notification from the District.
- (c) Construction meters shall have flow restrictors installed in them by the District's utilities crew to limit the volume of water that can be used to one inch flow.

4.5.3 In order to comply with any applicable state regulatory requirements or address any water supply shortage however caused, the Board of Directors by resolution may implement any of the water conservation measures listed in Sections 4.5, 4.6, 4.7 and 4.8, or, as required, any measures mandated or necessitated by applicable state regulatory requirements.

4.6 Level 2 Water Supply Shortage – Mandatory Reductions.

4.6.1 The Board of Directors by resolution, or in the event prompt action is necessary, the General Manager, may declare a Level 2 water supply shortage condition (“Level 2 Condition”) when there is a reasonable probability due to a projected imbalance in available water supply and projected peak demand, that there will be a supply shortage and that a consumer demand reduction of up to 20 percent is required in order to ensure that sufficient supplies will be available to meet anticipated demands. Upon the declaration of a Level 2 Condition, the General Manager or his/her designee shall take the necessary actions to notify the public and implement the mandatory Level 2 Condition conservation practices identified in this subsection 4.6. In the event a Level 2 Condition has been declared by the General Manager, the Board of Directors shall consider the ratification of such declaration at its next regularly scheduled meeting or at a special meeting called for such purpose.

4.6.2 During the period of a declared Level 2 Condition, all water customers shall be required to comply with all Level 1 Condition measures, as set forth above and also shall comply with the following conservation measure:

- (a) During the period from October 1 to March 31, all landscape irrigation shall be limited to no more than three assigned days per week. Premises with an address ending in an even number may irrigate only on Tuesday, Thursday and Saturday; and premises with an address ending in an odd number may irrigate only on Wednesday, Friday and Sunday.

- (b) Irrigation of residential and commercial landscapes, including golf courses, parks, school grounds and recreation fields, shall not occur between 7 a.m. and 7 p.m., except for renovation or repair of the irrigation system with an operator present, and except for bubble and drip irrigation.

4.6.3 At its discretion, the District may suspend the issuance of new hydrant meters and/or recall all outstanding meters in accordance with the District’s existing Hydrant Meter Rental Agreement.

4.6.4 In order to comply with any applicable state regulatory requirements or address any water supply shortage however caused, the Board of Directors by resolution may implement any of the water conservation methods listed in Sections 4.6, 4.7 and 4.8, or, as required, any measures mandated or necessitated by applicable state regulatory requirements.

4.7 Level 3 Water Supply Shortage – Critical Condition.

4.7.1 The Board of Directors by resolution, or in the event prompt action is necessary, the General Manager, may declare a Level 3 water supply shortage condition (“Level 3 Condition”) when there is a reasonable probability, due to a projected imbalance in available water supply and projected peak demand, that there will be a supply shortage and that a consumer demand reduction of up to 30 percent is required in order to ensure that sufficient supplies will be available to meet essential demands. Upon declaration of a Level 3 Condition, the General Manager or his/her designee shall take the necessary actions to notify the public and implement the mandatory Level 3 Condition conservation practices identified in this subsection 4.7. In the event a Level 3 Condition has been declared by the General Manager, the Board of Directors shall consider the ratification of such declaration at its next regularly scheduled meeting or at a special meeting called for such purpose.

4.7.2 During the period of a declared Level 3 Condition, all water customers shall be required to comply with all Level 1 Condition and Level 2 Condition water conservation measures and also shall comply with the following mandatory conservation measures:

- (a) All landscape irrigation shall be limited to no more than two assigned days per week on a schedule established and posted by the General Manager or his/her designee.
- (b) Filling or re-filling of ornamental lakes or ponds is prohibited, except to the extent needed to sustain plants or animals that have been actively managed within the water feature prior to the declaration of a Level 3 Condition.

- (c) All water leaks, breaks or other plumbing malfunctions shall be repaired upon discovery or within forty-eight hours after notification by the District, with the exception of rental properties, which shall have up to seventy-two hours to repair interior unit leaks, in order to comply with State laws regarding the provision of notice to tenants.
- (d) Using water to wash vehicles, whether motorized or not, is prohibited, except at commercial car washing facilities.

4.7.3 Upon the declaration of a Level 3 Condition and compliance with California Water Code sections 350, et seq., the Board of Directors may order that new potable water services, temporary or permanent water meters, and letters of availability of service and will serve letters be issued only under the circumstances listed below. This provision does not preclude the resetting or turn-on of meters to provide continuation of water service to or to restore service that has been interrupted.

- (a) A valid building permit has been issued for the project; or
- (b) The project is necessary to protect the public's health, safety and welfare; or
- (c) The applicant for water service provides substantial evidence satisfactory to the General Manager or his/her designee of an enforceable commitment that the new water demands for the project will be offset (one to one) by the conservation of water prior to the provision of new water meter(s). The applicant's offset program must be approved by the General Manager or his/her designee. Such offsets may be in the form of additional water conservation measures, the provision of recycled water use in place of existing potable water demands (if available), or other such offsets developed and approved by the General Manager or his/her designee. To obtain approval, the applicant's plan must demonstrate that the development will not increase the demand on the District's water system.

4.7.4 If the Board of Directors adopts an order pursuant to subsection 4.7.3 above, the expiration dates of conditional will serve letters shall be tolled until such time as the Level 3 Condition has improved to a Level 2 Condition or better.

4.7.5 Upon the declaration of a Level 3 Condition, the District will suspend consideration of any annexations to its service area. This subsection does not apply to boundary corrections and annexations that will not result in any increased use of water.

4.7.6 The District will suspend the issuance of new hydrant meters and recall all outstanding meters in accordance with the District's existing Hydrant Meter Rental Agreement.

4.7.7 In order to comply with any applicable state regulatory requirements or address any water supply shortage however caused, the Board of Directors by resolution may implement any of the water conservation measures listed in Sections 4.7 and 4.8, or, as required, any measures mandated or necessitated by applicable state regulatory requirements.

4.8 Level 4 Water Supply Shortage – Emergency Condition.

4.8.1 The Board of Directors may declare a water shortage emergency pursuant to California Water Code sections 350, et seq., and declare a Level 4 water supply shortage condition (“Level 4 Condition”) when there is a reasonable probability, due to a projected imbalance in available water supply and projected peak demand, that there will be a supply shortage and that a consumer demand reduction of up to 50 percent is required in order to ensure that sufficient supplies will be available to meet essential demands. Upon declaration of Level 4 Condition, the General Manager or his/her designee shall take all necessary actions to implement the mandatory Level 4 Condition conservation practices identified in this subsection 4.8.

4.8.2 During the period of a declared Level 4 Condition, all water customers shall be required to comply with all Level 1 Condition, Level 2 Condition, and Level 3 Condition water conservation measures, and all shall comply with the following additional mandatory conservation measures.

(a) All landscape irrigation, except crops and landscape products of commercial growers and nurseries, shall be prohibited. This restriction does not apply to:

(i) Watering of livestock; and

(ii) Essential District operations and actively irrigated environmental mitigation projects.

(b) All water leaks, breaks or other plumbing malfunctions shall be repaired upon discovery or within twenty-four hours after notification by the District, with the exception of rental properties, which shall have up to seventy-two hours to repair interior unit leaks, in order to comply with State laws regarding the provision of notice to tenants.

(c) Filling or refilling of residential pools and spas is prohibited.

4.8.3 The District shall not issue any new commitments of water service or enter into any agreements to provide water to customers or agencies either inside or outside of the District.

- 4.8.4 Consistent with a resolution adopted by the Board of Directors pursuant to California Water Code section 350, et seq., the General Manager may implement a water allocation per customer. If the Board of Directors adopts or modifies water allocations, the General Manager will post notice of the water allocation prior to the effective date(s). At the District's discretion, the water conservation measures required under Level 1, Level 2, and Level 3 Conditions may be suspended during the period that a water allocation is in effect.
- 4.8.5 In order to comply with any applicable state regulatory requirements or address any water supply shortage however caused, the Board of Directors by resolution may implement any of the water conservation measures listed in Section 4.8, or, as required, any measures mandated or necessitated by applicable state regulatory requirements.
- 4.9 Procedures for Determination and Notification of Water Supply Shortage Level.
- 4.9.1 The determinations of the appropriate level of water conservation conditions shall be supported by a recommendation from the General Manager, along with a written explanation of the existence of the facts and circumstances supporting the determination. A copy of the written determination will be filed with the Board Secretary. The General Manager or his/her designee may publish a notice of the determination of the existence of a water conservation level condition in a newspaper circulated within the District. The District shall post notice of the water conservation level condition on its website and include it in its regular billing statement or in a separate mailing to the District's customers. The District Water Department will monitor the projected supply and demand for water during periods of emergency or drought and will recommend to the General Manager the extent of the conservation required. The General Manager will recommend to the Board of Directors the implementation or termination of the appropriate level of water conservation in accordance with this Section 4.
- 4.9.2 The mandatory conservation measures applicable to Level 1 Condition, Level 2 Condition, Level 3 Condition, or Level 4 Condition will take effect three days following the date of mailing notice of the declared level either through the District's regular billing statements or a separate mailing to the District's customers.
- 4.9.3 The Board of Directors may declare an end to a particular water conservation level condition upon recommendation of the General Manager by the adoption of a resolution at any regular or special meeting of the Board of Directors.
- 4.10 Hardship Variance.
- 4.10.1 If, due to unique circumstances, a specific requirement of this Section 4 would result in an undue hardship to a customer using District water or to property upon which such

water is used, that is disproportionate to the impacts to water users generally or to similar property or classes of water uses, then the customer may apply for a variance to the requirement as provided in this subsection 4.10.

- 4.10.2 The variance may be granted or conditionally granted only upon a written finding of the existence of facts demonstrating an undue hardship to a customer or to property upon which water is used, that is disproportionate to the impacts to water users generally or to similar property or classes of water user due to specific and unique circumstances of the user or user's property.
- 4.10.3 Application. An application for a variance shall be in a written form as prescribed by the General Manager or his/her designee and shall be accompanied by a non-refundable processing fee in the amount set by the Board of Directors. The written application shall be accompanied by photographs, maps, drawings, or other pertinent information, as applicable, including a written statement of the applicant explaining the basis for the variance required and reasons therefor.
- 4.10.4 Approval Authority. The General Manager or his/her designee will exercise approval authority and act upon any completed application after submittal and may approve, conditionally approve, or deny the variance. The applicant requesting the variance will be promptly notified in writing of any action taken. The decision of the General Manager or his/her designee shall be final unless the applicant files a written appeal to the Board of Directors within 10 days after the date of the decision. Unless specified otherwise at the time a variance is approved, the variance shall apply to the subject property only during the term of the applicable water conservation level condition.
- 4.10.5 Required Findings for Variance. An application for variance will be denied unless the approving authority finds, based on the information provided in the application, supporting documents, or such additional information as may requested, and on water use information for the property as shown by the records of the District, all of the following.
- (a) That the variance does not constitute a grant of special privilege inconsistent with the limitations upon other District customers.
 - (b) That because of special circumstances applicable to the property or its use, the strict application of this Section 4 would have a disproportionate impact on the property or use that exceeds the impacts upon customers generally.
 - (c) That the approval of such variance will not be of substantial detriment to adjacent properties, and will not materially affect the ability of the District to effectuate the purpose of this Section 4 and will not be detrimental to the public interest.

- (d) That the condition or situation of the subject property or the intended use of the property for which the variance is sought is not common, recurrent or general in nature.

4.10.6 No relief shall be granted to any customer for any reason in the absence of a showing by the customer that the customer has achieved the maximum practical reduction in water consumption in the customer's residential, commercial, industrial, institutional, agricultural, or governmental water consumption, as applicable.

4.11 Violations and Penalties.

4.11.1 It is unlawful for any customer to violate any of the permanent or mandatory water conservation requirements in this Section 4. Violations will be subject to the following administrative penalties and remedies:

- (a) Upon the observance by District personnel of a violation of any of the permanent water conservation requirements or any mandatory requirements imposed by the District in response to the declaration of a Level 1, 2, 3, or 4 Condition, the District employee shall fill out a violation form, and return the form(s) to the District office for action. The violation form shall at a minimum include the following information:
 - (i) Address and meter serial number of violator;
 - (ii) Date and time violation was observed; and
 - (iii) Nature of the violation.
- (b) First Violation. A copy of a violation notice will be left with someone at the establishment, or left in a conspicuous spot, at the time of the violation observance.
- (c) Second Violation. A copy of the violation notice will be sent to the address of the violator by certified mail, return receipt requested, with a form letter explaining the gravity of the situation, and the penalties for future violations. A fee for the District's costs associated with the letter and its mailing, as established by resolution of the Board of Directors, will be assessed to the account of the violator.
- (d) Third Violation. A one (1) gallon per minute flow restriction will be installed at the violator's meter, and left in place for a forty-eight (48) hours; unless the violation occurs on a Friday in which case the restriction will be removed at 7 a.m. the following Monday. Installation and removal charges in the amount

established by Board resolution and published in the Master Schedule of Fees and Charges will be assessed to the account of the violator.

- (e) Fourth and Subsequent Violations. The water meter will be removed from the premises of the violator and the service connection disabled. The meter will be re-installed no earlier than at the beginning of the next business day, after the violator's payment of a reconnection charge in the then-applicable amount established by Board resolution and published in the Master Schedule of Fees and Charges.
- (f) The cumulative impact of multiple violations is limited to a period of one year from the date of the first violation.

4.11.2 In addition to the above administrative penalties and remedies, violators of mandatory water conservation requirements imposed by the District in response to the declaration of a Level 2, 3, or 4 Condition shall be subject to criminal penalties in accordance with California Water Code sections 377 and 71644.

SECTION 5: WATER CONSERVATION RETROFIT PROGRAM.

5.1 Purpose.

This program is intended to extend the District's present water supply and/or sewage treatment capacity. In order to accomplish these objectives, the program will allow an applicant for a water and/or sewer will serve commitment or water and/or sewer service to obtain such commitment or service if such applicant undertakes the retrofit of existing buildings within the District, which will permanently reduce water use equal to twice the water requirements of the applicant's proposed project.

5.2 Applications for Participation.

- (a) Any person or entity desiring water and/or sewer service or a will serve commitment for water and/or sewer service to a specific premises within the District or its sphere of influence, whether or not such person or entity is on the District's current waiting list for will serve commitment or service, may apply to the District for participation in the water conservation retrofit program. Such person or entity shall submit an application for such will service commitment or service, as applicable, in accordance with the provisions of Sections 2.2 or 2.3. An application for participation in the water conservation retrofit program shall be for service or a will service commitment for service to a specific premises within the District or its sphere of influence.
- (b) In the event that an application for participation in the water conservation retrofit program concerns premises outside of the District, but within its sphere of influence, then the applicant shall enter into a contract with the District in a form acceptable to

the District addressing the applicant's participation in the District's water conservation retrofit program and the terms and conditions pursuant to which the District will extend service to the applicant's premises. Such participation shall be consistent with the terms and conditions of this Section 5.2. The District shall not proceed with the determination set forth in Section 5.3 until such contract is executed. In addition, and also prior to the District's determination set forth in Section 5.3, the applicant, at its sole cost and expense, shall obtain approval from the San Luis Obispo County Local Agency Formation Commission for the extension of service by the District to the applicant's premises.

5.3 Determination of Required Number of Retrofits for Approval of Application.

- (a) Based on the information set forth in the applicant's application, the District shall determine the number of buildings or other structures within the District that the applicant shall retrofit in order for the applicant's application for a water will serve commitment or water service, as applicable, to be approved. The District's determination shall be pursuant to Table A, below. The applicant shall be required to retrofit that number of buildings or other structures, which will conserve the amount of water equivalent to twice the number of water or sewer units of use, as applicable, proposed by the applicant for the premises identified in his or her application.
- (b) In the event an applicant applies for a water will serve commitment only or for water service only and such applicant retrofits buildings or other structures receiving District sewer service, any sewer units of use conserved by such retrofit work shall belong to the District, not the applicant, and shall be allocated by the District in whatever manner it determines to be in the public interest.
- (c) The District requires the applicant to retrofit that number of buildings or other structures which will conserve that amount of water equivalent to twice the number of water or sewer units of use, as applicable, proposed by the applicant for the premises identified in his application for, among other purposes, to make the District's water supply more reliable and to ensure that the amount of water that is actually conserved as a result of the applicant's retrofit efforts at least equals that number of water or sewer units of use, as applicable, that will be committed to the applicant pursuant to his application. If the District determines that the efforts of its retrofit applicants actually conserve more water than the applicable number of units of use committed to those applicants and such excess is not needed for the reliability of the District's water supply or to conserve its sewage treatment capacity, then the District can allocate units of use in whatever manner it determines to be in the public interest.

Table A
Residential Retrofit Unit Required

	Average Usage	Retrofit Units Required*
Single Family Residence Small (up to 10,000 square feet)	0.64 AFY/unit	12
Single Family residence Medium (10,000 to 22,000 square feet)	1.02 AFY/unit	20
Single Family Residence Large (22,000 square feet to 1 acre)	1.7 AFY/unit	32
Single Family residence (over 1 acre)	2.9 AFY/unit	54

* Estimated retrofit units required are calculated by dividing the average usage by the anticipated retrofit savings from retrofitting one equivalent single family dwelling eg.

$$\begin{aligned}
 1 \text{ new SFR up to 10,000 square feet} &= 17,250 \\
 & \quad (\text{gal/mo used})/2857 (\text{gal/mo saved}) \\
 &= 6.04 \text{ units} \\
 & \underline{\times 2 (\text{offset factor})} \\
 &= 12 \text{ units to retrofit}
 \end{aligned}$$

The number of retrofit units required for other examples is found by dividing projected usage by the estimated water savings per residential unit retrofitted (2857 gal/mo) and multiplying by the off-set factor (2).

An offset factor of 2 is used (amount of water initially saved versus water estimated to be consumed = 2:1) because the District needs to be assured that the water savings generated is a permanent savings. Retrofit requirements for the other proposed uses, such as commercial uses, will be calculated by converting the anticipated water usage to equivalent single family residences using the flow requirements shown in Metcalf and Eddy, Second Edition, as currently required by the District ordinances, and then dividing the projected usage by the retrofit unit saving (2857 gal/mo) and multiplying by the offset factor of 2 to calculate the number of retrofit units required.

5.4 Retrofit Program Procedure.

The procedure for retrofitting buildings or other structures within the District shall be as follows:

- (a) Once the applicant has completed and submitted the requisite application form and paid any applicable application fees, the District shall make available to the applicant a list of District customers who have expressed an interest in participating in the water

conservation retrofit program. District customers only can qualify for such participation. The applicant shall complete a form for each District customer who has expressed a willingness to participate in the program and has agreed to have the applicant retrofit his premises. The District shall provide the applicant with the requisite form. A form shall be completed for each District customer whose premises will be retrofitted. The customer must sign the form.

- (b) Before the District will conduct a pre-inspection of any customer premises to be retrofitted, the applicant must submit to the District completed and signed forms from District customers, equivalent to the required number of retrofits specified by the District pursuant to Section 5.3. Upon submission of such forms, the District shall inspect each customer premises proposed to be retrofitted by the applicant. The District inspector shall determine which fixtures within each premises shall be retrofitted. When the pre- inspections have been completed, the District shall notify the applicant whether the requisite number of retrofits has been submitted. If the requisite number has not been submitted, then the applicant shall procure any additional District customer participation needed and submit completed and signed forms associated therewith. The District shall conduct further pre- inspections once such completed forms have been submitted. No retrofit work shall be performed by the applicant until the District determines that the required number of retrofits has been arranged by the applicant. The District shall provide the applicant with written notice of such determination. Upon providing such notice, the applicant shall be required to retrofit each of the premises approved by the District for retrofit, subject to the continued participation by the District customer. The customer at all times has the right to withdraw from participation in the water conservation retrofit program, unless the work has already commenced. If any customer withdraws, then the applicant shall obtain the additional customer participation needed consistent with the above procedures.
- (c) The applicant shall be fully responsible financially and otherwise for all work related to the retrofit of the premises of the District customer. The District shall not be a party to any financial or liability agreements between the customer and the applicants.
- (d) Retrofits shall be conducted by licensed, bonded and insured contractors. The General Manager of the District may require that a contractor submit a bond or cash deposit to the District and attend the District sponsored orientation programs. On request, the contractor shall provide the District with a detailed invoice of all costs associated with any retrofit.
- (e) The retrofit shall be conducted so that the customer's premises shall meet the requirements of the definition of retrofit as provided herein this Section 5. The District shall maintain a list of approved replacement fixtures/reduction devices which meet the requirements of such definition. Other fixtures/devices may be approved by the District so long as they meet applicable State of California standards and the

requirements set forth herein. The District customer shall have the right to choose any approved fixture or device and the color thereof of like type. If the customer wishes to upgrade, they may do so at their expense.

- (f) At the time of the retrofit, the plumbing system of the District customer's premises shall be inspected for leaks. If minor leaks (less than two gallons per hour) are found, they shall be repaired by the applicant, at his cost. In addition, a water pressure test shall be conducted. Water pressure regulators shall be adjusted or installed in order that the water pressure does not exceed 50 psi. The regulator shall be installed as close to the water meter as practical. This work shall be done by the applicant or his contractor at his cost. Major leaks (two gallons or more an hour) found in the plumbing system shall require repair by the District customer before a retrofit is approved.
- (g) The contractor shall be responsible for the disposal of old toilets and the replacement of the toilet seat if required by the District customer. Old toilets, all refuse and discarded materials generated by the retrofit shall be removed from the customer's premises on the same day that the work is performed. Failure to remove materials as required shall result in the assessment of a mandatory reinspection fee. All additional repairs needed to make the toilet fit the customer's bathroom, as well as repairs for damage, shall be at the applicant's expense.
- (h) When all of the retrofit work has been completed for a District customer, the applicant shall notify the District for the purpose of arranging a final inspection. The District's final inspection shall not occur until all of the retrofit work has been completed for that premises.

5.5 Approval of Water Service Applications or Issuance of Water Will Serve Commitment Upon Completion of the Retrofit Work.

- (a) Upon District determination that the applicant has completed all of the required retrofit work, the District shall provide the applicant with written notice thereof.
- (b) If the applicant's application is for a water will serve commitment, then upon such notice, the applicant shall be subject to the same terms and provisions of Section 2.2, applicable to an applicant who has received a notice of availability of facility capacity, and shall otherwise be subject to this Code, and District rules, regulations and ordinances governing will serve commitments.
- (c) If the applicant applied for water service, then within 60 days of such notice, the applicant shall pay all applicable charges, including the requisite water hook-up fees in effect at the time of the notice. Once such fees have been paid and the applicant has otherwise complied with other District rules and regulations governing water service, then the applicant's application for water service shall be deemed complete. As of that

date, the applicant shall be entitled to a water service permit for the subject premises, and such permit shall be subject to the terms and provisions of Section 2.3.

5.6 Retrofit Program Application Fees.

- (a) At the time an application is submitted to participate in the water conservation retrofit program, the applicant shall submit an application fee to the District. The fee shall be established by the Board by resolution and published in the Master Schedule of Fees and Charges for: (1) applications for water will serve commitments or water service involving three or less units of use; and (2) applications for water will serve commitments or water service involving more than three units of use.
- (b) The fee set forth in subdivision (a) shall cover the District's costs of administering the water conservation retrofit program, as well as pre- inspections and final inspections required in connection with the applicant's application.
- (c) Upon the District's determination that the applicant has completed all of the required retrofit work, any fees advanced by the applicant in excess of the District's actual costs shall be refunded to the applicant without interest. Conversely, any costs incurred by the District over and above the fees advanced by the applicant shall be paid by the applicant upon demand and before the issuance of any water service permit or water will serve commitment, as applicable.
- (d) In the event that an applicant withdraws from participation in the program prior to completing the required retrofit work, the District shall refund without interest any fees deposited by the applicant that have not been used by the District prior to the date of withdrawal. Conversely, any costs incurred by the District in excess of the fees advanced by the applicant shall be paid by the applicant within 30 days of the date of a bill therefor.
- (e) Interest shall accrue on any late payment at the legal rate.

SECTION 6: BACKFLOW CONNECTION CONTROL PROGRAM.

6.1 Cross Connection Protection Requirements: General Provisions.

- (a) Unprotected cross-connections with the public water supply are prohibited.
- (b) Any and all water supply lines from the District's mains entering any premise, building, or structure shall be protected by an approved backflow prevention device wherever backflow protection has been found necessary on a water supply line entering that premises, such as where the premise, building or structure has any supplemental water supply. The type of device to be installed will be in accordance with the requirements of this Section 6.

- (c) Whenever backflow protection has been found necessary, the District will require the water user to install an approved backflow prevention device by and at his/her expense for continued services or before a new service will be granted.

6.2 Where Cross Connection Protection Required.

- (a) Each service connection from the District water system for supplying water to premises having 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.
- (b) Each service connection from the District water system for supplying water to any premises on which any substance is handled in such fashion as may allow its entry into the water system shall be protected against backflow of the water from the premises into the public system. This shall include the handling of industrial or process waters, waters originating from the District water system subjected to deterioration in sanitary quality, and where the customer is engaged in the handling of especially dangerous or corrosive liquids. In such situations, the District may require the customer to eliminate certain plumbing or piping connections as an additional precaution and as a protection of the back flow prevention device.
- (c) Backflow prevention devices shall be installed on the service connection to any premises having (i) internal cross-connections that cannot be permanently corrected and controlled to the satisfaction of the state or local health department and the District, or (ii) intricate plumbing and piping arrangements or 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.

6.3 Type of Protection Required.

- (a) The type of protection that shall be provided to prevent backflow into the approved water supply shall be commensurate with the degree of hazard that exists on the consumer's premises. The type of protective device that may be required (listed in an increasing level of protection) includes: Double Check Valve Assembly (DC), Reduced Pressure Principle Backflow Prevention Device (RP), and an Air-gap Separation (AG). The water user may choose a higher level of protection than required by the District. The minimum types of backflow protection required to protect the approved water supply at the user's water connection to premises, with varying degrees of hazard, are given in Table A. Situations that are not covered in Table A shall be evaluated on a case-by-case basis, and the appropriate backflow protection shall be determined by the District or health agency.

Table A

TYPE OF BACKFLOW PROTECTION REQUIRED

	Degree of Hazard	Minimum Type of Backflow Prevention
a)	Sewage and Hazardous Substances:	
	(1) Premises where there are wastewater pumping and/or treatment plants and there is no interconnection with the potable water system. This does not include a single-family residence that has a sewage lift pump. An RP may be provided in lieu of an AG if approved by the health agency and the District.	AG
	(2) Premises where recycled water is used and there is no interconnection with the potable water system. An RP may be provided in lieu of an AG if approved by the health agency and the District.	AG
	(3) Premises where hazardous substances are handled in any manner in which the substances may enter a potable water system. This does not include a single-family residence that has a sewage lift pump. A RP may be provided in lieu of an AG if approved by the health agency and the District.	AG
	(4) Premises where there are irrigation systems into which fertilizers, herbicides, or pesticides are, or can be, injected.	RP
b)	Auxiliary Water Supplies:	
	(1) Premises where there is an unapproved auxiliary water supply that is interconnected with the public water system. A RP or DC may be provided in lieu of an AG if approved by the health agency and the District.	AG
	(2) Premises where there is an unapproved auxiliary water supply and there are no interconnections with the public water system. A DC may be provided in lieu of an RP if approved by the health agency and the District.	RP
c)	Recycled Water:	
	(1) Premises where the public water system is used to supplement the recycled water supply.	AG
	(2) Premises where recycled water is used, other than as allowed in paragraph (3), and there is no interconnection with the potable water system.	RP

	(3) Residences using recycled water for landscape irrigation as part of an approved dual plumbed use area unless the District and local health agency approves an alternative backflow protection plan that includes an annual inspection and annual shutdown test of the recycled water and potable water systems.	DC
d)	Fire Protection Systems:	
	(1) Premises where the fire system is directly supplied from the public water system and there is an unapproved auxiliary water supply on or to the premises (not interconnected).	DC
	(2) Premises where the fire system is supplied from the public water system and interconnected with an unapproved auxiliary water supply. A RP may be provided in lieu of an AG if approved by the health agency and the District.	AG
	(3) Premises where the fire system is supplied from the public water system and where either elevated storage tanks or fire pumps which take suction from the private reservoirs or tanks are used.	DC
	(4) Buildings where the fire system is supplied from the public water system and where recycled water is used in a separate piping system within the same building.	DC
e)	Premises where entry is restricted so that inspections for cross-connections cannot be made with sufficient frequency or at sufficiently short notice to assure that cross-connections do not exist.	RP
f)	Premises where there is a repeated history of cross-connections being established or re-established.	RP

- (b) Two or more services supplying water from different street mains to the same building, structure, or premises through which an interstreet main flow may occur, shall have at least a standard check valve on each water service to be located adjacent to and on the property side of the respective meters. The check valve is inadequate if backflow protection is deemed necessary to protect the District's mains from pollution or contamination; in such cases, the installation of approved backflow devices at such service connections shall be required.

6.4 Backflow Protection Devices.

- (a) Only backflow prevention devices that the District approves and that meet the requirements of sections 7601 and 7602 of Title 17 of the California Code of Regulations shall be acceptable for installation by a water user connected to the District's potable water system.

- (b) The District will provide, upon request, to any affected customer a list of approved backflow prevention devices.

6.5 Backflow Protection Device Installation.

- (a) General Provision. Backflow prevention devices shall be installed in a manner prescribed in Section 7603, Title 17 of the California Code of Regulations. Location of the devices should be as close as practical to the user's connection. The District shall have the final authority in determining the required location of a backflow prevention device.
- (b) Air-gap Separation (AG) - The air-gap separation shall be located on the user's side of the service connection and shall be located as close to the service connection as is practical. All piping from the service connection to the receiving tank shall be above grade and be entirely visible. No water use shall be provided from any point between the service connection and the air-gap separation. The water inlet piping shall terminate a distance of at least two (2) pipe diameters of the supply inlet, but in no case less than one (1) inch above the overflow rim of the receiving tank.
- (c) Reduced Pressure Principle Backflow Prevention Device (RP) - The approved reduced pressure principle backflow prevention device shall be installed on the user's side of the service connection and located as close to the service connection as is practical. The device shall be installed a minimum of twelve inches (12") above grade and not more than thirty-six inches (36") above grade measured from the bottom of the device and with a minimum of twelve inches (12") side clearance. The device shall be installed so that it is readily accessible for maintenance and testing. Water supplied from any point between the service connection and the RP device shall be protected in a manner approved by the District.
- (d) Double Check Valve Assembly (DC) - The approved double check valve assembly shall be located as close as practical to the user's connection and it shall be installed above grade, if possible, and in a manner where it is readily accessible for testing and maintenance. If a double check valve assembly is put below grade, it must be installed in a vault such that there is a minimum of six inches (6") between the bottom of the vault and the bottom of the device, so that the top of the device is no more than a maximum of eight inches (8") below grade, so there is a minimum of six inches (6") of clearance between the side of the device with the test cocks and the side of the vault, and so there is a minimum of three inches (3") clearance between the other side of the device and the side of the vault. Special consideration must be given to double check valve assemblies of the "Y" type. These devices must be installed on their "side" with the test cocks in a vertical position so that either check valve may be removed for service without removing the device. Vaults that do not have an integrated bottom must be placed on a three-inch (3") layer of gravel.

6.6 Backflow Prevention Device Testing and Maintenance.

- (a) The owners of any premises on which, or on account of which, backflow prevention devices are installed, shall have the devices tested by a person who has demonstrated to the District his competency in testing of these devices. Backflow prevention devices must be tested by a certified backflow prevention device tester on an annual basis, or more often if so required by the District, and immediately after installation, relocation, or repair. The District may require a more frequent testing schedule if it is determined to be necessary. No device shall be placed back in service unless it is functioning as required. A report in a form acceptable to the District shall be filed with the District each time a device is tested, relocated, or repaired. These devices shall be serviced, overhauled, or replaced whenever they are found to be defective, and all costs of testing, repair, and maintenance shall be borne by the water user.
- (b) The District will supply affected water users with a list of certified backflow prevention device testers who may test backflow prevention devices. The District will notify affected customers by mail when the testing of a device will occur. The District will also supply users with the necessary forms that require completion each time a device is tested or repaired.
- (c) The District will maintain reports of testing and maintenance of backflow prevention devices for a minimum of three years.

6.7 Backflow Prevention Device Removal.

- (a) Approval must be obtained from the District before a backflow prevention device is removed, relocated, or replaced.
- (b) Removal: The use of a device may be discontinued and the device removed from service upon presentation of sufficient evidence to the District to verify that a hazard no longer exists and is not likely to be created in the future;
- (c) Relocation: A device may be relocated following confirmation by the District that the relocation will continue to provide the required protection and satisfy installation requirements set forth in this Section 6 and by law. A retest will be required following the relocation of the device;
- (d) Repair: A device may be removed for repair, provided the water use is either, (1) discontinued until repair is completed and the device is returned to service, or (2) the service connection is equipped with other backflow protection approved by the District after the District is notified about the removal of the device. A retest will be required following the repair of the device; and

- (e) Replacement: A device may be removed and replaced provided the water use is discontinued until the replacement device is installed. All replacement devices must be approved by the District prior to removal of the existing device and must be commensurate with the degree of hazard involved.

6.8 User Supervisor.

At each premises where the District has the opinion that it is necessary, a user supervisor shall be designated by and be at the expense of the water user. This user supervisor shall be responsible for the monitoring of the backflow prevention devices and for avoidance of cross connections. In the event of contamination or pollution of the drinking water system due to a cross-connection on the premises, the user supervisor shall promptly notify the District so that appropriate measures may be taken to overcome the contamination. The water user shall annually inform the District of the identity of the user supervisor, and whenever a change occurs.

6.9 Administrative Procedures, Water System Survey.

- (a) The District shall review all requests for new services to determine if backflow protection is needed. As a condition of service for new service connections, plans and specifications must be submitted to the District, if requested, for review of possible cross-connection hazards. If it is determined that a backflow prevention device is necessary to protect the public water system, the required device must be installed before service will be granted.
- (b) The District may require an on-premise inspection to evaluate cross- connection hazards. The District will transmit a written notice requesting an inspection appointment to each affected water user. Any customer who cannot or will not allow an on-premise inspection of his or her piping system shall be required to install the backflow prevention device considered necessary by the District.
- (c) At its discretion, the District may require a reinspection for cross- connection hazards of any premise to which it serves water. The District will transmit a written notice requesting an inspection appointment to each affected water user. Any customer who cannot or will not allow an on- premise inspection of his or her piping system shall be required to install the backflow prevention device considered necessary by the District.

6.10 Administrative Procedures, Customer Notification – Device Installation.

- (a) The District will notify the water user of the survey findings, and it will list required corrective actions. All corrective action required, including installation of backflow prevention devices, must be completed within 60 days of the date of the notice.

- (b) The District will provide a second notice to each water user who does not take the required corrective action prescribed in the first notice within the allowed 60-day period. The second notice will give the water user one month to take the required corrective action. If no action is taken within the one-month period, then the District may terminate water service to the affected water user until the required corrective actions have been completed.

6.11 Administrative Procedures, Customer Notification – Testing and Maintenance.

- (a) The District will notify each affected water user that the backflow prevention device installed on his or her service connection must be tested. This written notice shall give the water user 30 days to test the device and provide to the District the necessary form that must be completed.
- (b) A second notice shall be sent to each water user who does not have his/her backflow prevention device tested as prescribed in the first notice within the 30-day period allowed. The second notice will give the water user a two- week period to have his or her backflow prevention device tested. If within the two-week period the device is not tested, and the necessary form is not completed and provided to the District, the District may terminate water service to the affected water user until the subject device is tested and the necessary form is completed and provided to the District.

6.12 Water Service Termination.

- (a) When the District encounters water uses that represent a clear and immediate hazard to the potable water supply that cannot be immediately abated, the District shall institute the procedure for discontinuing the District water service. Conditions or water uses that create a basis for water service termination shall include, but are not limited to, the following items:
 - (i) Refusal to install a required backflow prevention device;
 - (ii) Refusal to test a backflow prevention device;
 - (iii) Refusal to repair a faulty backflow prevention device;
 - (iv) Refusal to replace a faulty backflow prevention device;
 - (v) Direct or indirect connection between the public water system and a sewer line;
 - (vi) Unprotected direct or indirect connection between the public water system and a system or equipment containing contaminants;

- (vii) Unprotected direct or indirect connection between the public water system and an auxiliary water system; and
 - (viii) A situation that presents an immediate or imminent health hazard to the public water system.
- (b) For conditions (i), (ii), (iii), or (iv) set forth in subdivision (a), the District will terminate service to a customer's premise after two written notices have been sent specifying the corrective action needed and the time period in which it must be done. Water service may be terminated if no action is taken within the allowed time period.
- (c) For conditions (v), (vi), (vii), or (viii) set forth in subdivision (a), the District will take the following steps:
- (i) Make a reasonable effort to advise water user of the District's intent to terminate water service; and
 - (ii) Terminate the water user's water supply and lock the water user's service valve. The water service will remain inactive until the District has approved the correction of the violations that caused the basis for water service termination.

6.13 Requirements For Certification as a Backflow Prevention Device.

Competency in all phases of backflow prevention device testing and repair must be demonstrated by means of education and/or experience in order to obtain certification. Such proof of competency shall be submitted in writing to the District prior to certification.

The following are the minimum requirements that must be furnished to the District before an applicant can be certified by the District as a backflow prevention device tester:

- (a) Evidence that demonstrates at least two (2) years' experience in plumbing or pipe fitting or equivalent qualifications;
- (b) A valid and current certificate from the American Water Works Association (AWWA) California-Nevada Section, from a County certification program, or equivalent training in the opinion of the District and the Health Agency; and
- (c) Evidence that demonstrates that the applicant has available the necessary tools and equipment to properly test such devices. The applicant shall be responsible for the competency and accuracy of all tests and reports he or she prepares. The certificate issued to any backflow prevention device tester is valid for a period of one year and may be revoked, suspended, or not renewed by the District for improper testing, repairs, and/or reporting.

6.14 Backflow Device Charges.

Each water user with a backflow prevention device installed in compliance with this program or any law, or who is required to install a backflow prevention device pursuant to this program or any other law, must pay a monthly service charge to the District as established by Board resolution and published in the Master Schedule of Fees and Charges. This charge will be included on the water user's regular monthly bill provided by the District.

SECTION 7: FEES AND CHARGES.

7.1 Water Connection and Hook-Up Fees.

Each connector may be required to pay, at a rate established by resolution adopted by the Board and published in the Master Schedule of Fees and Charges, the following:

- (a) Connection fees for each connection.
- (b) Fees for the inspection of the connection of the water line from the District's water line to the building.
- (c) Backflow protective service inspection fee providing a backflow protective device required to be installed in accordance with Section 6.

7.1.1 Residential Water Hook-up Fees.

The water hook-up fee shall be the amount established by the Board by resolution and stated in the District's Master Schedule of Fees and Charges.

7.1.2 Commercial, Industrial and Other Similar Water Hook-up Fees.

The water hook-up fee shall be the amount established by the Board by resolution and stated in the District's Master Schedule of Fees and Charges.

To determine the equivalent number of units of use for District commercial, industrial and other similarly situated customers, for purposes of calculating the amount of hook-up fees for such customers, the District shall use the applicable water use rates, using gallons, for such customers set forth in the Metcalf & Eddy, Inc., Wastewater Engineering Treatment and Reuse (Fourth Edition).

7.1.3 Secondary Dwelling Water Hook-up Fees.

For a Secondary Dwelling that does not meet requirements (i)-(v) listed in Section 2.2.7(a), payment of a water hook-up fee shall be required before service can be

provided by the District. The hook-up fee shall be the amount adopted by Board resolution and published in the District's Master Schedule of Fees and Charges.

7.2 Application Fees.

When a person applies for a District water service permit, the applicant may be required to pay, at a rate established by District resolution and set forth in the District Master Schedule of Fees and Charges, fees for the following:

- (a) Application fee for the administrative costs involved in processing each application.
- (b) Inspection fees to cover the cost of field and structure inspection of the proposed construction.
- (c) Plan checking fees to cover the cost of reviewing all plans for compliance with District Standards and Specifications.
- (d) Any other necessary administrative, engineering and legal fees incurred by the District for work performed.

Any person who pays these fees and whose application expires or is canceled, withdrawn, voided, terminated or abandoned, whether voluntarily or involuntarily, shall not be entitled to a refund or credit of these fees.

7.3 Water User Rates.

7.3.1 Rates.

The monthly water user rates shall be adopted and adjusted from time to time by a resolution adopted by the District Board and published in the District Master Schedule of Fees and Charges.

7.3.2 Time Charges Become Due.

All accounts are due upon receipt and payable at the District office. Bills are sent as a courtesy and failure to receive a bill does not relieve owner of responsibility to pay, or of penalties levied for non-payment.

7.4 Returned Check Charge.

For any check which has been received by the District for payment of rates, charges, fees or other costs of the District as set forth in District ordinances, regulations and this Code, which check has been deposited twice and returned to the District unpaid by the bank upon which it is drawn, a charge for the returned check adopted by resolution and published in the then-

current Master Schedule of Fees and Charges shall be imposed upon the account to which the payment was originally applied.

7.5 Administrative and Inspection Fees.

7.5.1 Account Opening and Closing.

An account opening fee established by resolution and published in the Master Schedule of Fees and Charges shall be levied to cover the cost of opening and closing an account.

7.5.2 Plan Checking and Inspection for New Subdivision.

A fee established by resolution and published in the Master Schedule of Fees and Charges and based on the estimated cost of water and sewer improvements in a new subdivision will be charged to cover the cost of plan checking and inspection. The estimated costs of improvements must be verified by the General Manager.

7.5.3 Will Serve Letter Administrative Charge.

A fee established by resolution and published in the Master Schedule of Fees and Charges shall be levied to cover the cost of administrative support, time, and materials for the preparation of will serve letters, update requests on will serve letters, issuance of will serve letters for remodel projects and swimming pools. These letters are prepared in accordance with this Code.

7.5.4 Copying fees.

A per page copy fee established by resolution and published in the Master Schedule of Fees and Charges will be charged.

7.5.5 Notification to Disconnect Fee.

There shall be a fee, established by resolution and published in the Master Schedule of Fees and Charges, for each notification to disconnect service notice that the District places at the customer's premises.

SECTION 8: ENFORCEMENT OF WATER FEES & DISCONTINUATION OF WATER SERVICE.

8.1 Collection and Enforcement of Water User Rates and Charges.

The provisions in this Section 8 shall apply to the collection and enforcement of District water user charges and rates, and of drainage facilities maintenance fees.

8.2 Established as a Means of Enforcement.

The District hereby declares that the procedures set forth herein are established as a means of enforcement of the terms and conditions of its Code, ordinances, rules and regulations, and not as a penalty.

8.3 Property Owner Responsibility and Basis of Billing.

Whether or not the customer, the owner of property that is furnished water service shall be responsible for all rates, charges or fees, including penalties and interest thereon, respecting such furnished services. Water and sewer service, and drainage facilities maintenance service shall be billed together on a monthly basis. The billing statement will be for service rendered during the preceding month. A statement shall become delinquent on the 20th day of the month following the month in which service is rendered.

8.4 Penalties.

A one-time basic penalty of ten percent (10%) of the charge, rate or fee (hereinafter in this Section 8, charge, rate and fee shall be collectively referred to as "charge," unless otherwise specifically noted) for a month shall be added to each delinquent charge for the first month that the charge is delinquent. Thereafter, an additional penalty of one percent (1%) per month shall be added to all delinquent charges and basic penalties until such time as the delinquent charges and penalties have been paid. Monies paid when any portion of an account is delinquent shall first be credited to the delinquent portion and then to the current billing. Upon request, a customer shall be entitled once in any twelve month period as set by the District to a waiver of one basic penalty.

8.5 Judicial Relief and Attorney's Fees.

- (a) In the event that any customer fails to timely pay a billing statement, the customer shall be deemed to be in default and in such case, the District may declare the balance or remaining balance due and payable.
- (b) The General Manager is authorized and directed to file any and all necessary legal actions in the appropriate small claims court within the County of San Luis Obispo and to appear in Court thereon on behalf of District to collect all unpaid water bills and basic penalties and other penalties thereon that may be due.
- (c) In the event that the District is required to bring an action to collect any sum in default, the customer shall pay any attorneys' fees, court costs or other costs incurred by the District to bring such action.

8.6 Lien.

- (a) In case any charge becomes delinquent, the amount of the delinquency may in the discretion of the District be secured by filing for record in the office of any county recorder, a certificate specifying the amount of such charge and the name and address of the person liable therefor. The District may from time to time compile lists of such delinquent charges, and record them with the county recorder as liens.
- (b) The District shall include a statement on its bill to each customer or property owner, or shall provide such statement to each property owner by any other means, that any charge remaining delinquent for a period of sixty (60) days shall constitute a lien against the lot or parcel of land against which the charge was imposed.

8.7 Discontinuance of Service.

- (a) Generally, in the event of a violation of any ordinance of the District or of its rules and regulations, or of a failure to timely pay applicable charges, rates or fees, the District shall notify the person or persons causing, allowing or committing such violation, in writing, specifying the violation and that upon the failure of such person or persons to cease or prevent further violation within the time specified in the notice, the District will disconnect service to the property in question.
- (b) Residential customers who are 65 years of age or older, or who are dependent adults as defined in section 15610.23 of the Welfare and Institutions Code, shall be notified that they may request that the District notify a designated third person when the customer's account is past due and subject to termination.

8.7.1 Discontinuance of Residential Service.

Water service may be discontinued for any of the following reasons:

- (a) Delinquency in the payment of any water service rate or charge, except that residential service shall not be discontinued for nonpayment in any of the following situations:
 - (i) During the pendency of any investigation by the District of a customer dispute or complaint;
 - (ii) When a customer has been granted an extension of the period for payment of a bill respecting water service.
 - (iii) On the certification of a licensed physician and surgeon that to do so will be life threatening to the customer and the customer is financially unable to pay for service within the normal payment period and is

willing to enter into a amortization agreement with the District and requests permission to amortize, over a period not to exceed twelve (12) months, the unpaid balance of any bill asserted to be beyond the means of the customer to pay within the normal payment period.

- (b) The unauthorized taking of water or the taking of water in excess of the amount paid for.
- (c) Failure of the customer to maintain his facilities in a suitable condition to prevent waste of water.
- (d) The existence of any unprotected cross connections on the customer's premises or the lack of adequate backflow protection at the service connection.
- (e) Any violation by the customer of any rules and regulations of the District governing water service.

8.7.1.1 Discontinuance of Residential Service for Nonpayment.

- (a) At least ten (10) days before any proposed discontinuance of residential water service for nonpayment of a delinquent account respecting such service, the District shall mail a notice, postage pre-paid, to the customer to whom the service is billed of the proposed-discontinuance. Such notice shall be given not earlier than nineteen (19) days from the date of mailing the District's bill for such service and the ten (10) day period shall not commence until five (5) days after the mailing of the notice. In addition to the ten day notice provided for in the preceding sentence, the District shall make a reasonable attempt to contact an adult person residing at the premises of the customer by telephone or personal contact at least forty- eight (48) hours prior to any discontinuance of service, except that, whenever telephone or personal contact cannot be accomplished, the District shall give, by mail, in person, or by posting in a conspicuous location at the premises, a notice of discontinuation of service, at least forty- eight (48) hours prior to disconnection.
- (b) The notice described in subdivision (a) shall include the following information:
 - (i) The name and address of the customer whose account is delinquent;
 - (ii) The amount of the delinquency;

- (iii) The date by which payment or arrangements for payment is required in order to avoid discontinuance;
- (iv) The procedure by which the customer may initiate a complaint or request an investigation concerning service or charges, unless the District's bill for service contains a description of that procedure;
- (v) The procedure by which the customer may request amortization of the unpaid charges;
- (vi) The procedure for the customer to obtain information on the availability of financial assistance, including private, local, state or federal sources, if applicable; and
- (vii) The telephone number and name of a representative of the District who can provide additional information or institute arrangements for payment.

8.7.1.2 Discontinuance of Residential Service to Customers on Master Meters.

Whenever the District furnishes residential service to a master meter or furnishes individually metered service to a multi-unit residential structure, where the owner or manager is listed by the District as the customer of record, the District shall make every good faith effort to inform the actual users of the service, by means of a notice, when the account is in arrears, that service will be discontinued within 10 days. Such notice shall also inform the actual users that they have the right to become District customers without being required to pay the amount due under the delinquent account. Nothing in this Section 8.7.1.2 shall require the District to make service available to actual users unless each actual user agrees to the District's terms and conditions of service and meets the requirements of the District related to water service. If one or more actual users are willing and able to assume responsibility for the entire account to the satisfaction of the District, or if there is a physical means, legally available to the District, of selectively terminating service to those actual users who have not met the requirement of the District's rules and regulations, the District shall make service available to the actual users who have met those requirements.

8.7.2 Discontinuance of Service Other than a Discontinuance of Residential Service for Nonpayment.

At least ten (10) days before discontinuing water service, other than the discontinuance of residential service for nonpayment of a delinquent account, the District shall

provide a written notice which shall specify the reason for the proposed discontinuance and inform the customer of the procedure for and the availability of the opportunity to discuss the reason for the proposed discontinuance with the District General Manager, or his or her designee, who is empowered to review disputes and rectify errors and settle controversies pertaining to such proposed discontinuance of service. The name and phone number of the District General Manager, or his or her designee, shall be included in any such notice of proposed discontinuance given to a customer.

8.7.3 No Discontinuance of Service on Weekends, Holidays or After Hours.

No service shall be discontinued to any customer or user because of any delinquency in payment on any Saturday, Sunday, legal holiday or at any time during which the business offices of the District are not open to the public.

8.8 Amortization of Delinquent Bill for Residential Service.

Every complaint or request for investigation by a residential customer that is made within five (5) days after receiving the disputed bill for water service, and every request by a residential customer that is made within thirteen (13) days after the mailing of the notice required for an extension of the payment period of such a bill asserted to be beyond the means of the customer to pay in full during the normal period for payment shall be reviewed by the District General Manager, or his or her designee. The review shall include consideration of whether the customer shall be permitted to amortize the unpaid balance of the account over a reasonable period of time, not to exceed twelve (12) months. Any customer whose complaint or request for an investigation has resulted in an adverse determination by the District General Manager, or his or her designee, may appeal the determination to the Board of Directors.

8.8.1 Discontinuance of Service for Failure to Comply with Amortization Agreement.

If an amortization agreement is authorized, no discontinuance of service shall be effected for any residential customer complying with such agreement, if the customer also keeps the account current as charges accrue in each subsequent billing period. If a residential customer fails to comply with an amortization agreement, the District shall not discontinue service without giving notice to the customer at least 48 hours prior to discontinuance of the conditions the customer is required to meet to avoid discontinuance, but the notice does not entitle the customer to further investigation by the District.

8.9 Authority to Settle Controversies Relating to Discontinuance of Service.

The District General Manager, or his or her designee, is hereby authorized to investigate complaints and review disputes pertaining to any matters for which water service may be discontinued and to rectify errors and settle controversies pertaining to such matters and disputes concerning payment of water, sewer and drainage facilities maintenance fees. The

District General Manager, or his or her designee, is also authorized upon a proper showing by a residential customer, to grant permission to amortize the unpaid balance of a bill over a reasonable period of time, not to exceed twelve (12) months. At his or her discretion, the District General Manager may bring any such controversies and disputes to the Board of Directors for settlement by the Board.

8.10 Procedure on Appeal to Board.

- (a) If a customer timely files an appeal of a decision of the General Manager on discontinuance of service, the Board shall set a hearing not sooner than 10 nor more than 40 days after receipt of such appeal. Upon setting of such hearing, the District shall forthwith give written notice of the time and place thereof to the customer by either first-class mail or personal delivery.
- (b) The appeal hearing shall be held before the Board. The customer or his representative shall be permitted to present witnesses, documents or other evidence to show good cause why service should not be discontinued. The Board also may examine District records, documents, witnesses or other evidence tending to show that service should be discontinued for one or more of the grounds stated in the notice of disconnection.

8.11 Reconnection.

When water service has been disconnected as provided in this Code, the customer shall pay the unpaid account balance in full, plus a reconnect charge of fifty dollars (\$50.00), before any disconnected service will be reconnected.

8.12 Unsafe Apparatus.

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

8.13 Fraud or Abuse.

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

8.14 Collection of Delinquent Charges with Taxes.

- (a) Pursuant to Government Code Section 61115, subdivision (b), all delinquent charges, penalties and interest may be collected in the same manner as the general taxes for the District for the forthcoming fiscal year, as follows:
 - (i) The District shall prepare a written report, which shall be filed with the District Secretary. The report shall describe each parcel of real property and the amount

of the delinquent charges, penalties and interest associated with each such parcel;

- (ii) The District Secretary shall publish notice of the report's filing and of the time and place of hearing on the report, prior to the date set for the hearing. The notice shall be published at least once a week for two weeks. The District Secretary also shall mail written notice of the report's filing to each affected property owner. The notice shall state that the delinquencies, penalties and interest will be collected on the County tax roll rather than through billing procedures;
 - (iii) At the time stated in the notice, the Board of Directors shall hear and consider all objections or protests, if any, to the report. Thereafter, the Board may adopt, revise, change, or modify the report and overrule any or all objections thereto. The Board's determination on each delinquency identified in the report shall be final; and
 - (iv) Following the Board's hearing, on or before August 10 of each year, the District Secretary shall file with the County Auditor a copy of the report, signed by the Secretary, stating the Board has adopted the report. The Secretary shall request the County Auditor to include the amount of delinquencies, penalties and interest on the bills for taxes levied against the properties identified in the report. Once the transfer of delinquent amounts has been made to the County Auditor's office for collection, no payment shall be accepted by the District on said delinquent amounts except as collected by the County Auditor's office.
- (b) A fee for each assessment, charge or penalty that is referred for collection to the County Auditor, which is revised or removed from such tax roll after being submitted by the District, shall be imposed on the owner of the property to which such revised or removed item relates. The fee shall be established by Board resolution and published in the District's Master Schedule of Fees and Charges.

8.15 Public Nuisance.

During any period of disconnection, habitation of such premises by human beings shall constitute a public nuisance, whereupon the District may cause proceedings to be brought for the abatement of the occupancy of said premises by human beings during the period of such disconnection. In such event, and as a condition of reconnection, there is to be paid to the District reasonable attorney's fees and costs of suit arising in said action.

8.16 Enforcement Remedies Cumulative.

Each of the enforcement remedies available to the District as specified in this Code shall be non-exclusive and may be asserted cumulatively and in addition to, or in lieu of, any other remedy available to the District under law.

8.17 Liability.

The District and its directors, officers, agents and employees shall not be answerable for any liability or injury or death to any person or damage to any property arising during or growing out of the performance of any work by any applicant under District ordinances or resolutions. The applicant shall be answerable for, and shall protect, defend, indemnify and save the District and its directors, officers, agents and employees harmless from any and all liability, costs, expenses, damages, claims, demands, causes of action, judgments and attorney's fees, arising out of or in any way connected with the applicant's work, except for the sole or active negligence or willful misconduct of the District. Applicant shall be solely liable for any defects in the performance of his work or any failure that may develop therein.

SECTION 9: RIPARIAN WATER AGREEMENTS.

9.1 Definition of "Riparian Water Agreement" and Applicability.

For the purposes of this section, "Riparian Water Agreement" shall mean an agreement in which an owner of land with riparian rights to the waters of the Salinas River and its underflow within the District service area appoints the District its agent to divert, treat if necessary, and deliver to the landowner water under those riparian rights so that the landowner may receive water service from the District. This section describes the process by which a landowner may apply for a Riparian Water Agreement, the terms that must be included in any Riparian Water Agreement, the rules that govern performance under a Riparian Water Agreement, and the process by which a party to a Riparian Water Agreement may request additional water units of use. With the exception of section 9.4 (Requests for Additional Riparian Water), this section shall not apply to existing Riparian Water Agreements at the time this Ordinance takes effect.

9.2 Application Process for a Riparian Water Agreement.

9.2.1 Information Required of the Applicant.

Any landowner, or agent on behalf of a landowner, desiring to enter into a Riparian Water Agreement shall submit an application in the form provided by the District, which, at a minimum, will include the following:

- (i) Date of application;
- (ii) Name, address, and telephone number of owner and, if applicable, agent of subject riparian lands;

- (iii) Location, Assessor's Parcel Number(s) and legal description of the subject riparian lands, number of lots to be served, and the existing and any proposed zoning;
- (iv) Number of requested water units of use and proposed allocation of water units of use to each lot (if applicable); and size and number of water meters for requested water service;
- (v) Title history of the property, including copies of deeds sufficient to demonstrate that the property is, or derives from, property that abuts the Salinas river, or overlies other riparian land, or overlies the river's underflow; and
- (vi) Such other information as District may reasonably require.

9.2.2 Deposit.

The District may require that an application for a Riparian Water Agreement include a deposit to cover District engineering, legal, and administrative costs associated with processing the application and investigating and preparing a Riparian Water Agreement. The General Manager or his or her designee may determine the amount of this deposit, based on a reasonable estimate of such costs, and may require an applicant to submit additional funds if the original deposit is not sufficient to cover necessary costs. The District shall not be obligated to continue work on an application for a Riparian Water Agreement at any time that the deposit has been consumed by the cost of work performed by the District's staff or its consultants. When, after receiving and investigating an application, the District either (A) completes preparation of a new Riparian Water Agreement, or (B) determines that a new Riparian Water Agreement is not feasible, the District will refund to the applicant any deposit funds in excess of the District's actual costs.

9.2.3 Determination of Available Riparian Water.

After receiving the information described in section 9.2.1 and the deposit described in section 9.2.2, the District shall commence investigation and analysis to determine the specific nature of the subject property's riparian rights (if any) and whether sufficient water is available for diversion from the Salinas River or its underflow within the property's boundaries to serve the requested number of water units of use. If, in the District's reasonable discretion, the District determines that sufficient water is available as indicated in the preceding sentence, the District will enter into a Riparian Water Agreement to provide water service as the agent of the landowner's riparian rights under the terms of this section 9.

9.2.4 Compliance with Other Provisions of Water Code Required.

In order to receive water service under a Riparian Water Agreement, the owner of each parcel shall apply for service from the District as provided under section 2.3 of this Water Code and comply with all applicable ordinances, rules, and regulations of the

District governing water service, including, but not limited to, this Water Code, hook-up fees, water capacity fees, water restrictions, or water conservation requirements, and water rates and charges.

9.3 Riparian Water Agreement Rules.

9.3.1 Form of Riparian Water Agreement

A Riparian Water Agreement will include the following:

- (i) Designation and appointment of the District to serve as the sole and exclusive agent of the subject property's riparian rights to the waters of the Salinas River and its underflow, and acceptance by the District of this appointment.
- (ii) A commitment by the District to provide water service to the subject riparian lands, up to a specified number of water units of use;
- (iii) An agreement by the landowner not to pump groundwater from the subject riparian lands unless otherwise agreed to by the District;
- (iv) A commitment by the property's owner(s) to take all legal steps necessary to preserve the property's riparian rights; and
- (v) Any such additional terms as the District may determine to be necessary.

9.3.2 Recording Requirement.

The District will record a Riparian Water Agreement within five days of execution. The property owner will be responsible for any recording costs.

9.3.3 Riparian Water Agreements Run with the Land.

Because provisions of Riparian Water Agreements shall benefit and burden the District's water diversion, transmission, production, treatment and distribution facilities, and such provisions shall also benefit and burden the subject property Riparian Water Agreements are intended to constitute covenants running with the land. The District may require that a landowner enter into a new Riparian Water Agreement that applies to a property under new ownership, covered under an existing Riparian Agreement if it is deemed necessary to clarify conditions of service and/or document water unit allocation.

9.3.4 Requirement that Riparian Owner Fund Necessary District Facilities.

A property owner who executes a Riparian Water Agreement with the District shall fund any District facilities necessary to provide that property owner with water service under that Agreement.

9.3.5 Subdivision of Riparian Parcel and Allocation of Assigned Water Units of Use

If riparian lands subject to a Riparian Water Agreement are subdivided, the water units of use assigned under that agreement shall be allocated among the subdivided lands as stated in that Agreement. That allocation may be changed when the riparian lands are subdivided, provided the following requirements are met:

- (i) The allocation of water units of use provided under the Riparian Water Agreement shall be documented in a writing signed by all landowners of parcels affected;
- (ii) The writing described in Section 9.3.5(i) shall be recorded on the title of each affected parcel, and a copy shall be provided to the District;
- (iii) The change in allocations will not result in any burdens or costs to the District; and
- (iv) The change in allocation of water units of use among the subdivided parcels has received the written consent of the General Manager or his or her designee, which consent shall not be unreasonably withheld and shall be subject to such conditions as the General Manager or his or her designee deems to be reasonably required by the subdivision or the revised allocation of water units of use.

9.4 Requests for Additional Riparian Water.

9.4.1 Information Required of Applicant for Additional Riparian Water

Any landowner, or agent on behalf of a landowner, desiring to increase its allocation of water units of use under an existing Riparian Water Agreement shall submit an application in the form provided by the District, which, at a minimum, will include the following:

- (i) Date of application;
- (ii) Name, address, and telephone number of owner and agent of the subject property under the existing Riparian Water Agreement;
- (iii) Location, Assessor's Parcel Number(s), and legal description of the subject property, number of lots served, and current and proposed (if any) zoning;
- (iv) Number of currently held water units of use and number of requested additional water units of use, current and proposed allocation of water units of use to each lot (if applicable), and size and number of water meters for requested water service;

- (v) Title history of the property, including copies of deeds sufficient to demonstrate that the property is, or derives from, property that abuts the Salinas river, or overlies other riparian land, or overlies the river's underflow; and
- (vi) Such other information as District may reasonably require.

9.4.2 Deposit.

The District may require an applicant for an increased allocation of water units of use under an existing Riparian Water Agreement to include a deposit to cover District engineering, legal, and administrative costs associated with processing the application, investigating whether sufficient water is available to meet the request for an increased allocation, and preparing an amended Riparian Water Agreement. The General Manager or his or her designee may determine the amount of this deposit, based on a reasonable estimate of such costs, and may require an applicant to submit additional funds if the original deposit is not sufficient to cover necessary costs. The District shall not be obligated to continue work on an application for an increased allocation at any time that the deposit has been consumed by the cost of work performed by the District's staff or its consultants. When, after receiving and investigating an application, the District either (A) completes preparation of an amended Riparian Water Agreement with an increased allocation of water units of use, or (B) determines that an amended Riparian Water Agreement with an increased allocation of water units of use is not feasible, the District will refund to the applicant any deposit funds in excess of the District's actual costs.

9.4.3 Determination of Additional Riparian Water.

After receiving the information described in section 9.4.1 and the deposit described in section 9.4.2, the District shall commence investigation and analysis to determine whether sufficient water is available for diversion that is riparian to the Salinas River and its underflow to serve the requested increase in allocation. If, in the District's reasonable discretion, the District determines that sufficient water is available, the District will amend the Riparian Water Agreement to allow for the increased allocation. Such discretion is expressly reserved to the District as the agent of the riparian rights of the lands subject to the Riparian Water Agreement. The District may increase allocations of water units of use under an existing Riparian Water Agreement only to the extent that the Salinas River flows or underflow available to the property to which that existing Agreement applies can support the total allocations of water units of use to that property, notwithstanding any later subdivisions.

9.4.4 Priorities Among Property Owners.

If more than one landowner seeks to increase their allocations of water units of use under an existing Riparian Water Agreement, then the landowner that files the first application for such an increase shall have the first priority to any increase in allocated water units of use that are based on the riparian rights or facilities that were the basis of the existing Riparian Water Agreement.

9.4.5 New Riparian Water Agreement for Increase in Allocation of Water Units of Use.

The District may require that a landowner who seeks an increase in its allocations of water units of use under an existing Riparian Water Agreement sign a new Riparian Water Agreement that reflects the increase and applies only to the property to which that increased allocation is dedicated. Where the District requires such a new Riparian Water Agreement, that new Agreement shall supersede the existing Riparian Water Agreement in relation to the property to which the increased allocation of water units of use applies. Notwithstanding the remainder of this paragraph 9.4.5, however, the increased allocation under the new Riparian Water Agreement shall still be subject to paragraph 9.4.4 and any later applications to increase the allocation under the existing Riparian Water Agreement shall be subject to the increase reflected in the new Agreement in calculating how paragraph 9.4.4 applies.

9.5 Approval by the District's Board of Directors.

A Riparian Water Agreement, and any increase in the allocation of water units of use under such an Agreement, must be approved by the District's Board of Directors.