



**DISTRICT**

**POLICY MANUAL**

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**Chapter 1: GENERAL POLICY**

1.0100 PURPOSE

The Board of Directors deems it to be in the best interests of the District, its inhabitants and customers, that all rules and regulations for the operations and maintenance of the District's water supply system, together with procedures for furnishing water service, be set forth in this Ordinance for the guidance of the District and its consumers.

1.0200 APPLICABLE LAWS AND REGULATIONS

The District will operate and furnish water to property within the District pursuant to the provisions of its United States Bureau of Reclamation water contract, as amended from time to time; the regulations of the State Water Resources Control Board – Division of Drinking Water; applicable Federal, State and County laws and in accordance with this Ordinance and amendments hereto and resolutions or other formal actions by the Board of Directors.

1.0300 DISTRICT – DUTIES

The District shall operate pursuant to Government Code section 61000 et seq. and be responsible for the operation, maintenance, repair and expansion of the water supply system; for enforcing the provisions of this Ordinance; for collecting rates and charges for water service as herein set forth; and for administering and applying this Ordinance in accordance with the direction of the Board. In performing these duties, the District shall exercise all the powers it has by law in connection with its statutory purpose of supplying the inhabitants of the District with water for rural, residential, commercial, industrial, institutional and fire protection purposes as prescribed by the Board of Directors.

1.0400 GENERAL MANAGER – DUTIES

The General Manager (or District Manager) is the chief executive officer of the District and is responsible for the management of the general affairs of the District. The Manager shall be directly responsible to the Board and operate the District pursuant to the rules and regulations of this Ordinance; all amendments thereto, and other policies and directives of the Board of Directors. The District Manager shall be further responsible for the appointment, supervision, discipline and dismissal of the District's employees, consistent with the employee relations system set by the Board of Directors; for the supervision of the District's facilities and services; for the supervision of the District's finances; and for any other responsibilities set forth in Government Code section 61051 as that statute may be amended.

1.0500 EMERGENCIES – REPAIR

The Manager shall promptly report any major problems to the Board. If the problem is an emergency, the Manager shall take whatever steps are necessary to maintain service to consumers and to protect persons and property pending actions by the Board of Directors.

**Chapter 2: DEFINITIONS**

2.0100 GENERAL

Whenever the word defined in this section occurs in these rules and regulations, they shall have the meaning herein defined:

2.0200 APPLICANT

Shall mean any person, or entity, applying for water service.

2.0300 APPROVED BACKFLOW PREVENTION ASSEMBLY

Shall mean a device that has passed a laboratory and field evaluation test performed by a recognized testing organization and is accepted by the District and the State Water Resources Control Board – Division of Drinking Water.

2.0400 APPROVED WATER SUPPLY

Shall mean any water supply whose potability is approved by a State or local health agency.

2.0500 AWWA

Shall mean American Water Works Association.

2.0600 APPROVED BACKFLOW PREVENTOR

Shall mean a device that has passed a laboratory and field evaluation test performed by a recognized testing organization and is accepted by the District.

2.0700 BOARD

Shall mean the Board of Directors of the Centerville Community Services District.

2.0800 BUREAU

Shall mean the United States Department of the Interior Bureau of Reclamation.

2.0900 CONSTRUCTION STANDARDS

Shall mean a set of standards kept in the District office and on the District website setting forth the minimum and typical requirements for infrastructure in the District which shall be provided to developers, engineers, contractors, Customers, and other local agencies.

2.1000 CUSTOMER

Shall mean any Property Owner, Tenant, homeowners association, landscape maintenance district, etc., uses water service provided by the District upon the premises used, occupied, or owned by such person or organization.

2.1100 DEPOSIT WAIVER FORM

Shall mean a form provided by the District to the owner of the property in which they complete to accept responsibility for the water charges should their tenant become delinquent and vacate the property leaving a balance owed. This relieves the tenant of having to post a deposit.

2.1200 DEVELOPMENT AGREEMENT

Shall mean a contract between the District and a Subdivider wherein the Subdivider agrees to install pipes, meters, storage tanks, fire hydrants and/or pressure systems as required by the District, per the specifications provided by the District Engineer, at Subdivider's expense, along with a guarantee of the work performed for a period of one year. The contract shall also require a bond in an amount determined by the District and an indemnification and hold harmless provision.

2.1300 DISTRICT

Shall mean the Centerville Community Services District.

2.1400 DISTRICT ATTORNEY

Shall mean a Lawyer licensed by the State Bar of California appointed by the Board.

2.1500 DISTRICT ENGINEER

Shall mean a Registered Professional Engineer appointed by the Board. When in this Ordinance approval is required by the District Engineer, said approval shall require final concurrence by the Board.

2.1600 DISTRICT FEE SCHEDULE

Shall mean a list of the fees and deposits required by the District for services as set forth pursuant to a resolution adopted by the Board of Directors.

2.1700 DISTRICT'S MASTER PLAN

Shall mean the urban water management plan as adopted pursuant to Water Code section 10610.

2.1800 EXEMPT LANDS

Shall mean parcels of real property located within the jurisdiction boundary of the District but not subject to the policies, resolutions and ordinances of the District,



including fees, costs and real property taxes because the lands are federal, state or properties owned by persons or otherwise exempt from such obligations.

2.1900 EXEMPT LAND OWNER

Shall mean an owner of Exempt Lands.

2.2000 MANAGER

Shall mean the person holding the position or acting in the capacity of the General Manager or District Manager of the Centerville Community Services District as appointed by the Board.

2.2100 MOBILE HOME

Shall mean a movable dwelling regardless of size built to be towed on its own chassis, containing living facilities including provisions for eating, sleeping, cooking, and sanitation.

2.2200 PROPERTY OWNER

Shall mean any person, or entity, that has title to real property within the District.

2.2300 SERVICE

Shall mean the furnishing of Municipal and Industrial (M&I) water as defined by the United States Bureau of Reclamation, to a customer through a connection to District facilities of the Centerville Community Services District.

2.2400 STANDARD SPECIFICATION

Shall mean those specifications for domestic water distribution supply systems duly adopted by the Board of Directors of this District as their standard specifications for construction of said systems. Said standard specifications shall be used only as a guide in the preparation of detailed plans and specifications of the proposed system and shall not substitute for, nor be used as plans and specifications for said system.

2.2500 SUBDIVIDER

Shall mean a person, firm, corporation, partnership, or association who proposes to divide, divides, or causes to be divided real property into a subdivision as set forth under the Subdivision Map Act except that employees and consultants of such persons or entities, acting in such capacity, are not "subdividers".

2.2600 SUBDIVISION

Shall mean the division of any improved or unimproved land, shown on the latest equalized County assessment roll as a unit or as contiguous units, for the purpose of sale, lease or financing, whether immediate or future, except for leases of agricultural land for agricultural purposes. Property shall be considered as contiguous units, even

if it is separated by roads, streets, utility easement, or railroad rights-of-way. or railroad rights- of-way. "Subdivision" shall include a condominium apartment project, as defined in Section 11004 of the Business and Professions Code. Any conveyance of land to a governmental agency, public entity, or public utility shall not be considered a division of land for any purpose. As used in this Section, "agricultural purposes" shall mean the cultivation of food or fiber, or the grazing or pasturing of livestock.

2.2700 TENANT

Shall Mean Any Person, Or Entity, That Rents Or Leases Premises From The Property Owner.

2.2800 WILL SERVE LETTER

The Will Serve Letter provides notification to the regulatory agency and the Applicant that the District has sufficient water and facilities available to serve and that the District will serve the real property owned by the Applicant subject to the Will Serve Letter Policy and the conditions contained within the Will Serve Letter.

## **Chapter 3: WATER SERVICE – RULES AND REGULATIONS**

### **3.0100 GENERAL**

1. Unless otherwise specifically approved in writing by the Board, all water service to Customers of the District shall be made in compliance with these Rules and Regulations.
2. All rates and charges shall be in the amounts shown in the latest amended Rate Resolution adopted by the Board. The latest Rate Resolution is hereby incorporated by reference as part of this Ordinance.

### **3.0200 APPLICATION FOR PERMANENT SERVICE**

#### **1. General Information**

Application for permanent water service shall be made in writing on a form to be provided by the District, which shall be available at the District office. The District will only act upon application for service at such time as the Applicant provides the District with a copy of Shasta County Department of Resource Management, Building Division's Water/Sewer Clearance Form, which shall include the official building permit number, the site plan and the floor plan.

#### **2. Conditions of Permanent Service**

All water service provided by the District shall be provided on the following conditions:

- a. Service installations will be installed only to serve property that abut on distribution mains as have been constructed in the County road right-of-ways or other private and public road and utility easements.
- b. The District will retain ownership of all service connections (including the meter) up to the customer's hookup. The District's responsibility for water service will terminate at the outlet side of the District's meter up to the point of outlet of an inline gate valve (including the gate valve).
- c. Meters are to be placed in the locations in compliance with the regulations of the District. The District will place the meter in a location requested by the customer if in compliance with the District regulations, provided, however that the District shall always have the final determination as to meter location.
- d. Unless specifically exempted in writing by District policy, regulations or specifications, each water service Customer shall be required to have a separate water meter.
- e. Upon prior written approval of the Board, mobile-home parks with two or more units may be granted water service through a single meter.

- f. Upon prior written approval of the Board, second residences not considered Accessory Dwelling Units or Junior Accessory Dwelling Units, motels, duplexes, apartment houses and businesses which exist on one legal parcel containing two or more units may be granted water service through a single meter. Otherwise, any additional unit on one legal parcel, which is not considered an Accessory Dwelling Unit or Junior Accessory Dwelling Unit, shall be required to obtain a separate meter.
- g. Service to public lands shall require written permission from the Agency administering such land.

3.0300 APPLICATION FOR TEMPORARY SERVICE

1. General Information

- a. Application for a temporary service shall be in writing on a form to be provided by the District and which shall be available at the District Office.
- b. The District is a Municipal & Industrial (M&I) Contractor with the Bureau of Reclamation; therefore, the temporary water shall be used for M&I purposes only.
- c. All facilities for a temporary service shall be made available by the District at a single, stationary location and shall be operated according to District requirements.
- d. Temporary service connections shall not be of a regular, or routine nature, and be made for no more than three (3) months after installation unless an extension of time is requested in writing and approved by the District Manager in writing. In no event will temporary service connections be made for a period longer than six (6) months.
- e. The District will only act upon an application for temporary service at such time the Applicant provides the District one of the following:
  - 1. A copy of the Shasta County Department of Resource Management, Building Division's Water/Sewer Clearance Form (including the official building permit number).
  - 2. A copy of the Shasta County Grading permit.
  - 3. A completed development agreement with the District.
  - 4. A verified reasonable and beneficial use of the temporary M&I water submitted in writing to the District.

Any use other than listed above will need to be requested in writing. This request shall be submitted for Board approval by the Manager. The District will act upon request at its sole discretion.

## 2. Conditions Of Temporary Service

- a. Temporary service is subject to the availability of water to the District from its contractual entitlements and owned water, and further during drought conditions is subject to the provisions outlined in the District's most current Drought Contingency Plan.
- b. Temporary service shall be provided by means of a fire hydrant meter.
- c. Temporary services are subject to a standard rental deposit for any damage to, or for theft of, the metering device.
- d. Temporary services will be invoiced according to the appropriate water rate (Residential, Commercial & Industrial, or Grant School) as well as all applicable pump surcharge fees.

### 3.0400 DEPOSIT

1. All new, non-temporary, water service Customers are required to post a deposit in an amount set forth in the District Fee Schedule. In lieu of the deposit, the new Customer must provide a letter from a former water purveyor indicating on-time payments for the past twelve (12) months.
2. Property Owner – once the customer makes twelve (12) consecutive, on-time payments the deposit will then be credited to the customer's account.
3. Tenant – once the customer makes twelve (12) consecutive, on-time payments, half of the total deposit will then be credited to the Customer's account. The remaining half will be retained until such time that the customer terminates service. If the Tenant provides an acceptable letter, half of the deposit will be retained until such time the Customer terminates service. No deposit will be required if the Property Owner accepts the responsibility for any unpaid bills in writing by signing the Deposit Waiver Form which is available at the District Office.

### 3.0500 PAYMENT FOR PREVIOUS SERVICE

An application for new water service will not be acted upon by the District unless payment in full has been made for water service previously tendered by the Applicant within the District.

### 3.0600 INSTALLATION OF SERVICES

District shall install or authorize the installation of all meter assemblies pursuant to Construction Standards, which are available in the District office. The location of the meter assemblies shall not restrict District access to the meter at any time. Where practical, water services will be installed at the location desired by the Applicant, after the necessary connection charges and installation fees/charges have been paid by the Applicant. Meters shall be placed adjacent to the parcel within public right-of-way

they serve or within a recorded easement immediately adjacent to the parcel they serve. Exceptions to this provision must be made in written request to the District. Services installed in new subdivisions must be accepted by the Applicant in the installed location.

3.0700 CHANGE IN METER LOCATIONS

1. Meters moved for the convenience of the Customer will be relocated at the Customer's expense. Meters can be relocated on an existing parcel but cannot be relocated to a different parcel and vacate the existing parcel location.
2. Meters relocated due to Subdivision developments, parcel splits, or property line adjustments shall be relocated onto the properties that they serve. In the event a water main of adequate size onto which the meter can be relocated does not exist, the District shall make the determination to have a water main of adequate size installed or allow the service main to remain at its existing location provided easements are granted to legitimize water service's location. All costs to be borne by the Customer.

3.0800 WATER RECEIVING EQUIPMENT

1. The following are requirements for water receiving equipment:
  - a. The Customer shall furnish and install, at their own risk and expense, that portion of the water system which begins at the outlet side of the meter just beyond the adjacent gate valve (where applicable). Such water receiving equipment shall remain the property of the Customer and they shall be responsible for its maintenance and repair. The District shall have the right to require the Customer to adjust, replace, or discontinue using any water receiving or regulating equipment on their side of the meter which disturbs or inconveniences other Customers.
  - b. The District will not buy for, or sell pipe fittings to, individuals or undertake the installation of private lines or repairs. Where reduced or increased pressure is desired by the Customer, they shall be responsible for installing and maintaining the necessary regulators, pumps, and relief valves on their side of the meter, at their own expense. The District shall not be responsible for damage caused by faucets, valves, or other equipment which may be opened at any time the water is turned on at the meter. The District recommends that all water service customers install pressure regulators on their service lines.
  - c. It is recommended that all users located in pressure zones where static pressure will exceed 75 psi, or where malfunction or breakage of District's pressure reducing valves would result in static pressures in excess of 75 psi, shall, at their own expense, install pressure regulators on the property side of the meter.

- d. All water services within the District shall be metered with ownership of the meters retained by the District.
2. No Customer within the boundaries of the District shall enter into any contract or agreement to resell any portion of the water delivered to them and shall not permit any of the water delivered to them to be carried or used outside the boundaries of the District.
3. Any damage occurring to a meter or other appliances, pipes, or other property of the District caused by carelessness or neglect of a Tenant or Property Owner will be charged to such Tenant or Property Owner, and must be paid for by said Tenant or Property Owner upon presentation of a bill. .

3.0900 PRESSURE CONDITIONS

All Customers receiving water service shall accept such conditions of pressure and service as are provided by the distribution system at the location of the proposed service connection, and shall hold the District harmless for any damages arising out of low pressure and/or high-pressure conditions or interruptions in service. The District will endeavor to identify unusual pressure conditions at the time an application is received, but shall not be responsible for its failure to do so.

3.1000 DISTRICT RIGHTS

1. District employees shall have access at all reasonable hours to inspect the water delivery system located on the real property supplied by District water. District employees will not, except on request of the Customer, or as authorized through an inspection warrant pursuant to Code of Civil Procedure section 1822.50, et seq., enter any buildings on the real property.
2. No person, other than authorized employees of the District, shall be allowed to connect or disconnect water service to any property or to open, close, or otherwise adjust any regulating device contained in the water system.
3. The District shall not be responsible for interruption of service, insufficiency of supply, or high pressures caused by malfunctions of District equipment, or any loss or damage occasioned thereby. All effort and care will be exercised to deliver continuous service and sufficient supply at reasonable pressures.
4. The District reserves the right to reduce, limit, or terminate service to any customer as a result of cut-back conditions imposed on its master water contracts or during any phase of its Drought Contingency Plan (Water Shortage Contingency Plan).
5. Refusal to comply with this section may result in discontinuance of service.

3.1100 WATER BILLING

1. Billing Cycle

The District is on a monthly billing cycle. Billings will be processed with the intent of commencing delivery as close as possible to the last day of the month. There will be an allowance to adjust for weekends, holidays and unusual or unforeseen conditions.

2. Meter Reading

Each meter will be read monthly on, or about the same date, as possible. There will be an allowance to adjust for weekends, holidays and unusual conditions.

3. Due Date

All bills or charges shall be due and payable at the District Office on the fifth (5<sup>th</sup>) of each month and shall be delinquent on the twenty-first (21<sup>st</sup>) of the month.

3.1200 COLLECTION OF DELINQUENT BILLS

Consistent with Government Code 61115(b) the District may determine it necessary to collect delinquent charges and penalties as a special assessment in the same manner as property taxes. The Manager shall prepare and file with the Board of Directors a report that describes each affected parcel of real property and the amount of charges and delinquencies for each affected parcel for the year. The Manager shall give notice of the filing of the report and of the time and place for a public hearing by publishing the notice pursuant to Section 6066 in a newspaper of general circulation, and by mailing the notice to the owner of each affected parcel. At the public hearing, the Board of Directors shall hear and consider any objections or protests to the report. At the conclusion of the public hearing, the Board of Directors may adopt or revise the charges and penalties. The Board of Directors shall make its determination on each affected parcel and its determinations shall be final. On or before August 10<sup>th</sup> of each year following these determinations, the Manager shall file with the county auditor a copy of the final report adopted by the Board of Directors. The county auditor shall enter the amount of the charges and penalties against each of the affected parcels of real property as they appear on the current assessment roll. The county tax collector shall include the amount of the charges and penalties on the tax bills for each affected parcel of real property and collect the charges and penalties in the same manner as property taxes.

3.1300 DELINQUENCY CHARGE AND DISCONTINUATION OF SERVICE FOR NONPAYMENT

1. Delinquency Charge: If payment is not received prior to the twentieth (20<sup>th</sup>) of the month, penalty fees shall be applied to the account.



2. Discontinuation of Service for Nonpayment Policy: The District shall not discontinue a service for nonpayment until a payment by a Customer has been delinquent for sixty (60) calendar days.

A. Service delinquency timeline:

1. Bills are mailed on the last day of the month and are payable by the fifth (5<sup>th</sup>) of the subsequent month.
2. On the twenty-first (21<sup>st</sup>) of the subsequent month, unpaid accounts are assessed a Delinquency Charge and a First Notice of Delinquency is mailed.
3. Bills for the subsequent month are mailed on the last day of that month which includes the past due amount from the previous month. Payment is then due by the fifth (5<sup>th</sup>) of the following month. If payment remains unpaid by the 20<sup>th</sup>, a Second Notice of Delinquency is mailed.
4. If payment has not been made by the 20<sup>th</sup> of the month, a Notice of Termination is mailed giving the customer an additional 10 days to make payment. The written notice of payment delinquency and impending discontinuation shall be mailed to the mailing address provided. If the customer's address is not the address of the property to which residential service is provided, it shall **also** be mailed to the address of the property to which service is provided, addressed to "Occupant". The notice shall include:
  - a. The Customer's name and address.
  - b. The amount of delinquency.
  - c. The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service.
  - d. A description of the process to apply for an extension of time to pay the delinquent charges.
  - e. A telephone number for the residential Customer to contact in order to discuss options for averting discontinuation of residential service for nonpayment.
  - f. A description of the procedure to petition for bill review and appeal.

The written notice shall include a description of the procedure by which the Customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges, consistent with the District's Discontinuation of Service for Nonpayment Policy.

- B. Notice of Termination: If no payment has been made by the due date on the Notice of Termination, a 24-Hour Notice is delivered.
- C. Good Faith Effort: Whenever the District is unable to make Written Contact with the Customer or an adult occupying the property, and when Written Notice

is returned through the mail as undeliverable, the District shall make a Good Faith Effort to visit the location and leave a door hanger, or make other arrangements for placement in a conspicuous place, a Notice of Imminent Discontinuation of Service for Nonpayment and include the District's Policy.

D. Service Restoration: Unless otherwise provided for pursuant to this Policy, a service that has been terminated for nonpayment in accordance with this Policy will be restored upon payment of the entire amount due, which shall include all delinquent charges, service reconnection charges, security deposit and other penalties.

E. Alternatives to Discontinuation of Service for Nonpayment:

1. Deferred Payment Plan

- a. Prior to Termination of Service, any Customer can contact the District and request a Deferred Payment Plan whereby payments of the delinquent amount can be extended up to a twelve (12) month repayment schedule.
- b. As a condition of this Plan, the customer will be required to pay the amortized amount plus the current water service charges.
- c. Unless otherwise provided for in the District's Policy, failure to pay the amortized amount plus the current water service charges each billing period will nullify the amortization agreement and result in the issuance of a Notice of Termination of Service that will require the Customer to pay the entire outstanding balance within 5 business days or water service will be terminated.

2. Time Extension Agreement

- a. Any Customer who has notified the District prior to a Termination of Service can request a Time Extension for Payment whereby the Customer's normal Due Date for payment of all water charges shall be extended by a time period not to exceed ten (10) calendar days.
- b. Unless otherwise provided for in this Policy, failure to pay the amount due plus the current water service charges each billing period will nullify the time extension agreement and result in the issuance of a Notice of Termination of Service that will require the Customer to pay the entire outstanding balance within 5 business days or water service will be terminated.

F. Bill Review Request and Appeal Process

Service shall not be discontinued while a Customer is engaged in the following review and appeal process.

a. Bill Review Request

1. If a Customer wishes to dispute a water bill, the customer must, within five (5) business days of receipt of the disputed bill, contact the District during regular office hours and request a review of the account and provide staff with the reason for the review.
2. Upon review of the account, the District shall respond to the bill review request within ten (10) business days with a decision regarding the amount due.

b. Appeal Process

1. If the Customer wishes to dispute the findings of the bill review request, the Customer shall provide a request in writing to the District to have a review of the account by the Manager. This request shall be provided to the District within ten (10) calendar days from the date of mailing of the bill review request findings to the customer.
2. Upon review of the account, the Manager shall respond to the bill review request within ten (10) business days with a decision regarding the amount due.
3. If the Customer wishes to dispute the decision of the Manager with respect to the bill review request, the Customer shall provide a request in writing to appeal the decision to the Board of Directors. This request shall be provided to the District within ten (10) calendar days from the date of mailing of the decision from the Manager. The appeal will be heard by the Board and a decision will be made regarding the amount due at the next regularly scheduled meeting of the Board of Directors.

c. Waive Fees

1. The District may waive fees (e.g. Delinquency Fees) on delinquent bills a maximum of once every twelve (12) months.

G. Special Conditions:

1. Medical Certification

- a. The District shall not discontinue service for nonpayment if **all** of the following conditions are met:
  - i. The Customer, or Tenant of the Customer, submits a certification of a primary care provider, as defined in subparagraph (A) of paragraph (1) of subdivision (b) of Section 14088 of the Welfare and Institutions Code, that the discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.

- ii. The Customer demonstrates that they are financially unable to pay for service within the District's normal billing cycle. The customer shall be deemed financially unable to pay if any member of the Customer's household is a current recipient of CalWORKS, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants and Children, or the Customer declares that the household's annual income is less than 200 percent of the Federal poverty level.
        - iii. The Customer is willing to enter into the Deferred Payment Plan or Alternative Payment Schedule, as provided in this Policy, with respect to all delinquent charges.
  - b. If the items in Paragraph a.1(i), (ii) and (iii) above are met, the District shall offer the Customer one of the following options, in the sole discretion of the District:
    - i. The Deferred Payment Plan, as provided in this Policy; or
    - ii. The Time Extension Agreement, as provided in this Policy.
  - c. The District may grant a longer repayment period than provided in the Deferred Payment Plan or the Time Extension Agreement if the District, in its sole discretion, finds the longer period is necessary to avoid undue hardship to the Customer based upon the circumstances of the individual case.
  - d. The service of a Customer who is making repayment of a delinquent amount pursuant to a Time Extension Agreement or Deferred Payment Plan under this Section G shall be disconnected no sooner than five (5) business days after the District posts a 24-Hour Final Disconnection Notice in a prominent and conspicuous location at the property under either of the following circumstances:
    - i. The Customer fails to comply for sixty (60) days or more with the terms of the Time Extension Agreement or Deferred Payment Plan entered into by the Customer for repayment of delinquent charges.
    - ii. While complying with the terms of the Time Extension Agreement or Deferred Payment Plan entered into by the Customer for repayment of delinquent charges, the Customer does not pay the current service charges for sixty (60) days or more.
- 2. Reconnection of Discontinued Service for Customers with income below 200% of the Federal Poverty Level

- a. The District shall provide all Customers who have their services discontinued with information on how to restore their water service.
- b. For Customers who demonstrate to the District a household income below 200 percent of the Federal poverty line, the District shall do **both** of the following:
  - i. Set a reconnection service fee during normal operating hours and non-operational hours to a maximum amount, which shall be set forth in the District Fee Schedule. Reconnection fees shall be subject to annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.
  - ii. Waive fees (e.g. Delinquency Fees) on delinquent bills once every twelve (12) months per Policy.
- c. The District shall deem a Customer to have a household income below 200 percent (200%) of the Federal poverty line if any member of the household is a current recipient of CalWORKS, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent (200%) of the Federal poverty level.

3. Discontinuation of Service in Landlord-Tenant Situations

- a. This Section applies if there is a landlord-tenant relationship between the occupants and the owner, manager, or operator of the dwelling.
- b. Where the District furnishes individually metered service to occupants of a detached single-family dwelling, a multi-unit residential structure, mobile-home park, or permanent residential structure in a labor camp (as defined in California Health and Safety Code § 17008), and the owner, manager, or operator of the dwelling, structure, or park is the customer of record, the District shall make every Good Faith Effort to inform the residential occupants, by means of Written Notice, when the account is in arrears that service will be terminated at least 10 calendar days (10) prior to termination. The Written Notice shall further inform the residential occupants that they have the right to become customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account.

If the service is terminated, the Tenant may elect to establish service subject to the terms and conditions of service, meets the requirements of law and the District's Rules & Regulations. In order for the amount due on the delinquent account to be waived, the District requires that the

Applicant verify that the delinquent account customer of record is, or was, the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreements, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.

4. Non-Allowable Water Service Termination

- a. In addition to the Restrictions imposed by the Policy, the District has set forth the following restrictions on terminations of a Customer's water service for nonpayment of water service charges. No Customer's service shall be terminated:
  - i. On a Friday, weekend, District observed holiday (or the day prior), or at any time during which the District Office is not open to the public.

5. Service Restoration

- a. Unless otherwise provided for pursuant to the Policy for Discontinuation of Service for Nonpayment, Water Service that has been terminated for Nonpayment in accordance with this Policy will be restored upon payment of the entire amount due, which shall include all delinquent charges, service reconnection charges, security deposit and other penalties.

6. Annual Reporting

- a. The annual number of discontinuations of service for inability to pay shall be reported on the District's webpage in January of each year.

3.1400 PROHIBITED ACTS

1. Any person who obtains water services from the District without paying the full lawful charge therefore, or with intent to enable another person to do so, or with intent to deprive the District of any part of the full lawful charges for water services, provides, commits, authorizes, or solicits any of the following shall be liable to the District for the penalties set forth in this Section.
  - a. Diverts or causes water to be diverted by any means whatsoever.
  - b. Prevents any water meter, or other device used in determining the charge for water services, from accurately performing its measuring function by tampering or by any other means.
  - c. Tampers with any property or equipment owned by or used by the District to provide services.

- d. Makes or causes to be made any connection with or reconnection with property or equipment owned or used by the District to provide water services without the authorization or consent of the District.
  - e. Uses or receives the direct benefit of all or a portion of water services with knowledge or reason to believe that the diversion tampering, or unauthorized connection existed at the time of that use, or that the use or receipt was otherwise without the authorization or consent of the District.
2. Determination of Violation: The Board of Directors of the District, after notice and opportunity to be heard, shall determine whether there has been a violation of the prohibitions of this Section. In that determination, if there are any of the following objects, circumstances, or conditions on the premises controlled by the Customer or by the person using or receiving the direct benefit of all or a portion of water services obtained in violation of this section, then the District may conclusively presume that the Customer or person did violate this section:
- a. Any instrument, apparatus, or device primarily designed to be used to obtain water services without paying the full lawful charge there for;
  - b. Any water meter that has been altered, tampered with, or bypassed so as to cause no measurement or inaccurate measurement of water delivered; or
  - c. The cutting or removal of a seal on any meter or other water measuring device.
3. Penalties: In the event any person is found liable to the District for violations set forth above in Section 3.1400.2., each and every person involved in such violation shall be liable to the District as follows:
- a. Fines for violations are payable upon demand to the party so assessed, and shall be payable in the following amounts:
    - i. First violation: cost of unauthorized water taken, plus a fine of up to \$250.00.
    - ii. Second violation: cost of unauthorized water taken, plus a fine of up to \$500.00.
    - iii. Third and subsequent violations: cost of unauthorized water taken, plus a fine of up to \$1,000.00.
  - b. In the event that a person violates the above cited restrictions, and as a part of such violation tampers with a fire hydrant there by increasing danger to life and property, such fire hydrant tampering will result in immediate assessment of a fine of up to \$1,000.00, plus, in the District's discretion, criminal charges may be pressed with appropriate authorities pursuant to the provisions of the California Penal Code.
  - c. Any repairs which are required to restore damaged facilities shall be paid for by the person or persons who tampered with the facilities, or the customer to

whom the facilities currently serve water, or by any new or different customer requesting water service through the damaged facilities.

- d. The foregoing penalties shall be in addition to any such other penalty as is provided by law, including but not limited to California Penal Code Section 498, and any other criminal violations that may result from the unlawful taking of District water supplies.
- e. The fines set forth in this section may be submitted to the County as liens or special assessments should the Customer fail to pay.

3.1500 MISCELLANEOUS PROVISIONS

1. Meter Testing And Billing Adjustments For Inaccuracies

The District may test meters at any time, and shall field test a meter upon the request of a Customer who first deposits the current meter testing fee with the District. If the test indicates the meter is registering within five (5) percent of accuracy, the testing fee shall be retained by the District to cover its cost of testing. If the test indicates the meter is more than five (5) percent in error, the testing fee shall be refunded and the meter repaired or replaced at the District's discretion. If the meter error over 5-percent is in the Customer's favor, the District shall refund to the Customer the estimated overcharge for a period of three months immediately preceding the meter testing. If the error is in the District's favor, a supplemental bill may be rendered equal to the difference between the Customer's average bill for comparable service and his actual bills for the preceding three-month period.

3.1600 PROTECTION OF PUBLIC WATER SUPPLY

The District is required by laws of the State of California (California Administrative Code, Title 17, Chapter V, Sections 7583-7622 inclusive), and by the Shasta County Health Department to enforce regulations to safeguard its drinking water supply by preventing backflow into the water system. If the property served water by the District has a well or other auxiliary water supply, it must provide an approved backflow preventor on the property side of the District water service. The Customer is required to pay the monthly Backflow Prevention Charge. This assembly is tested by the District at least once each year for backflow leaks. If leakage is found, the backflow preventor is repaired and billed as appropriate. The California Department of Public Health sanitary engineering personnel, the Shasta County Health Department personnel, and the District's personnel may also inspect the assembly at various times each year.

No Customer within the boundaries of the District shall enter into any contract or agreement to resell any portion of the water delivered to them and shall not permit any of the water delivered to them to be carried or used outside the boundaries of the District.



## **Chapter 4: SUBDIVISIONS & WATER MAINLINE EXTENSIONS**

### **4.0100 GENERAL**

The Board of Directors deems it in the best interests of the District and its inhabitants that its water distribution system be installed and constructed in accordance with certain minimum standards. Therefore, it is declared to be the policy of the Board and District that any system or part thereof installed and constructed by any person, firm, or organization other than the District must be constructed according to plans and specifications approved by the District before the District will consider incorporating said private system into the system of the District, and supply water therefor, and maintenance thereof.

### **4.0150 OVERSIZING WATERLINE**

When the Water Master Plan requires a waterline to be constructed in a size greater than would be required to service only an applicant's development, the District may enter into a written agreement with the developer setting forth a mutually acceptable agreement between the District and the developer concerning costs to oversize the waterline. In the event no such agreement is entered into, the District shall normally agree to pay the cost of the oversizing of the waterline to a size which is in keeping with the District's Water Master Plan.

Upon agreement by the District to pay such cost of oversizing, the District shall pay the price differential between the then cost of that size of water pipe which would have been required for that development as opposed to the size of the water pipe recommended by the Water Master Plan plus fifteen percent (15%) deemed to be an appropriate amount for other costs of oversizing including trenching, bedding and backfill material, construction and labor.

That payment by the District of the oversizing cost as herein provided shall only be undertaken in the event that a written agreement is entered into between the District and the developer prior to the commencement of any waterline work and only at such time as the Board of Directors determines prior to entering into such an agreement that funds are available for such oversizing.

### **4.0200 LAND DIVISION REQUESTS**

Prior to considering any land division and subsequent construction of any system, a Subdivider shall apply to the District for a Will Serve Letter in accordance with the policy. A Will Serve Letter provides notification to the regulatory agency and the applicant that the District has sufficient water and facilities available to serve and that the District will serve the real property owned by the applicant subject to the policy and the conditions contained in the Will Serve Letter. Will Serve Letters will be considered by the District upon receipt of a complete application and will describe the location, type of service and the specific conditions under which the District will provide service.

Residential Developments of four (4) or fewer parcels may be approved by the Manager. Subdivisions and Commercial Developments must be approved by the Board of Directors. All related fees, deposits, and procedures are further defined in the policy.

4.0300 SUBDIVISIONS AND MAINLINE EXTENSIONS

1. Preliminary Procedures

- a. Upon receipt of application, including preliminary plans, specifications, and agreements, the District shall reserve the right to immediately refer the same to the District Engineer for examination and approval, or recommendation at the Subdivider's expense. If the District Engineer approves the specifications as submitted, the matter will be submitted to the Board of Directors for action at its next regular meeting. Should the District Engineer require any changes in the submitted specifications, then the same shall be communicated to the Subdivider for acceptance or rejection before submission to the Board. In any event, the plans and specifications of each Subdivider must be submitted to, and approved by, the Board of Directors of this District prior to commencement of construction on said system consistent with the Will Serve Letter Policy. In cases where main extension is required, deeds and/or grants as to easements and all Governmental permits and approvals required therefore must be submitted.
- b. Inherent to the Will Serve Letter Policy, the Applicant shall post a deposit which will include review services performed by District Staff, the District Engineer and the District Attorney. All services rendered will be paid by the applicant in full.

2. Agreement

In accordance with the policy set forth in this Section, it is deemed in the best interest of the District and its inhabitants, that all or any of the following requirements be complied with, as requested by the District. Full and complete performance by the Subdivider of all covenants and agreements shall be a condition precedent to the District's permit and approval to connect to the District's system. An agreement to do and perform any or all of the following as requested by the District, at their sole cost and expense and at no expense to the District, shall accompany the County or City approved map filed with the District. Subdivider shall agree as follows:

- a. To install the proposed system including pipes, meters, storage tanks, fire hydrants, and pressure system, if required, in strict compliance with specifications therefor, approved by the District and District Engineer, all at the Subdivider's sole expense.
- b. To comply with any change in submitted plans and specifications made by the District Engineer, at the Subdivider's expense.

- c. To provide all easements and rights-of-way, including appropriate grants thereof from private owners, for the installation of any District mains required to be extended to Subdivider's property line, and to construct and install any and all mains and/or extensions of mains required to connect the Subdivision system with the District system. Subdivider must procure said easements and install the main at its sole expense under the District's direction. In any event, the determination of the District as to location and size of main shall be conclusive. In no event shall the District be required to bear any cost or expense of said extension, including cost of easements, but said main so extended shall belong to the District and become a part of its system.
- d. To obtain and perform, at their sole expense, the necessary clearances and/or permits from the Governmental agencies required for mains to be installed in, under, or upon any public easements or rights-of-way, and otherwise to do and perform every act and obtain every permit necessary to extend and install said main extension system.
- e. To provide free of liens, charges, or encumbrances, and install booster or other pump or pumps that may be required by District, and to convey title thereto to District without charge to District.
- f. To provide and convey to the District, by appropriate grant, easements and rights-of-way for pipeline and maintenance purposes over all parcels of real property within the Subdivision over which the distribution system is installed, at no cost to the District. Easements shall be at least 30 feet in width, and accessible and traversable by District vehicles, where the line does not follow a roadway. Easements shall be a full 60 feet where in roadway. District shall have the right to have said easements and rights-of-way checked for accuracy by District's Engineer at Subdivider's expense.
- g. To transfer and convey the entire Subdivision system by appropriate instrument of transfer (including all easements over private property within or without of the subdivision above described not directly conveyed to the District by the owners thereof) upon completion of installation thereof in accordance with District requirements and specifications, for no consideration other than the commitment of the District to operate, maintain, and provide water service in the future, according to District rules, including but not limited to the Drought Contingency Plan.
- h. To do or perform any other act or promise that may be required by the District as a condition for the District's service and consent to connect, and to pay any and all pertinent and current charges as required by the District.
- i. To execute the Development Agreement with the District guaranteeing all of the work for a period of one year after the construction is completed, and is accepted by the District against defective material or faulty workmanship. The

agreement shall require a bond, or other acceptable financial tool, in the amount shown in the current rate resolution per lineal foot of mainline and include an indemnification and hold harmless provision.

3. Improvement Plans

Subdivider shall provide District with four copies of maps showing the location of the pipe, type of pipe, all fittings, services, etc., as they are actually installed. Said maps must be prepared in accordance with the District's "Plan Check List" to accurately depict and represent the installation of all parts thereof. The Subdivider or proposer will be billed for the actual cost of the District's Engineer's review of the plans.

4. Inspection

- a. Periodically during construction at such time as the District shall notify Subdivider upon approval of plans, and in any event upon completion of the installation, and before backfilling, the District shall be given notice and opportunity to inspect, and the Subdivider shall reimburse the District the reasonable costs of said inspections before final approval and connection.
- b. Inspection Fees – An Inspection Fee shall be paid to the District prior to final acceptance of a construction project affecting the District's facilities.

5. Approval

At such time as the Board is satisfied that all legal, engineering, and policy requirements hereof have been complied with, and policy requirements hereof have been complied with, then it shall issue its approval.

6. Final Compliance

- a. Full and complete compliance with the terms and provisions of this Ordinance, with the permit as issued, with all Governmental permits and approvals, and with each and every term and provision of any agreement by the Subdivider, shall be a condition precedent to final approval of the system by the District and the District's responsibility to provide domestic water service to said system. If the Subdivider has complied with all approved plans and specifications and other requirements hereof, and of the agreements, the Manager shall so certify to the District Board. All defaults in compliance shall be immediately corrected by Subdivider. Upon receipt of said certificate, receipt of grants of easement within the subdivision, and instruments conveying said system, final approval of the District will be given.
- b. Upon acceptance of Subdivisions or mainline extension improvements by the District, the Subdivider/developer shall provide security in an amount as required by the District to guarantee the improvements throughout a one-year warranty period-and provide the security as described in the Development Agreement.

EXTENSION OF DISTRICT SERVICES TO PREVIOUSLY UNSERVED AREAS  
WITHIN THE DISTRICT'S BOUNDARIES

1. Property Affected

There presently exist, and from time to time have and will in the future, exist parcels of real property located within the jurisdictional boundary of the District but which property is not subject to the policies, resolutions and ordinances of the District including fees, costs and real property taxes which other real property located within the boundary of the District have been required to comply with or to pay, primarily because such lands are federal, state or properties owned by entities which are exempt from such obligations. This Policy is intended to require that any such Exempt Lands at the time of the request for extension of water service to any portion of such Exempt Lands be required to pay a fair and equitable share of fees and costs of the District as provided in this section.

2. Obligations Imposed

The Exempt Lands requesting service shall be subject to participation in and repayment of prior, present or future obligations or indebtedness of the District as such prior, present or future obligations are required to be repaid by other similarly situated property in the District. Furthermore, the Exempt Lands requesting service shall apply for a Will Serve Letter and execute any required Development Agreement.

3. Improvements Required

As a condition of providing service, the Exempt Land Owner making the request for service shall provide, at the time designated by the District, such pipelines, distribution systems, water facilities, booster pumps, water tanks, regulating valves, chlorinators, supplemental water, connecting lines, in tract improvements, well systems, area maps showing names and addresses of all property owners within the area requesting service, and such other incidental information, facilities and requirements as the District may direct. All water system improvements shall be designed and constructed in accordance with District Construction Standards. Design shall be submitted to the District for review and approval prior to construction. Construction shall be subject to inspection by the District. Prior to final acceptance of water system improvements, "as-builts" for all such facilities shall be provided to the District.

4. Rights of Way and Easements

All Exempt Land Owners in the area requesting service shall grant and convey, without cost, to the District, any rights of way or easements reasonably requested by the District for the purposes of installing water system improvements within the Lands and such other places in the District as may be required and for the maintenance of such water supply facilities.

5. Costs of Water Extension

All costs of extension of water, including any regulatory fees and costs, legal, advertising, environmental review, engineering, together with all incidental expenses associated with the processing of a request for water service by the District shall be paid by the Exempt Land Owner making the request for service. A deposit toward these costs shall be made at the time of the request for services based on a recommendation of the District Manager. All costs and expenses of providing a complete water system satisfactory to the District and as may be required to serve the lands shall be the responsibility of the Land Owner.

6. Fee for Extension of Services

- a. Property as to which water services are extended will be required to pay a fee in order to compensate the District for existing District water system facilities upon which the property will now rely for water service. This fee for the recapture of costs expended to provide such facilities as water treatment, pumping stations, distribution systems and storage, which facilities will provide a benefit to the property, are as established from time to time by the District and will be expressed in terms of a dollar amount per each parcel of real property owned by a property owner and as, to which water services are being extended. This fee to be named the Water Service Extension Fee shall be in the same amount as the Annexation Fee provided for and set forth in the Districts' Fee Schedule as it presently exists and may hereinafter be amended, which provides for an annexation fee to be paid upon annexation of real property to the District.
- b. The Exempt Lands for which service is requested shall be required to pay a Water Supply Acquisition Fee to provide funds for the District to acquire or develop additional sources of water to be utilized by the District. The Water Supply Acquisition Fee shall be established from time to time by the District and will be expressed as a dollar amount per each legally recognized parcel of real property to be served by the District pursuant to this ordinance. The Water Supply Acquisition Fee shall be set forth in the District's Fee Schedule.
- c. The Water Service Extension Fee and the Water Supply Acquisition Fee shall be payable by the Exempt Land Owner upon approval by the District of the Exempt Land Owner's request for extension of water service to the Exempt Lands.
- d. Upon any subsequent division of Exempt Lands to which water service is extended which creates additional legally recognized parcels, the Water Service Extension Fee and Water Supply Acquisition Fee will be applicable to each such newly created parcel. These subsequent fees shall be collected upon the first to occur of any of the following events:
  1. A final subdivision map; or

2. A parcel map; or any final regulatory approval which results in the creation of any additional legally recognized parcels of real property from the Lands.

#### 7. Procedure

All requests for extension of water service shall be subject to the approval of the Board. Proponents shall file an application for extension of service with the District. The application shall include the following minimum information, however, additional information may be required by the District:

- a. A map showing the area of proposed water service;
- b. The names and addresses of each owner of real property within the area of proposed extension of water service;
- c. An explanation as to why the area requesting water service has not previously been subject to the policies, resolutions, and ordinances of the District including fees, costs, bonded indebtedness, real property taxes, which other real property located with the District have been required to pay.

Following review by the District staff, the proposed request shall be presented to the Board for consideration. Prior to final approval by the Board to extend water service to the requested area, the Applicant shall be required to enter into a Development Agreement as prepared by the District setting forth the obligations of the proponents with respect to fees and costs to be paid to the District.

#### 8. Providing Service

No water shall be delivered to the area requesting an extension of service until the proponent has paid all fees and costs due and has completed construction of required water system improvements.

### 4.0500 POLICY FOR WATER SERVICES FOR AFFORDABLE HOUSING

#### 1. General

- a. It is the policy of the District to have a uniform procedure to grant a priority for the provision of water services to proposed developments that include housing units affordable to lower income households pursuant to a mandate set forth in Government Code Section 65589.7; and
- b. Based upon availability of the water supply, as determined by the Manager and the District's Master Water Plan, the District will ensure that priority for water services be given to proposed developments that include housing units affordable to lower income households. Notwithstanding the foregoing, this policy and procedure shall have no effect on any State or local regulations or restrictions relating to water shortage emergencies adopted pursuant to Chapter 3 of Division 1 of the Water Code; and

- c. Proposed developments that include housing units affordable to "lower income households" means that dwelling units shall be sold or rented to lower income households, as defined in Health and Safety Code Section 50079.5 at an affordable housing cost, as defined in Health and Safety Code Section 50052.5; or an affordable rent, as defined in Health and Safety Code Section 50053; and
- d. The District shall not deny or condition the approval of an application for services to, or reduce the amount of services applied for by, a proposed development that includes housing units affordable to lower income households, unless the Board of Directors makes specific written findings that the denial, condition, or reduction is necessary due to the existence of one or more of the following:
  - 1. District does not have "sufficient water supply" as defined in Government Code Section 66473.7(a)(2), 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.
  - 2. District is subject to a compliance order issued by the State Department of Health Services that prohibits new water connections.
  - 3. The developer has failed to agree to reasonable terms and conditions relating to the provision of service generally applicable to development projects seeking service from the District, including, but not limited to, the requirements of local, state, or federal laws and regulations or payment of a fee or charge imposed pursuant to Government Code Section 66013.



## Chapter 5: ANNEXATIONS

### 5.0100 ANNEXATIONS

1. Annexation of land within the logical service area of the District may be permitted at the sole discretion of the Board if the District has the potential water reserve capacity and can serve the property, and if the developer presents an adequate plan of development, as determined by the Manager, and agrees to provide the necessary distribution facilities, without cost to the District.
2. A fee in the amount determined by the Board by resolution may be charged for annexation.

### 5.0200 ANNEXATION POLICY

1. All annexations to the District shall be governed by this policy and as it may be amended from time to time and in accordance with the Cortese-Knox Local Government Organization Act of 1985, Sections 56000, et seq. of the California Government Code.
2. Contiguous Property  
Territory to be annexed shall be within the District's sphere of influence boundary. Unless otherwise authorized by the Board, every annexing area must be contiguous to the District and shall not result in the creation of islands, corridors or peninsulas within the District or in non-District territory, or otherwise distort existing District boundaries.
3. Obligations: All land annexed to the District shall, following annexation, be subject to the repayment of prior, present or future obligations or indebtedness of the District.
4. Rules for Annexation: The following rules shall apply for annexation:
  - a. All annexations are subject to the approval of the Bureau of Reclamation, the Shasta County Local Agency Formation Commission, and shall conform to all ordinances, regulations, resolutions and standards established by this District.
  - b. Territory requesting annexation which does not have available to it an existing or alternate source of reliable water supply shall be given preference by the District with respect to a requested annexation.
  - c. Approval of annexation is conditioned upon the District having sufficient water at the time of annexation to supply water to all parcels of real property within the proposed annexation area. Provided, however, that annexation shall not constitute an agreement by the District that sufficient water to provide services to annexed property will be available when service is requested. The District can provide no guarantee of future availability of adequate water to serve

annexed property. The annexation will be subject to the Drought Contingency Plan.

- d. If the Board determines that an individual parcel shall be included in a larger area to be annexed, the Board may deny the annexation if such additional parcels owners decline to be included in the annexation.
- e. As a condition of annexation, a fee shall be established in order to compensate the District for monies expended for the District's system facilities upon which the annexed properties will rely for service.
- f. If the Board of Directors of the District determines that the District does not have sufficient water at the time of annexation to supply water to all parcels of real property within the proposed annexation area, annexation will be considered only if the territory requesting annexation provides new and additional sources of water to meet the estimated annual consumption, as well as the maximum daily demand of the annexed parcels. Provisions of new or additional sources of water may require payment by the proponents of the annexation of a Water Supply Annexation Fee.

5. Improvements Required

As a condition of annexation and at the request of the District, annexation proponents shall provide, at the time designated by the District, such pipelines, distribution systems, water facilities, booster pumps, water tanks, regulating valves, chlorinators, supplemental water, connecting lines, in-tract improvements, well systems, area maps showing the names and addresses of the property owners within said area to be annexed, and such other incidental information, facilities and requirements as the District may direct. All water system improvements shall be designed and constructed in accordance with District standards. Designs shall be submitted for District review prior to construction. Construction will be subject to inspection by the District. Prior to final acceptance, "as-builts" for all facilities shall be provided to the District.

6. Rights-of-Way and Easements

All owners of real property in each annexing territory shall grant and convey, without cost to the District, any rights-of-way or easements reasonably requested by the District for the purposes of installing water pipelines, storage tanks, booster pumps and other facilities required for the distribution of water within the annexed territories and other places in the District and for maintenance thereof.

7. Annexation Costs

All costs of annexation, including all regulatory fees and costs, legal, advertising, environmental review, engineering, and all other incidental expenses associated with the processing of an annexation by the District shall be paid by the proponents

of the annexation. A deposit toward these costs shall be made by the proponent of annexation in an amount determined by the Board through resolution as recommended by the District Manager. All costs and expenses of providing a complete water system satisfactory to the District shall be the responsibility of the proponents of the annexation.

#### 8. Annexation Fee

- a. Property being annexed to the District will be required to pay a fee in order to compensate the District for monies expended for various system facilities upon which the annexed property will now rely for services. This fee for the recapture of costs expended to provide such facilities as water treatment, pumping stations, distribution systems, and storage, which facilities will provide a benefit to the annexed property, will be established from time to time by the District and will be expressed in terms of a dollar amount per each legally recognized parcel of real property being annexed to the District. The Annexation Fee shall be set forth in the District's Fee Schedule, as it is amended from time to time.
- b. The property being annexed to the District may, pursuant to Section 4(e) of this Section be required to pay a Water Supply Annexation Fee to provide funds for the District to acquire or develop additional sources of water to be utilized by the District. The Water Supply Annexation Fee will be established from time to time by the District and will be expressed in terms of a dollar amount per each legally recognized parcel of real property being annexed to the District. The Water Supply Annexation Fee shall be set forth in the District's Fee Schedule, as it is amended from time to time.
- c. The Annexation Fee and Water Supply Annexation Fee shall be payable by the proponent of the annexation upon final regulatory approval resulting in the annexation of parcels to the District.
- d. It is understood that upon any subsequent division of an annexed parcel which creates additional parcels, the Annexation Fee and Water Supply Annexation Fee will be applicable to each newly created parcel. This subsequent Annexation Fee and Water Supply Annexation Fee shall be collected upon the first to occur of any of the following events:
  - i. A Final Subdivision Map; or
  - ii. A Parcel Map; or
  - iii. Any other final regulatory approval which results in the creation of any additional parcels of real property.

#### 9. Procedure

- a. All proposed annexations shall be subject to the approval of the Board. Proponents shall file an application for annexation with the District. The

application shall include the following minimum information; however, additional information may be required by the District:

- i. A map showing the area of the proposed annexation;
  - ii. The names and addresses of the owners of the land within the area of the proposed annexation;
  - iii. A petition signed by at least seventy percent (70%) of the fee owners of the land area of the territory requesting annexation;
- b. Following review by District staff, the proposed annexation will be presented to the Board for consideration. If the application is accepted by the Board, the proposal shall be presented to the Bureau of Reclamation and the Shasta County Local Agency Formation Commission for processing and approval. Prior to final acceptance by the Board, the applicant will be required to enter into an Annexation Agreement which shall be prepared setting forth the obligations of the proponents of the annexation and the District.

#### 10. Providing Service

No water shall be delivered to an individual property within the annexed territory until such property owner has paid all fees due and has constructed all required water system improvements.

## Chapter 6: DEANNEXATIONS

### 6.0100 GENERAL

1. Detachment will only be considered by the Board if the District is unable to serve the area in the foreseeable future, and a firm commitment is obtained from some other established public water supply agency to serve the area.
2. A fee in the amount determined by the Board may be charged for detachment.
3. The District may require the grant of easements or rights-of-way to enable the District to supply property adjacent to the area proposed to be detached.

### 6.0200 POLICY

1. Detachments: It is the policy of the District to oppose detachments that would result in the creation of islands, corridors or peninsulas within the District or in non-District territory, or otherwise would cause or further the distortion of existing boundaries since the providing of services is therefore materially affected. However, the District will consider detachments from its territory, which are presented to the District and that represent a separation which benefits the District and the property proposed to be detached.
2. Classifications: Property requesting detachment from the District will generally fall into two classifications. The first classification is that property which currently receives full water service from the District. This means that the property is served by water from District sources, delivered through water mains owned by the District, and passing through District meters. The other category of parcels would be those that do not have water service from the District or any other public water system.
3. Review Guidelines: With regard to those parcels that currently receive full water service from the District, the District believes that detachment of those parcels may negatively impact the District's ability to continue to maintain acceptable water service levels to customers that will remain in the District. This is due to a reduction in revenues, conveyance capacity, and/or looping of water lines. Detachments of these parcels may have a financial impact on the District, creating an increased burden on the remaining District customers. For these reasons, the District will normally oppose detachments requests of property currently receiving full water service from the District.

With regard to parcels which currently do not receive water service from the District or any other public water system, such a detachment may negatively impact the District's future ability to continue to provide acceptable or improved water service levels to customers that remain in the District. This would be due to a reduction in planned conveyance capacity and/or looping of water lines. Additionally, detachment of these parcels may also have a financial impact on the

District, creating an increased burden on the remaining District customers. Depending on the potential impact on the District's future ability to maintain or improve the level of service provided to the remaining District customers and the financial impact on the District, the District will determine whether to support or oppose or take no position on such a request for detachment on a case-by-case basis.

4. Specific Considerations: The following represents specific considerations which the District will use to evaluate requests for detachment:
  - a. The District will oppose detachments of land that, if detached, would result in the creation of islands, corridors or peninsulas within the District or in non—District territory, or otherwise cause or further the distortion of existing boundaries.
  - b. Where a detachment will significantly impact the District's ability to deliver water to one or more parcels that will remain within the District by the removal of either existing main lines or a reduction in the present looping of water lines, the District will not relinquish ownership of the existing water mains unless the water delivery capacity is maintained by the construction of a parallel main or additional looping of water lines. The construction of the new water mains shall be the responsibility of the parcels being detached.
  - c. Where a detachment will significantly impact the District's future ability to deliver water to land that will remain within the District by the elimination of planned main lines or planned looping of water lines (e.g., those shown in the current Water Master Plan), either the owners of the parcels being detached may construct or pay to have constructed water mains of sufficient size to replace the lines being eliminated, or the District may increase the period of time over which continued special assessment fees will be payable to the District pursuant to a subsequent item of this policy as required to finance construction of such lines.
  - d. Detachment of areas that include any major District facilities, such as wells, pump stations, control structures, storage facilities and the like, either existing or shown in the current Water Master Plan will be opposed.
  - e. Where the District has constructed facilities sized to serve the parcels being detached, the District may require reimbursement for a proportionate share of the cost of such facilities or increase the period of time over which continued special assessment fees will be payable to the District pursuant to a subsequent provision in this policy.
  - f. Where the detachment will require a significant increase in user rates for the remaining District customers, the District may require a payment of a fee to the District to prevent or lessen this event, or the District may increase the period of time over which continued special assessment fees will be payable to the

District pursuant to a subsequent provision in this policy to compensate for the loss in user fees.

- g. Detachment of individual lots within a subdivision within the District boundaries will be opposed. In order for the District to take a position other than opposition, the request for detachment within a subdivision must, at a minimum, include all lots within a single phase of a subdivision (i.e., all lots created under a separate tentative map).
  - h. Detachment of a group of lots or parcels will not be considered without the submittal of a petition signed by the legal property owners representing a minimum of seventy percent (70%) of the lots and seventy percent (70%) of the total land area requesting detachment.
5. Detachment Payments: As a condition of detachment, the owners of parcels requesting detachment will be required to pay the District a fee which will be equal to their proportionate share of all types of costs associated with water system improvements paid for by the District or which are secured by a lien on the property or whose debt service is being paid in part by user's fees, standby fees or assessments on the property since such District facilities were in place to provide benefit to the detaching property.
  6. Processing Fees: The proponents of a detachment will be responsible for the payment of all LAFCO filing and processing fees for consideration and approval of a detachment, as well as any other fee which may be levied by agencies involved in the detachment proceeding. Additionally, the proponent shall pay all costs associated with the processing of the detachment incurred by the District. The proponent of the detachment shall pay to the District the estimated costs of its processing fees based upon a recommendation from the District Manager approved by the Board of Directors.
  7. Documents: The proponent of the detachment shall be responsible for the preparation of all documents required by the District, LAFCO and/or other federal, state and local agencies whose approval of the detachment is required.
  - 8: Retention of Facilities and Funds: All developer constructed or financed improvements required by the District as a condition of tentative map approval, approval of improvement plans, or pursuant to a development agreement for the project shall remain the property of the District. This retention includes funds deposited by the developer for facilities required to serve the project, but not yet spent. In no case will the District be required to refund any money to the owners of properties being detached.
  9. Water Rights: In no case involving a detachment will the District transfer with the parcels proposed to be detached any portion of the District's water rights, water allotments or ground water supplies.

## **Chapter 7: RATES, CHARGES AND FEES**

### **7.0100 WATER SERVICE**

Each installed service shall be charged the Base Rate, Consumption Rate, and any related charge or fee which shall be set forth in the District Fee Schedule pursuant to a District resolution.

#### **1. Base Rate**

Each installed service, whether active or inactive, shall be charged a Base Rate per month whether or not any water is used. The Base Rate shall be in accordance with the most current Base Rate adopted and is subject to change from time to time consistent with District policy and relevant regulations.

#### **2. Multiple Units**

Multiple units with a single meter shall be charged the Base Rate for each trailer space, apartment unit, second residential unit, motel unit, accessory dwelling unit (ADU), junior accessory dwelling unit (JADU), etc., whether occupied or not plus the standard Consumption Rate and any related charge or fee which shall be set forth in the District Fee Schedule pursuant to a District resolution.

#### **3. Consumption Rate**

A Consumption Rate per one hundred (100) cubic-feet rounded to the nearest one hundred (100) cubic-feet will be charged according to metered use.

#### **4. Pump Surcharge Fees**

All services located within a pressure zone which utilizes pumping separate from the District as a whole will be charged a pump surcharge fee to both the Base and Consumption Rates to offset the cost of power to such pumps as well as their repairs, maintenance, replacement expenses as well as fund the reserve.

#### **5. Water Availability Charge (WAC)**

The WAC includes those services where a connection fee was paid during the formation of the District, the service was installed (meter box and connection to District main lines), the meter was set, and the property was actually receiving water service, however, there was no home on the property, so the meter was later removed. By paying this fee, the property owner has the ability, at any time, to request that the meter be re-installed, and service resumed upon payment of the current Turn-On Fee.

#### **6. Delinquency Charge**

A delinquency charge of ten percent (10%) of any bill or portion thereof not paid by the due date shown on such bill shall be charged by the District.



7. Rate Stabilization Fee (RSF)

Each customer will be charged the Rate Stabilization Fee to build financial reserves to address variable costs related to maintaining the District's distribution and associated infrastructure. The Rate Stabilization Fee will be charged per one hundred (100) cubic-feet.

8. Water Treatment Plant Fee (WTP)

Each customer will be charged the Water Treatment Plant Fee to mitigate variable costs related to water treatment at the Water Treatment Plant. The Water Treatment Plant Fee will be charged per one hundred (100) cubic-feet.

9. Drought Surcharge

The Board of Directors may determine that, due to drought conditions, the District needs to purchase additional supplemental water. When that occurs, each installed service may be charged a monthly drought surcharge to be billed per 100 cubic-feet.

7.0200 NEW SERVICE FEES & CHARGES

A. Capacity Charge

The District's Water Master Plan sets forth a Capital Improvement Plan (CIP) identifying improvements necessary to ensure the continued availability of physical facilities for the District's water distribution system which defines the necessary Capacity Charge for new meter sales. This charge will be assessed for each new service connection at the time of meter installation.

The basis is the ¾-inch meter in determining the Capacity Charge for larger size meters. The ratio for meters larger than the ¾-inch meter shall be determined by multiplying the basic charges by the rates that the AWWA "safe maximum operating capacity" of the larger meters bears to that of the ¾-inch meter.

B. Connection Fees

Except for temporary or construction service, the customer shall pay the current Connection Fees which shall include the Capacity Charge, the New Water Purchase Fee and the Service Installation Fee. These fees shall be paid prior to the installation of the service, or in the case where the installation has previously been made, the Capacity Charge shall be paid prior to the water being turned on. The services paid for and installed at the time the original District system was installed shall be exempt from these Connection Fees (see Water Availability Charge).

Customer shall be required to pay a New Connection Fee for each additional single-family residence constructed on a parcel, unless that residence is an ADU or JADU, with the size under 1,200 square feet as set forth under California Government Code section 65852.2.

C. Reconnection Fee

For terminated services of six months or more, the Customer would be required to pay the current Reconnection Fee and all costs related to the prior removal and reinstallation of the Meter Set including all appurtenances and labor. Repayment of any liens and prior amount due as included in Section 3 Payment of Previous Service is also required prior to restoring service.

D. New Water Purchase Fee

The District in accordance with this ordinance shall collect A New Water Purchase Fee. The District will collect the New Water Purchase Fee at the time of a request for water service by a customer. New Water Purchase Fees collected will be deposited to the District's Operations and Maintenance Reserve to be used for the acquisition of additional water supply.

E. Service Installation Fee

The District will collect a fee for each new service connection which is installed by the District. A deposit of the estimated cost of the service installation shall be paid prior to the installation of the service. The fee is calculated to be a cost reasonably related to the District's actual costs incurred for water service connections plus a 15% restocking fee for all materials. The service installation fee shall be that fee as is calculated pursuant to the "New Service Quotation Sheet".

F. Inactive Service or Request for Termination of Service

If a Customer requests to terminate service or has inactive service for a period of six (6) months or more, then the District may remove all equipment necessary to provide the service. If the customer later decides to reactivate service, they will be required to pay the Reconnection Fees.

7.0300 MISCELLANEOUS SERVICE FEES & CHARGES

A. Cross Connection (Backflow) Control

Backflow Prevention Assembly Testing: The State Water Resources Control Board requires the annual testing of all Backflow Prevention Devices. The cost of the annual testing and any necessary repairs is included in the monthly charge for devices 2-inch and smaller. Customers having a device larger than 2-inches will be responsible for all costs related to necessary repairs of the devise. The monthly fees will be set forth in the Fee Schedule.

B. Meter Test Fee

The District may test meters at any time, and shall field test a meter upon the request of a customer who first deposits the current meter testing fee with the District. If the test indicates the meter is registering within 5 percent of accuracy, the testing fee shall be retained by the District to cover its cost of testing. If the test indicates

the meter is more than 5 percent in error, the testing fee shall be refunded and the meter repaired or replaced at the District's discretion. If the meter error over 5 percent is in the customer's favor, the District shall refund to the customer the estimated overcharge for a period of three months immediately preceding the meter testing. If the error is in the District's favor, a supplemental bill may be rendered equal to the difference between the customer's average bill for comparable service and his actual bills for the preceding three-month period.

**Chapter 8: MISCELLANEOUS LEGAL PROVISIONS**

8.0100 NO MANDATORY DUTY OF CARE

This Ordinance is not intended to and shall not be construed or given effect in a matter which imposes upon the District or any officer or employee thereof, a mandatory duty of care towards persons or property within the District so as to provide a basis for civil liability for damages, except as otherwise imposed by law.

8.0200 VIOLATION IS MISDEMEANOR

A violation of any provision of this Ordinance shall be a misdemeanor, punishable by a fine not to exceed Five Hundred Dollars (\$500.00), or by imprisonment in the County Jail not to exceed six (6) months, or both. Each and every day, or part of a day a violation of this Ordinance continues, shall be deemed a separate offence hereunder and shall be punishable as such.

8.0300 ENACTMENT

This Ordinance is enacted in connection with the operation by the District of a general system for the transmission and distribution of domestic water supplies and is immediately required to develop and promote the orderly distribution of domestic water to inhabitants of the District. In view of this, it is deemed in the best interest of the District and its customers and due to the necessity to promote public health and safety, that this Ordinance be, and such Ordinance is hereby declared to be in full force and effective immediately upon its adoption by the Board of Directors of the District.

8.0400 SEVERABILITY

If any section or provision of a section in this Ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this Ordinance are severable. The Board of Directors of the District hereby declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof.

8.0500 REPEAL OF CONFLICTING ORDINANCES

All ordinances and parts of ordinances and resolutions or parts of resolutions in conflict herewith are repealed insofar as such conflict may exist.

8.0600 CEQA

The Centerville Community Services District finds that this Ordinance is not a “project” according to the definition set forth in the California Environmental Quality Act (“CEQA”), and, pursuant to CEQA Guidelines sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15061(b)(3) (there is no possibility the activity in

question may have a significant effect on the environment), the adoption of this ordinance is therefore not subject to the provisions requiring environmental review.

8.0700 ADOPTION

This ordinance shall be published in accordance with the provisions of Government Code section 36933.

This ordinance shall take effect 30 days after its final passage.

The District Secretary shall certify to the adoption of this ordinance and shall cause it to be posted and/or published in accordance with the law.

The foregoing ordinance was introduced at a regular meeting of the Board of Directors of the Centerville Community Services District held on November 16, 2022, and enacted at a regular meeting of the Board of Directors of the Centerville Community Services District held on December 14, 2022.

## **Chapter 9: APPENDICES**

### **Appendix A: Revisions:**

Resolution 2023-03 – Adopted February 15, 2023

Resolution 2023-07 – Adopted June 21, 2023