

BELLA VISTA WATER DISTRICT

POLICY MANUAL

Adopted November 10, 1992

Latest Revision: January 1, 2012

BELLA VISTA WATER DISTRICT

POLICY, REGULATIONS, RULES, AND WATER RATES

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BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS

OF THE

BELLA VISTA WATER DISTRICT,

AS FOLLOWS:

ARTICLE I. GENERAL POLICY

110. PURPOSE. The Board of Directors deems it to be in the best interests of the District, its inhabitants and customers, that all rates and charges for water service and rules and regulations for the operation of the District's water supply system, together with procedures for furnishing water service, be set forth in writing for the guidance of the District and its consumers.

120. APPLICABLE LAWS AND REGULATIONS. The District will furnish water to property within the District pursuant to the provisions of the United States Bureau of Reclamation water contract, dated April 3, 1964, as amended from time to time; the regulations of the California Department of Health Services; applicable Federal, State and County laws and regulations and to the rules and regulations herein contained; and in accordance with amendments hereto and other applicable resolutions.

121. DISTRICT - DUTIES. The District shall be responsible for the operation, maintenance, repair and expansion of a water supply system; for enforcing the provisions of this Resolution; for collecting rates and charges for water service as herein set forth; and for administering and applying this Policy in accordance with the direction of the Board. In performing these duties, the District shall have and exercise all the powers given it by law in connection with its statutory purpose of supplying the inhabitants of the District with water for agricultural, rural, residential, industrial, commercial, and fire protection purposes as prescribed by the Board of Directors.

122. GENERAL MANAGER - DUTIES. The General Manager (Manager) is the 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 Policy, all amendments thereto, and other policies and directives of the Board.

122.1 The Board will endeavor to evaluate the General Manager at six month intervals and shall provide a written evaluation which shall be delivered and discussed with the Manager at least annually.

123. 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 action by the Board.

124. EXPERT ADVISORS. In the execution of actions ordered and authorized by the Board, the Manager shall have the assistance of the District's legal counsel, engineering and financial consultants, and other advisors as deemed reasonably necessary to conduct the business of the District.

125. PERSONNEL. The Board may, from time to time, employ additional personnel as it deems necessary to perform the duties of the District and pay such compensation for the services rendered as the Board deems proper.

126. WORDS AND PHRASES. For the purpose of this Policy, all words used herein in the present tense shall include the future tense, all words in the plural number shall include the singular number and all words in the singular number shall include the plural number.

127. ALTERATION OF THIS POLICY. This Policy may be amended, rescinded, deleted or otherwise altered by action of the Board at any regular or special meeting, by adoption of a resolution specifically setting forth the amendment, rescission, or deletion. Thereafter, the General Manager is directed to make any authorized revisions to the

original of this Policy and maintain an appropriate updated Policy Manual in the records of the District.

128. CONFLICTING PROVISIONS. If any section, subsection, sentence, clause or phrase of this Policy is, for any reason, deemed to be inconsistent with, or contrary to the constitution or any law of the State of California, or of the United States of America, or with any provision of the Bureau of Reclamation (Bureau) contract, the remaining portions of this Policy shall not be affected thereby.

129. BOOKS, RECORDS, AND REPORTS. Pursuant to Article 30 - Books, Records, and Reports of the Bureau contract with District and California Water District law, the District shall establish and maintain accounts and other books and records pertaining to its financial transactions, land use and crop production, water supply, water use, changes in project works, and as to such other matters as the Bureau and State law may require. The District shall furnish such reports to the Bureau and other responsible State and Federal agencies as required.

130. EQUAL EMPLOYMENT OPPORTUNITY. Pursuant to Title VII of the Civil Rights Act of 1964, the District agrees not to discriminate against any employee or applicant for employment because of race, creed, color, sex, religion or national origin. The full text of this agreement starts at Section 38, Page 51, and ends on Page 54 of the Bureau contract.

131. APPEALS. The General Manager is responsible for all day-to-day operations of the District, and as a part of such duty is empowered to implement this Policy in accordance with its terms. Customers or other persons doing business with the District shall submit all questions regarding such business to the General Manager for determination, whose decision shall be final, subject to appeal as provided in this section. Any customer or person may appeal the decision of the General Manager to the Board by filing a written notice of appeal within seven (7) days of notification by the General Manager of the decision for which appeal is sought (excepting billing disputes

which are governed by Section 421 of this Policy). A Notice of Appeal form shall be provided for that purpose by the District. Thereafter, the appeal hearing shall be set at the next regular Board meeting date. A party's failure to file a notice within the seven day period provided shall render the General Manager's decision final. After an appeal, the decision of the Board shall be final, subject to legal right to review by a court of law, if applicable. Staff shall prepare a memo for inclusion in Board information packets explaining the facts, the issues, and why the customer's request was denied.

132. NOTICE TO CUSTOMERS. Notices from the District to a customer shall normally be given in writing, and either delivered or mailed to the customer at the customer's last known address. Where conditions warrant, and in emergencies, the District may resort to notification by telephone or messenger.

133. NOTICE FROM CUSTOMERS. Notices from a customer to the District may be given by the customer or the customer's authorized representative in writing: delivered to the District office at 11368 E. Stillwater Way, Redding, CA 96003.

134. PENALTY FOR VIOLATION. The penalty for the failure of the customer to comply with all or any part of this Policy and amendments thereto, and any other applicable policy including policies fixing rates and charges of this District, shall be as specifically provided in this Policy or such other resolution, or as provided by law. In the case of violations for which a penalty has not been specified, the customer's service shall be disconnected, and water shall not be supplied to such customer until the customer has complied with the rules or regulations, rates or charges, which have been violated. In addition, the customer shall pay the District reconnection charges as provided in this Policy.

135. TAMPERING WITH DISTRICT PROPERTY. No one, except an employee or District representative shall, at any time, in any manner, operate valves, curb stops, or interfere with meters or their connections, pumps, regulators or other fittings or facilities

of the District. This shall include the making of taps and/or connections to District facilities.

Any person who, with intent to obtain for himself or herself, obtains water services from Bella Vista Water District without paying the full lawful charge therefor, or with intent to enable another person to do so, or with intent to deprive Bella Vista Water District of any part of the full lawful charges for water services it provides, commits, authorizes, or solicits any of the following shall be liable to Bella Vista Water District for the penalties set forth in Appendix A:

- 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, or bypasses any water meter to cause no measurement or inaccurate measurement of water actually delivered.
- c. Tampers with any property owned by or used by Bella Vista Water District to provide water services.
- d. Makes or causes to be made any connection with or reconnection to water service facilities owned or used by Bella Vista Water District to provide water services, and 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.

f. Uses any instrument, apparatus, or device to obtain District water supplies which device(s) is/are primarily designed to be used to obtain water service without paying the full lawful charge therefor.

g. Cuts or removes a seal on any meter or other water measuring device.

136. RESPONSIBILITY FOR EQUIPMENT ON CUSTOMER'S PREMISES. All facilities, including, but not limited to water meters, installed by the District on private or public property for the purpose of providing water service shall remain the property of the District. Excepted from the above are backflow prevention devices on meter service lines which remain the property of the customer. As a condition to providing water service, private property owners consent to such installations and consent to grant District personnel reasonable access at all times for the purposes of maintenance or repair, as necessary. Private property owners shall use due care not to damage any District owned facility. Damage caused by customer's failure to use due care shall be the responsibility of the customer. Customers shall not permit placement of any object or structure in a manner which will interfere with access to the facility as necessary, including unrestricted access to fire hydrants, meter boxes, and backflow prevention devices.

137. DAMAGE TO WATER SERVICE FACILITIES. The customer shall be liable for any damage to District owned facilities (e.g., meter box, service line, angle meter stop, meter, service valves, etc.) when such damage is caused by actions originating on or near the premises by an act of the customer or his/her tenants, agents, employees, contractors, licensees, or permittees, including the breaking or destruction of locks on or near a meter, and any damage to a meter that may result from hot water or steam from a boiler or heater on the customer's premises. The District shall be reimbursed by the customer for any such damage promptly on presentation of a bill.

138. GROUND WIRE ATTACHMENTS. Customers shall be liable for any damage to District property caused by the attachment of an electrical ground wire to the customer's plumbing or piping.

139. UNAUTHORIZED USE OF HYDRANTS. Tampering with any fire hydrant for the unauthorized use of water there from, or any other reason, is a misdemeanor as provided by California Penal Code Sections 148.4 and 498. Such actions are punishable by imprisonment in the County Jail, or a fine, or both. The District will prosecute any such actions to the fullest extent of the law.

140. DISTRICT NOT LIABLE FOR WATER SHORTAGES. There may occur, at times, a shortage during any year, in the quantity of water available to the District pursuant to Article 12 of the Bureau contract. If a shortage occurs and the Bureau does not supply the water to the District, in no event shall any liability accrue against the District or any of its officers, agents, or employees, for any damage, direct or indirect, arising from a shortage on account of errors in operation, droughts, or other causes.

141. RESPONSIBILITY FOR EQUIPMENT. Customers shall, at their own risk and expense, furnish, install and keep in good and safe condition, all service equipment and facilities that may be required on their premises for receiving, controlling, applying and utilizing water, and the District shall not be responsible for any loss or damage caused by the improper installation or use of such equipment and facilities, or the negligence or wrongful act of customers or of any of their tenants, agents, employees, contractors, licensees, or permittees in installing, maintaining, operating, or interfering with such equipment and facilities. For example, the District shall not be responsible for damage to property caused by faucets, valves, and other equipment that are open when water is turned on at the meter, either originally or when turned on after a temporary shutdown.

142. FREE WATER PROHIBITED. The District shall not give free water to any person, group, or organization. The District shall not trade water for labor or other services.

143. WASTEFUL USE OF WATER. No customer shall permit leaks or otherwise waste water, whether intentionally or negligently. In the event that water is wastefully or negligently used on a customer's premises, District shall have the right to discontinue service to the premises and shall have the right to enter upon the premises for the purpose of disconnecting the service.

144. RESALE OF WATER. No customer shall transport, supply, resell or otherwise transfer water purchased from the District to any other person or property unless authorized by law and authorized by the District's Board of Directors. Notwithstanding this restriction, owners of a mobile home park, apartment building, or other multiple-unit complex shall have the right to supply water to their tenants and to charge them for such water, provided that the water is not supplied to property other than the owner's property and provided that the charge for water does not exceed the actual expense to the owner of the multi-tenant property. No additional living units shall be connected to any service without prior application to the District in accordance with this Policy.

145. DOCUMENTS, PHOTOCOPIES, ETC. The District will provide copies of non-restricted material upon request at a cost as shown in Exhibit A. Normally such copies will be provided no later than 72 hours after requested.

146. PUBLIC USE OF BOARD ROOM. It is the policy of this District to make the Board Room at the District office available for use by the public at no cost to the District. The room may be used by government agencies, non-profit corporations, volunteer groups, and neighborhood groups that have a relationship to water distribution and use, or for the general public good.

Whenever the public uses the facility, a District employee shall be on the site to secure the building and assist the public.

Meetings during working hours may be held at no charge. Meetings outside of working hours will require that the District be reimbursed at the hourly rate shown in Appendix A with a two-hour minimum charge to compensate the District for its out-of-pocket personnel expenses.

ARTICLE II. DEFINITIONS

200. AGRICULTURAL WATER. Water delivered to consumers for use primarily in the commercial production of agricultural crops or livestock including domestic use incidental thereto.

201. AIR-GAP SEPARATION. A physical break between a supply pipe and a receiving vessel. The air-gap shall be at least double the diameter of the supply pipe measured vertically above the top rim of the vessel, in no case less than one inch.

202. APPLICANT. Any person, as defined herein, applying for water service.

203. APPROVED BACKFLOW PREVENTION ASSEMBLY. An assembly which has passed laboratory and field evaluation tests performed by a recognized testing organization which has demonstrated their competency to perform such tests to the California Department of Health Services. The District's construction standards includes a list of devices approved for use on District services.

204. APPROVED WATER SUPPLY. Any water supply whose potability is approved by a state or local health agency.

204.5 AQUACULTURE. Commercial production of fish or aquatic plants under controlled conditions. Does not include farm pond environments where fish are present and fee for fishing enterprises.

205. AUXILIARY SUPPLY. Any water supply on or available to the premises other than the approved water supply.

206. AWWA STANDARD. An official standard developed and approved by the American Water Works Association (AWWA).

207. BACKFLOW. A flow condition, caused by a differential in pressure that causes the flow of water or other substances into the distributing pipes of the District's water supply from any source other than an approved water supply source. Back-siphonage is one cause of backflow. Back pressure is the other cause.

208. BOARD. The Board of Directors of the Bella Vista Water District.

209. BUREAU. The United States Bureau of Reclamation.

210. BUREAU CONTRACT. The contract number 14-06-200-851a entered into between the Bella Vista Water District and the United States Bureau of Reclamation on April 3, 1964 and as amended and as renewed from time to time.

210.5 CAPITAL IMPROVEMENT FEE. Portion of installation charges used primarily for building system improvements.

211. Not Used

212. COMMERCIAL SERVICE. Delivery of water to customers engaged in trade, manufacturing and all other business and processing activities, including lodges, motels, hotels, trailer parks, home businesses, duplexes, triplexes, apartment houses etc., and other social or political organizations. Commercial service shall also include small businesses with living quarters attached thereto or served by the same meter.

212.5 CONNECTION FEE. That portion of the installation charges consisting of meter costs, service installation fee, and if applicable, a road crossing fee.

212.10 CONTAMINANT. Any physical, chemical, biological or radiological substance or matter in water.

213. CONTAMINATION. A degradation of the quality of the potable water by any foreign substance which creates a hazard to public health, or which may impair the usefulness or quality of the water.

214. COST. The total cost of labor, material, transportation, equipment rental, supervision, engineering, legal, and all other necessary overhead expenses.

215. Not Used

216. CROSS CONNECTION. Any unprotected actual or potential connection between a potable water system used to supply water for drinking purposes and any source or system containing unapproved water or a substance that is not or cannot be approved as safe, wholesome, and potable. Bypass arrangements, jumper connections, removable sections, swivel or changeover assemblies, or other assemblies through which backflow could occur, shall be considered to be cross-connections.

217. CUSTOMER OR CONSUMER. A water user of record.

218. DATE OF PRESENTATION. The date upon which a bill or notice is mailed or delivered personally to the customer.

219. DEVELOPER. Any individual, firm, company, partnership, association, corporation, or institution who divides land into two or more parcels.

220. DISTRIBUTION MAINS. Installations starting from the turnouts provided in the "Main Conveyance" system extending to individual services throughout the District in the form of main or lateral extensions, to provide the customers with water service.

221. DISTRICT. Bella Vista Water District, the territory of the Bella Vista Water District, its directors, officers, employees, and facilities.

222. DIVERT. To change the intended course or path of water without the authorization or consent of Bella Vista Water District.

223. DOMESTIC OR RESIDENTIAL SERVICE. Water for all household purposes, including water for sprinkling lawns, gardens or shrubbery; washing vehicles and clothes; human consumption, sanitation; and other general and customary purposes.

224. DOUBLE CHECK VALVE ASSEMBLY. An assembly of two internally loaded, independently acting check valves, including shut-off valves on each end of the assembly and test cocks for testing the water tightness of each check valve.

225. ENR. Engineering News Record magazine.

226. GENERAL MANAGER OR MANAGER. The person employed by the District as its executive officer.

226.5 GROSS ACREAGE. Parcel size as shown on annual tax statement used for agricultural, aquaculture, and public/institutional water allocations.

227. HEALTH AGENCY. The California Department of Health Services.

227.1 INSTALLATION CHARGES. Includes the Capital Improvement Fee for system improvements, meter cost, service installation fee, and if applicable, a road crossing fee.

227.2 LAND DIVISION. Any adjusting or amending of a property or properties resulting in a change of tax liability, acreage size, or configuration such as a subdivision, property line adjustment, or parcel split.

228. LOCAL HEALTH AGENCY. The Shasta County Division of Environmental Health.

229. MAIN CONVEYANCE OR TRANSMISSION MAINS. The major pipeline and the laterals connected thereto, forming the basic system as provided for in the Bureau of Reclamation Contract.

230. MUNICIPAL AND INDUSTRIAL (M&I) WATER. Water delivered to the District by the U.S. Bureau of Reclamation for use primarily other than as agricultural water.

231. OFFICE. The office of the Bella Vista Water District located at 11368 East Stillwater Way, Redding, California.

232. PERSON. Any individual, firm, company, partnership, association, corporation, Federal, State and County governments, public utility, municipality or institution.

232.5 PERSON. Individual, corporation, company, association, partnership, or other public body or institution.

233. POTENTIAL CROSS CONNECTION. Capable of being a cross connection but not yet in existence.

234. PREMISES. A lot, parcel or acreage under single ownership, except that any separate structure shall be deemed a separate premises. Apartment houses, motels, office buildings and structures of like nature, may be classified as a single premise by the District.

235. PRIVATE FIRE PROTECTION SYSTEMS. Water service and facilities for building sprinkler systems, hydrants, hose reels and other facilities installed on private property for fire protection, excepting there from, meter connections for regular service and the appurtenant facilities thereto.

236. PUBLIC FIRE PROTECTION SERVICES. The services and facilities of the District, including the storage, transmission and distribution systems and the water there from to serve fire hydrants and fire fighting equipment.

236.5 PUBLIC/INSTITUTIONAL SERVICE. Any water using establishment dedicated to public services. This includes schools, golf courses, churches, hospitals, and government facilities.

237. PUBLIC WATER SYSTEM. The District system.

238. RECLAIMED WATER. A wastewater which, as a result of treatment, is suitable only for other than potable use.

239. RECONNECTION. Means the reconnection of water service by a customer, other person, or by the District after service has been disconnected by Bella Vista Water District.

240. REDUCED PRESSURE PRINCIPLE BACKFLOW PREVENTION ASSEMBLY. An assembly incorporating two internally loaded, independently operating check valves and an automatically operating differential relief valve located between the two checks, including shut-off valves on each end of the assembly, and equipped with necessary test cocks for testing the assembly.

241. RESIDENTIAL SERVICE. Delivery of water to a parcel of land which does not meet agricultural, commercial, or rural service requirements.

242. RURAL SERVICE. Water service available to parcels of land which do not meet agricultural or commercial service requirements and are two (2) acres or more in size and have a one-inch or larger meter.

242.5 SCHOOL. Any building used for educational purposes accredited by the Western Association of Schools and Colleges including K through 12, junior colleges, and universities. This definition shall not include buildings used for day-care purposes.

243. SERVICE. The pipeline and appurtenant facilities, such as curb stops, service lines, meter yokes, meter boxes, meter gate valve and fittings, all used to extend water service from a distribution main to the premises. Where services are divided at curbs or property lines to serve several customers, each branch service shall be deemed a separate service.

244. SERVICE CONNECTION. The point of connection of a user's piping to the water supplier's facilities.

244.1 SERVICE RECONNECTION CHARGE. Fees levied in cases where the District has previously turned off service for delinquent payment.

245. SINGLE DETECTOR CHECK ASSEMBLY. An assembly of an internally loaded check valve together with bypass and a water meter which records low flows.

245.1 SUBDIVISION. Any division of land, including, but not limited to, lot split, lot line adjustment or parcel map recordation, which results in any parcel served by the District being divided into two or more parcels as a result of such subdivision.

246. TAMPER. To rearrange, injure, alter, interfere with, or otherwise prevent a device from performing its normal or customary function.

247. TEMPORARY WATER SERVICE. Water service and facilities rendered for construction work and other uses of limited duration and the water and facilities available therefor.

248. WATER SERVICE. The provision of water by the Bella Vista Water District for compensation.

249. WATER SUPPLIER. The District.

249.1 WATER SYSTEM. Improvements installed within a tract of land for the purpose of providing water service to a subdivision.

249.2 WATER TURN-OFF AND TURN-ON CHARGE. Fees levied in cases where the customer requests to have their service turned off and on for their convenience. This fee does not apply to new customers or move-outs.

250. WATER USER. Person(s) using water for residential, commercial, rural, or agricultural purposes.

251. WATERLINE EXTENSION. Water main(s) installed for the benefit of existing parcels of land without previous water service.

ARTICLE III. BOARD OF DIRECTORS

354. MEETINGS. The Board of Directors shall hold regular meetings on the fourth Monday of each month at 5:30 o'clock p.m. at the District office. Provided that in the event any regular meeting falls on a holiday, as defined in Sections 6700, 6701 and 54954 of the Government Code, such regular meeting shall be held on the next business day.

Special Meetings may be called or held as provided in Section 34803 of the Water Code and Section 45956 of the Government Code and notice thereof shall be given as set forth in Section 34804 of the Water Code and Section 54956 of the Government Code.

Any regular or special meeting may be adjourned from time to time as provided in Section 54955 of the Government Code.

Individual meetings may be held at such other place in or near the District provided that notice of said meeting is posted at the District office at least 72 hours in advance.

Board meetings are not to continue past 8:00 p.m. unless there is pressing business at which time a majority vote will be required to extend the meeting.

356. OFFICERS. The officers of the District shall include the directors, secretary and treasurer. An officer need not be a resident or elector of the District; provided, however, that directors shall be holders of title to land within the District. Officers take office as soon as they qualify except that officers elected or appointed pursuant to the Uniform District Election Law shall take office at noon on the first Friday in December next following the general district election.

357. PRESIDENT, VICE-PRESIDENT. The Board of Directors shall choose from among its members a president, who shall preside at all meetings of the Board and shall perform all other duties incumbent on such office, and all duties required of the president by law or order of the Board of Directors. In the president's absence or inability to act, the president's duties shall devolve upon the vice-president, who shall be selected from their own number by the Board of Directors. The terms of office of the president and vice-president shall be one (1) year beginning at the first regular meeting in December of each year.

358. SECRETARY. The Board of Directors shall appoint a Secretary of the District to hold office at the pleasure of the Board. The office of the secretary shall be combined with the General Manager. The Secretary shall keep a record of all the proceedings at meetings of the Board and shall have charge of all documents pertaining to the District's affairs. The secretary shall perform all duties usually pertaining to such office and those required by law or by order of the Board.

359. POWERS OF THE BOARD. The Board of Directors shall have all powers conferred by law.

The Board of Directors may, by resolution, adopt rules and regulations not inconsistent herewith for the operation of the District and for the sale and distribution of water, and fix the rates to be charged for water.

360. COMPENSATION OF OFFICERS. Officers shall be compensated as follows: Each director shall receive compensation in the amount shown on Schedule A for each day's attendance at meetings of the Board or for each day's service rendered as a director by request of the Board, not exceeding a total of ten (10) days in any calendar month, together with any expenses incurred in the performance of his or her duties required or authorized by the Board; provided, however, that no mileage expenses shall be paid for traveling to or from Board meetings.

361. VACANCIES. If any office of the District shall become vacant by forfeiture, death, resignation or from any other cause, the same shall be filled by appointment by a majority of the Board of Directors, in accordance with the provisions and requirements of California Government Code Section 1780.

362. ELECTIONS. Elections shall be called by the Board of Directors every two years, and as provided in the California Elections Code. Elections shall be conducted pursuant to the provisions of the California Uniform District Election Law, Elections Code Sections 23500, and following. Votes cast shall be based on the acreage of land of each owner of land within the District, as provided by law.

The Secretary of the District shall provide a report to the Board regarding the make-up of the District with respect to non-agricultural land use versus agricultural and rural use as provided by law. At such time as at least 50% of the assessable area of the District is devoted to and developed for residential, industrial or nonagricultural commercial use, the District may adopt resident voter procedures, i.e., one vote per person.

364. WATER CODE. As to all matters concerning the affairs and business of the District not herein specifically set forth or provided, pertinent provisions of the Water Code of the State of California and other applicable laws of the State shall govern.

365. ATTENDANCE. Each director shall make all reasonable efforts to attend each regular or special meeting held or called by the Board. In the event that a director fails to attend three (3) consecutive regular meetings, such director's office may be declared forfeited and a successor appointed pursuant to Section 34707.5 of the Water Code and Section 1780 of the Government Code.

ARTICLE IV. WATER SERVICE, GENERAL

400. APPLICATION FOR WATER SERVICE. Applications for water service shall be made upon a form provided by the District. Such application will signify the customer's intent and willingness to comply with this and other rules and regulations relating to water service and to make payment for the water service required.

401. 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 rendered to the applicant.

402. SECURITY DEPOSITS FOR WATER SERVICES. The District reserves the right to require a security deposit from new customers requesting water service.

403. INSTALLATION OF SERVICES. "District" shall install or authorize the installation of all meters pursuant to the rules and regulations established herein. The location of the meter 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 fees and installation charges have been paid by the applicant. Meters shall be placed upon the parcel they serve or within a recorded easement immediately adjacent to the parcel they serve. Exceptions to this provision must be made in written request form to the District and approved by the District's Board of Directors. Services installed in new subdivisions must be accepted by the applicant in the installed location.

Services and meters may be sealed by the District at the time of installation and no seal shall be altered or broken except by one of the District's authorized representatives.

403 (a) REQUIREMENTS FOR THE PURCHASE OF A WATER METER. The sale of a water service connection (i.e., a water meter and the capital improvement fee)

for non-agricultural purposes shall be contingent upon the property owner providing satisfactory proof of the existence of an existing dwelling unit, commercial or industrial building on the property or proof of the issuance of a building permit for the property at the time of purchase. The sale of a water service connection for agricultural purposes shall be contingent upon the property owner meeting all of the District's requirements for the receipt of irrigation water (i.e., an approved agricultural water application) at the time of purchase.

403 (b) WATER SERVICE AVAILABILITY REQUESTS. Prior to the installation of a new service the property owner shall complete a Water Service Availability Request in order for the District to research what will be required in order to provide water service to the property and the costs for the installation of the service and meter. The District will inform the requestor by letter once the research is completed. The price given for the water service installation shall be good for 60 days from the date of the letter unless an increase in the District's fees occurs within the 60 day period, in which case the price shall expire not more than 30 days after the date of the increase. When a water service availability request is submitted prior to an increase in Capital Improvement Fees and the results of the research are not provided to the requestor until after the fees have increased the pre-increase prices will be honored for 30 days from the date of the letter, provided that the requirements for purchase of a water meter (section 403 (a) were met prior to the date of the increase..

403 (c) FEES : CHANGES IN AMOUNT. Connection fees may be changed at any time. An applicant shall pay the connection fees existent when service commences regardless of when the connection fees are deposited or paid. "Service commences" when a request for service has been made and water can be first delivered to the applicant's property through District owned facilities and the bimonthly water services can be assessed. Service does not "commence" for the purpose of this section when construction water is provided through a temporary meter prior to the acceptance by the District of the water system serving the applicant's property.

404. METERING OF SERVICES. All water services within the District shall be metered with ownership of the meters retained by the District.

405. NEW SERVICE CONNECTIONS REQUIRING ADDITIONAL REAL PROPERTY ACCESS. When new service connections are requested from the District and it is determined by District staff that access rights to real property owned by the customer requesting service or another party will be required in order for the District to properly maintain the new water service facilities, the necessary rights-of-way shall be obtained. Access shall be in the form of an easement deed from the fee title owner of the property, or such other evidence as is satisfactory to the District.

A. If the distribution line to which the service connects is existing, the District will acquire the necessary rights-of-way for the distribution line either through voluntary grant, purchase, or eminent domain, as necessary. The District may allow the new service to be connected prior to obtaining the required rights of way.

B. If the distribution line to which the service will connect is to be constructed, the developer or person constructing the distribution line shall be responsible for providing the necessary access. No permanent water service shall be provided to a customer until such time as the foregoing requirements are met.

406. LONG SERVICES. The installation of a service line up to sixty (60) feet in length is included in the cost of a standard service installation. When the installation of a service line of more than sixty (60) feet in length is required additional fees will be applicable (as listed in Appendix A).

407. ROAD CROSSINGS. If it is necessary to cross a paved road during installation of a complete service a road crossing fee will be applicable.

408. Not Used.

409. CONTROL VALVE ON THE CUSTOMER'S PROPERTY. The District will provide a valve on the customer's side of the service installation, as close as is practicable to the meter location, to control the flow of water to the customer's premises. The customer shall use this valve and not the District's curb stop to turn the water off and on as required.

410. 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.

411. INTERRUPTIONS IN SERVICE. The District shall not be liable for damages which results from an interruption in service for any cause. Temporary shutdowns may be made by the District to make improvements and repairs to the District's facilities. Whenever possible and as time permits, all customers affected will be notified prior to making such shutdowns.

412. TEMPORARY SERVICE. All facilities for temporary service to the customer connection shall be made by the District and shall be operated according to District requirements.

413. TEMPORARY SERVICE DEPOSIT. All applicants shall deposit in advance, a sum sufficient to cover all installation and disconnection costs. Refund of any excess deposit shall be made by the District after the service is terminated and the system restored to its former condition. Applicant's shall pay all costs of installation and removal of any temporary service in accordance with Appendix A, Rates and Charges.

414. DURATION OF TEMPORARY SERVICE. Temporary service connections shall be disconnected and terminated not later than six (6) months after installation unless an extension of time is granted in writing by the District.

415. CONSTRUCTION WATER. When available, water for construction will be supplied from District hydrants. A construction water permit shall first be obtained from the District. Application for construction water shall be made on a form provided by the District and the applicant will be required to pay a security deposit in accordance with Appendix A. A meter rental fee and water usage will be billed bimonthly.

The District will provide the applicant with a hydrant meter. Care of the hydrant meter is the responsibility of the applicant who shall be responsible for any damage. If the meter is lost, the security deposit will not be refunded.

In cases where the amount of water to be used is minimal or the District is unable to provide a meter, the General Manager may waive the meter and security deposit and use a load count to determine usage.

416. SERVICE BEYOND DISTRICT BOUNDARIES. The determination of whether to serve water outside the exterior boundaries of the District shall be made by the Board. Such outside water service, the rates, installation and facilities installed therefor, shall be of a temporary nature only.

417. APPROVALS REQUIRED. If service outside District boundaries is permitted, approval from the Bureau must be secured pursuant to the water contract. Bureau approval is also required in order to annex territory to the District. Approval from the Local Agency Formation Commission will also be required in most cases.

418. OUTSIDE WATER RATES. Water rates for water delivered outside the District shall be one hundred fifty percent (150%) of the standard District residential rates.

419. BILLING FOR EACH METER. Separate bills will be provided for each service connection or meter installation except where the District has allowed the installation of two (2) or more meters to serve large quantities of agricultural or rural water on the same premises or on contiguous lands under one ownership. Where such installations are approved, the meter readings will be combined for billing purposes.

420. METER READING. Meters will be read as nearly as possible, on the same day bi-monthly. Billing periods containing fewer than fifty-eight (58) days and more than sixty-four (64) days, will be prorated. The regular billing period will be bimonthly.

421. PAYMENT OF BILLS. Bills are due and payable on the date of presentation and become delinquent twenty (20) days thereafter. Payment may be received at the District office by mail or in person. Each bill for water service shall contain the following statement which sets forth the process for bill disputes and delinquency bill disconnections:

PAYMENTS All bills, if unpaid twenty (20) days after date of mailing, shall be deemed delinquent and service may be discontinued. The entire delinquent bill, plus a delinquent penalty charge, reconnection charge and any additional charges, shall be paid in full before service will be re-established.

DISPUTED BILL PROCEDURE If you believe that your bill is incorrect, within five (5) days of receiving a disputed bill, please contact a Customer Service Representative during regular office hours, either in person, at 11368 E. Stillwater Way, or by telephone (241-1085) for an explanation. Office hours are 8:00 a.m. to 5:00 p.m., Monday through Friday, except holidays.

If, after such explanation, you still believe this bill is wrong, within ten (10) days of such explanation, you may request a hearing with a review manager of the District. Any customer whose request for a hearing by the review

manager has resulted in an adverse determination may appeal to the Board of Directors within thirty (30) days after the review manager's determination.

All requests for an extension of a bill asserted to be beyond the means of the customer to pay in full during the normal period for payment shall be made prior to termination directly to a Customer Service Representative during regular office hours, either in person or by telephone (241-1085).

422. PENALTY CHARGES. Any customer requesting extended payment for water billing charges and other charges related to water service shall be subject to a 1-1/2% per month periodic charge rate on the past due balances.

Billings for water service which are not paid on or before twenty (20) days following the date of mailing shall be subject to a ten percent (10%) late payment fee.

423. OPENING AND CLOSING BILLS. Opening and closing bills for less than the normal billing period shall be prorated according to the fraction of the time of service. Closing bills may be estimated by the District for the final period as an accommodation to permit the customer to pay the closing bill at the time service is discontinued.

424. Not used.

425. NOTICE OF DELINQUENCY AND TERMINATION OF SERVICE. A customer(s) water service may not be terminated for nonpayment of a delinquent account unless the District first gives notice of the delinquency and intent to terminate service at least 10 days prior to the proposed termination date by a mailed notice, postage prepaid, to the delinquent customer. Such notice shall be mailed not earlier than 20 days from the date of mailing the bill, and the 10-day period after which service is terminated shall not commence until five days after the mailing of the notice.

In addition, the District shall make a reasonable, good faith effort to contact an adult person residing on the premises of the customer by telephone or personal contact, at least 48 hours prior to any termination of service, except that whenever telephone or personal contact cannot be accomplished, the District shall give by mail, in person, or by posting in a conspicuous location at the premises, a notice of termination at least 48 hours prior to termination.

Every notice of termination of service shall include all of the following information:

- (1) The name and address of the customer whose account is delinquent.
- (2) The amount of the delinquency.
- (3) The date by which payment or arrangements for payment is required in order to avoid termination.
- (4) The procedure by which the customer may initiate a complaint or request an investigation concerning service or charges.

If a customer fails to comply with an extended payment agreement, the District shall not terminate service without giving notice to the customer at least 48 hours prior to termination of the conditions the customer is required to meet to avoid termination, but such notice does not entitle the customer to further investigation by the District.

No termination of service may be affected without compliance with this section. Any service terminated without the notice required by this Policy shall be restored without charge.

426. Not used.

427. DISPUTE OF WATER SERVICE BILLING. Whenever a customer has filed a complaint or requested an investigation into his or her water bill within five days of receiving the disputed bill, water service will not be terminated for nonpayment while such complaint or investigation is pending.

The customer will be contacted by the District by telephone, in person, or via first class mail with an explanation of the disputed charges within a twenty-day period after receiving the complaint or request for investigation.

428. MASTER METER-NOTIFICATION OF NONPAYMENT TERMINATION. Whenever water services are furnished to customers through a master meter where the owner or manager is the customer, the District will make every good faith effort to inform the actual users of these services if the account becomes delinquent and subject to termination. Notification will be given to users at least 48 hours prior to the scheduled termination of services.

The District will continue to provide service to the actual users if one or more are willing to assume responsibility for the entire account and have met the District's conditions for service.

429. INABILITY TO PAY WATER BILLS. Any customer who has notified the Customer Service Department prior to termination for nonpayment that he or she is unable to pay a bill within the normal payment period will be allowed to amortize the unpaid amount over a reasonable period of time, not to exceed 12 months. The customer will be required to pay the amortized amount plus the current water service charges. Failure to pay the amortized amount plus the current charges each billing period will nullify the amortization agreement, and the customer will immediately thereafter be required to pay the entire outstanding balance.

430. MEDICAL CERTIFICATION OF LIFE-THREATENING SITUATION. Residential water services will not be terminated for nonpayment of any bill if the customer asserts that payment of such bill within the normal period of time is beyond his or her means, and the customer has provided a signed statement from a licensed physician or surgeon to the District prior to termination that such action would result in a life-threatening situation to the customer. Such charges shall, however, continue to accrue for actual usage and the District shall only provide water service under these conditions for a period of 12 months. After that date, water service will be terminated according to this Policy. Any and all unpaid charges shall become a lien against the real property served by the District, as provided in the Water Code.

431. RECONNECTION. Water service disconnected for nonpayment will be reconnected upon payment of the entire amount due, which shall include all delinquent charges, service reconnection charges, and other penalties. Water service will not be restored to a customer until all conditions for service have been satisfied.

A security deposit in the amount of the highest billing period charge during the past year may also be required for existing accounts with a history of delinquent payment. The security deposit will be credited to the customers billing account after the customer has paid bills for service for twelve consecutive months without having more than two past due bills. The District will refund the deposit upon request of the customer on disconnection of the service.

All new customers applying for water services at a location where water service has been terminated as a result of nonpayment of a prior account must provide the Customer Service Department with proper identification and a signed rental agreement from the property owner or landlord. New customers will be required to sign a water application/subscribers agreement.

In the event service is discontinued for non-compliance with regulations other than delinquency or nonpayment of water bills, there will be a service reconnection charge in accordance with Appendix A which must be paid prior to reinstating service.

432. NON-ALLOWABLE WATER SERVICE TERMINATION. The District has set forth the following restrictions on termination of a customer's water service for nonpayment of billing charges. No customer's service shall be terminated:

1. On Saturday, Sunday, legal holidays, or at any time during which the business office of the District is not open to the public.

2. For nonpayment of a delinquent account unless the District first gives notices of the delinquency and impending termination.

3. During the pending investigation by the District for a customer who has initiated a complaint or requested an investigation within five days of receiving a contested bill.

4. When a customer has been granted an extension of the period for payment of bill.

5. On the certification of a licensed physician that to do so will be life threatening to the customer and the customer is financially unable to pay for service within the normal payment period and is willing to enter into an amortization agreement with the District, not to exceed 12 months.

433. CLOSED DELINQUENT ACCOUNTS. A closing statement is deemed delinquent if unpaid 20 days after date of mailing.

If the delinquent bill has not been paid and an extension has not been approved by the District, accounts will receive a pre-collection due date demand,

commencement of legal action, and/or a 15-day notification of assignment to a collection agency if billing remains unpaid after the pre-collection due date.

All unpaid and uncollected accounts shall become a lien against the real property on which the water service was provided in accordance with the provisions of California Water Code 37212 and 37213.

434. Not used.

435. Not Used.

436. METER TEST - DEPOSIT FOR TEST. Customers requesting a meter test shall first pay a meter testing deposit, as shown in Schedule A, depending on the meter size. Should the meter register more than two percent (2%) fast the deposit will be refunded, but should the meter register less than two percent (2%) fast the deposit will be retained by the District.

437. ADJUSTMENTS ON BILLING FOR METER ERRORS. If a meter tested is found to be more than two percent (2%) fast, the excess charge for the time service was rendered, not to exceed six (6) months, shall be refunded to the customer. If a tested meter is found to be more than ten percent (10%) slow, the District may bill the customer for the amount of the undercharge for a period not to exceed six (6) months that the meter was in use.

438. WATER RATES FOR TEMP SERVICE. Meter water rates for temporary services will be charged at one hundred fifty percent (150%) of the rates set forth herein.

439. NON-REGISTERING METERS. If, for any reason, a meter is not registering, the charges for service shall be the minimum bimonthly rate as shown on Schedule A plus the cost of the estimated consumption. Such estimates shall be determined from

previous consumption for a comparable period or by such other reasonable method as is determined by the District.

440. FIRE PROTECTION SYSTEM RATE. Fire service installations in which a detector-check meter is employed shall pay a monthly maintenance fee equal to that shown in Appendix A. Overhead sprinklers and other private fire protection equipment in factories, supermarkets, schools, and similar structures shall be rated on the size requirements of the service desired.

441. Not Used

442. TEMPORARY SERVICE THROUGH A FIRE HYDRANT. If service is supplied through a fire hydrant, the applicant will, in addition to charges for water usage, be charged a flat charge per connection payable in advance, for both installation and removal of temporary facilities, including the meter, as shown in Appendix A.

443. Not used.

444. DISCONTINUANCE (NON-COMPLIANCE WITH REGULATIONS). Service may be discontinued for non-compliance with this Policy or any other rule or regulation relating to water service provided by the District. All applicable fees must be paid before service is reinstated.

445. DISCONTINUANCE (MORE THAN ONE SERVICE). A customer's water service may be discontinued if water service furnished at a previous location is not paid as required by this Policy. If a customer receives water service at more than one location and the bill for service at any one location is not paid within the time provided for payment, water service at all locations may be terminated.

446. Not used.

447. Not used.

448. TERMINATION OF SERVICE. Customers desiring to discontinue service should so notify the District two (2) days prior to vacating the premises or two (2) days prior to the date actual water turnoff is to take place. Failure to do so will result in the customer continuing to be liable for charges for water service whether or not water is used.

449. Not Used.

450. FIRE HYDRANTS. Any party using public fire hydrants, shall operate hydrants in accordance with instructions issued by the District. Unauthorized use of hydrants will be prosecuted according to law.

451. RESPONSIBILITY FOR METERS AND INSTALLATIONS. The customer shall use all possible care to prevent damage to the meter or to any other District facilities which are involved in furnishing water service or temporary services from the time they are installed until they are removed. If a meter or other facility is damaged, the cost of making repairs shall be paid by the customer. It is specifically prohibited to operate the valve of a hydrant by other than a spanner wrench.

451.1 METER SIZES. The District reserves the right to require the installation of a compound meter to provide accurate flow readings, prevent undue wear on the meter due to under sizing, or prevent other potential problems.

Sizing of water meters for multiple dwelling units shall be based on the number of fixture units and the landscaping demands for the property. The developer shall provide to the District a report prepared by a registered professional (civil or mechanical) engineer detailing the number of fixture units, landscaping demands, sizes of water lines to be installed, available water pressure, head losses, and resultant water pressures, as well as, the recommended size water meter (based on the AWWA's "Recommended Maximum Rate for Continuous Operation as listed in Appendix D). The District's Engineer will review the report provided and make the final determination of

the appropriate meter size for the building(s).

In the absence of an engineer's report justifying a particular meter size the maximum meter size that will be allowed for a parcel shall be the smallest meter size from Appendix D that will meet the household and irrigation needs of the property based on a 10 gpm household demand plus 5 gpm per acre.

452. UP SIZING. The total cost of a change in the size of a meter or other facility shall be paid for by the customer, including the differences in Capital Improvement Fees in effect at the time of change(see Appendix B for examples). A non-scheduled Ag meter may be converted to a larger scheduled Ag meter. The customer will pay for the difference in the current Capital Improvement Fee of the non-scheduled meter and the Capital Improvement Fee for the larger scheduled meter plus the installation cost. If the difference in Capital Improvement fees results in a credit to the customer no monetary compensation toward the new installation will be allowed; however, the difference in the Capital Improvement Fees may be used as a credit toward any future up-sizing of the same meter. The customer will be responsible for the installation costs.

453. METER DOWNSIZING - EXISTING PARCEL. If a meter is downsized, the property owner shall be credited the following: the difference between the current cost for a "meter set" and "service installation," if applicable, of the size being removed and the new meter size (see Appendix B for examples). No credit will be given for the difference in Capital Improvement Fee.

453.1 METER DOWNSIZING/EXCHANGE - SUBDIVISION. When an existing parcel is subdivided, the existing service shall be downsized so that the meter remaining on the parcel is properly sized. The maximum meter size for any of the parcels created by the subdivision shall be in accordance with the meter sizing criteria in Appendix D. The existing service can be downsized/ exchanged for up to a maximum of four smaller services providing that the combined meter flow rates for the new proposed services do not exceed the AWWA's Recommended Maximum Rate for Continuous Operations for

the original meter. When an exchange is made, no monetary compensation toward the new installation will be allowed.

The smaller meters must be located within the subdivision. The developer/owner will be required to pay the service installation costs and/or meter set costs, whichever is applicable. A meter that has been previously downsized in accordance with this section shall not be eligible for downsizing/exchange a second time.

454. Not Used.

455. METER REPLACEMENT. Before replacing any meter 3-inches or larger in size, the District will attempt to contact the owner of the property that the meter serves. The District will estimate the actual cost (labor and materials) to replace the meter with the same size meter and the cost to replace it with a smaller meter. The owner will then be given the opportunity to have a smaller size meter installed and be credited in conformance with Article 453 above.

456. CHANGE IN LOCATION OF METERS. 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.

456.A RELOCATION OF METERS. 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 to remain at its existing location provided easements are granted to legitimize the water service's location. All costs to be borne by the proponent of the foregoing.

457. INGRESS AND EGRESS. The District is charged with the responsibility of maintaining a sanitary and potable supply of water for the public pursuant to law and the

rules and regulations herein. As a condition of water service, representatives of the District shall have the right of ingress and egress to the customer's premises at all reasonable hours for any purpose reasonably connected with the furnishing of water service, and as provided by California Water Code Section 35404.

458. STREET WIDENING, PAVING, ETC. Persons responsible for service and/or main locations being changed in connection with street realignment, paving, grading, widening, resurfacing, sewer or storm drainage construction and/or other works on streets, road, avenues, thoroughfares, highways, and easements shall also be responsible for all costs incurred by the District in regard to changes in the water facilities required by such activities.

459. UNSAFE APPARATUS. Water service may be refused or discontinued to any premises where apparatus or appliances are in use which cause excessive water hammer or otherwise might endanger or disturb service to other customers.

460. FRAUD OR ABUSE. Service may be discontinued, if necessary, to protect the District against fraud or abuse, e.g., name changes to avoid payment of bills.

461. PROHIBITED ACTS. Any person who, with intent obtains water services from Bella Vista Water District without paying the full lawful charge therefor, or with intent to enable another person to do so, or with intent to deprive Bella Vista Water 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 Bella Vista Water District for the penalties set forth in Section 463:

(1) Diverts or causes water to be diverted by any means whatsoever.

(2) 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.

(3) Tamper with any property or equipment owned by or used by Bella Vista Water District to provide services.

(4) Makes or causes to be made any connection with or reconnection with property or equipment owned or used by Bella Vista Water District to provide water services without the authorization or consent of the District.

(5) 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.

462. 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 section 461. In that determination, if there are any of the following objects, circumstances, or conditions on 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 presume that the customer or person intended to, and did violate this section:

(1) Any instrument, apparatus, or device primarily designed to be used to obtain water services without paying the full lawful charge there for;

(2) Any water meter that has been altered, tampered with, or bypassed so as to cause no measurement or inaccurate measurement of water delivered; or.

(3) The cutting or removal of a seal on any meter or other water measuring device.

463. PENALTIES. In the event any person is found liable to the District for the violations set forth above in Section 461, each and every person involved in such violation shall be liable to Bella Vista Water District as follows:

(1) Fines for violations are payable upon demand thereby 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 for each violation.

(2) In the event that a person violates the above-cited restrictions, and as a part of such violation tampers with a fire hydrant, due to the potential for increasing danger to life and property, such fire hydrant tampering will result in immediate assessment of a fine of up to \$1,000.00 per incidence, plus, in the District's discretion, criminal charges may be pressed with appropriate authorities pursuant to the provisions of California Penal Code.

(3) Any repairs which are required to restore damaged facilities, shall be paid by either the customer to whom such facilities currently serve water, or by any new or different customer requesting water service through damaged facilities.

(4) 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.

464. **BILL STUFFERS**. Upon request, the District will include written information to be inserted in the District's bills at no cost to the District. Such use will be limited to government agencies, non-profit corporations, and volunteer groups that have a relationship to water distribution and use. The information shall be of public interest and non-controversial, non-political, and for the benefit of residents of the District.

Prior to including any non-District information in the District's bills, the proponents shall provide the District with a sample copy which will be reviewed and approved by the Board of Directors. The following material shall be prohibited: material advocating passage or defeat of a measure appearing on any election ballot; advocating promotion or defeat of any candidate for nomination or election to public office; promoting or attempting to defeat the appointment of any person to any administrative or executive position in federal, state, or local government; promoting or advocating the defeat of any proposed change in federal, state, or local legislation or regulations; and/or anything that would constitute advertising for a "for profit" enterprise.

The information shall be provided to the District complete, including furnishing paper, printing, and folding so it can be added to the District's standard billing envelope without further manipulation by the District.

ARTICLE V. WATER SERVICE, AGRICULTURAL

500. AGRICULTURAL SERVICE. All agricultural service shall be with a meter size one-inch (1") and larger and shall meet all Bureau of Reclamation requirements for agricultural "Irrigation Water" service. See Definitions. All new applications must be for contiguous, cultivated and irrigated land of at least 2-acres.

501. DETERMINATION. The Manager shall review all applications for agricultural water. Eligible lands must comply with Federal Reclamation law, prior to receiving agricultural water in the form prescribed by the Bureau as provided in the Bureau contract.

502. AGRICULTURAL SERVICE ON UNIMPROVED LAND. Request for agricultural water service on unimproved qualified lands shall be granted at such time as irrigation demands for the commercial production of agricultural crops or livestock is necessitated. Prior to necessary improvements being established to warrant Federal agricultural water applications, such lands shall be eligible only for residential, commercial or rural water rates.

506. WATER MANAGEMENT PLAN. Agricultural customers shall be required to implement an irrigation water management plan. Plans shall state irrigation cycles and crop needs and shall be submitted with the application for agricultural water service.

507. WATER USERS CENSUS REPORT. Agricultural services shall be required to annually submit a Water Users Census Report. Failure to submit report by December 1 of each year may result in loss of the agricultural water rate. In addition, before receiving water at agricultural rates and thereafter annually with the Water Users Census Report the customer shall certify, on a form provided by the District, compliance with the criteria for receiving agricultural "Irrigation" water service.

530. FLOW REGULATION. The District reserves the right to limit pipe and meter sizes and if necessary, stagger the water hours and days or to limit the maximum flow so as to provide equal usage opportunities for all users on the same transmission line.

531. The District may restrict the flow through the meter to the recommended maximum rate for continuous in accordance with the applicable AWWA Standards. See Appendix D for the "AWWA Recommended Maximum Rate for Continuous Operations."

Appropriately sized meters are necessary to preserve the integrity of the metering equipment, ensure accurate water measurement and to reduce maintenance on the equipment.

545. DOMESTIC WATER. Domestic water incidental to production of agricultural crops or livestock, shall be included with the agricultural water.

ARTICLE VI. WATERLINE EXTENSIONS

600. DISTRICT TO COOPERATE. It shall be the policy of the District to cooperate with individuals or groups in the orderly development of waterline extensions.

601. DISTRICT CAN PROMOTE EXTENSIONS. Nothing herein shall prevent the District from initiating or promoting action on waterline extensions.

602. INDIVIDUALS OR GROUPS SHALL FURNISH MAPS AND INFORMATION. Proponents of an extension shall contact the District and provide maps showing the names and addresses of the benefited landowners identified by their respective parcels and such other information as the District may require. The District shall investigate the feasibility of including other contiguous lands within the proposal making certain that every landowner has an equal opportunity for participation.

603. DISTRICT TO PREPARE A ROUGH ESTIMATE. Upon the request of the proponent(s) the District shall prepare an estimate of the installation cost of the proposed extension and deliver this estimate to each of the effected landowners or designated representative.

604. PROPONENTS DECIDE TO INSTALL THE EXTENSION. After consideration of the estimate provided by the District, if the affected landowners determine to install the extension, the proponents shall retain a licensed civil engineer to prepare improvement plans for District review and approval. For line extensions where less than 100 feet of water main is to be installed, the developer may submit a sketch of the proposed construction in lieu of improvement plans to District standards. Following approval of the plans by the District, the proponent(s) shall have a licensed contractor provide a cost estimate of the project.

Design and construction of improvements shall be in conformance with adopted District's Design Standards, the District's Standard Specifications for the Construction of

Water System Improvements and the District's Standard Details in effect at the time of submission.

605. FINAL ESTIMATE. On notification that the proponents have elected to install the extension, the District shall review the final cost estimate. The District shall prepare a cost proposal for the distribution of all costs on a pro-rated basis for each landowner who will be benefited by the water service.

606. NOTICE OF HEARING. The final estimate and the cost distribution proposal shall be presented to the affected landowners at least fifteen (15) days before the Board meeting at which the matter will be considered.

607. HEARING. The District manager or engineer shall present to the Board the proponents' request for the installation of the waterline extension together with the cost estimates and other pertinent information. Affected landowners will be given an opportunity to address all or any part of the presentation before the Board. The Board, after consideration of such application and report, may reject, amend and/or approve the installation of the extension.

608. APPROVAL. Upon approval of the proposed extension by the Board, the project may commence, and upon completion of the facilities and acceptance by the Board, all such facilities constructed shall become the property of the District.

609. PAY ALL COSTS. Applicants for extensions must agree to construct each extension at their cost.

610. SERVICE CONNECTIONS. Service connection facilities shall be installed as part of the waterline extension. Service shall be installed in accordance with the District's standard drawings, Section 403 of the District's Policy, and shall consist of a service saddle and corporation stop, service pipe, angle meter stop, and a meter box.

611. EASEMENTS AND RIGHT-OF-WAYS. Prior to the start of construction of an extension, landowners must first grant, without cost to the District, all necessary easements and rights-of-way for present and future extensions.

612. MINIMUM PIPE SIZE. The minimum pipe size required for extensions is such size as called for by the District's Master Plan(s), or the larger of the following:

- a. Six (6) inches in diameter, or
- b. As determined necessary by the District to meet City or County fire flow requirements.

613. Not Used

614. COMPUTATION OF REBATES. Where one or more persons pay the installation costs of an extension, later applicants for water service directly from such extension (i.e., by tapping directly into the extension) shall pay to the original installers their prorata share of the extension cost plus interest. To be eligible for rebates the installers shall enter into a rebate agreement with the District, which shall include the terms and conditions under which the rebates are paid, the properties to be served, the names of the applicants (installers), cost, etc. A sample rebate agreement is shown in Appendix C.

615. REGISTER OF ORIGINAL INSTALLERS. The District shall maintain a register of each original installer for each extension. The register shall include the name and address of each original installer and it shall be the responsibility of each original installer to notify the District of any subsequent change of address.

616. PAYMENT OF REBATES BY THE DISTRICT. Upon receipt of funds the District shall notify the original installers in writing at the address listed on the register, which the District is holding for them, their prorata share setting forth the exact amount. Within 45 days after giving such notice, the District shall pay to those who respond to the

notice their respective prorata share. The District shall retain the share of those original installers who do not respond to the notice with 45 days. After which time the non-responding original installers' rights thereto are forfeited.

617. ASSIGNMENT OF EXTENSION REBATES. Any rebate anticipated may be assigned by any original installer. To be binding on the District, such assignment must be in writing, and must describe the extension to which it applies, and must be delivered to the District. The register shall be amended accordingly.

618. TIME LIMIT - EXTENSION OF REFUNDS. After the expiration of ten (10) years from the date of installation of any extension or when all the properties that can receive service from the extension are developed (which ever occurs first), the General Manager is authorized to declare the rebate account closed upon complying with the following condition:

Written notice of the District's intent to close a given extension account shall be provided to each original installer listed in the register of such extension. Such notice shall inform the original installer that unless a written appeal is taken to the Board setting forth the reasons for extending the refund period, the time of taking such an appeal shall be as set forth in the notice and shall be not less than thirty (30) days from the mailing of the notice.

619. NON-RESPONSIBILITY. The District is not obligated to:

- a. Assure that the landowners making such lateral extensions receive full payment of costs therefor,
- b. Initiate any action,
- c. Incur any expense to collect any sum to be paid such landowners, nor
- d. Provide any refund from revenue derived from water service.

620. DISTRICT CONTRACT INSTALLATIONS. For such sum as may be agreed upon the District may contract, as provided by law, to install distribution lines.

621. ASSESSMENT DISTRICTS. Assessment districts can be formed to pay for waterline extensions. Before action is taken to form such a district, interested persons shall contact the General Manager. The General Manager can preliminarily advise interested parties as to the general feasibility of the proposed assessment district and extension and what further action must be taken.

622. ADDITIONAL EXTENSIONS. The District may, at any time, add additional waterline extensions to any existing extension(s) without securing permission from the original installers who paid the original installation costs of the extension(s).

623. FRONT FOOTAGE FEE.

A. If a service connection is made directly into a main which has been previously constructed at District expense or which has not been constructed and financed through an assessment district or through any other means in which the applicant has a vested interest, or is not the subject of a line rebate agreement, there shall be paid by the applicant a front footage fee, calculated as set forth below.

B. The charge shall be computed on the front footage of the lot or logical divisible portion thereof to be connected, but no case less than sixty feet, multiplied by the front footage fee as established by the Board. The fee for corner lots shall be computed on the basis of the width of the lot parallel to the water main or where more than one side of the lot fronts water mains the width will be based on the average of the front and side lot widths. Flag lots, whether by easement or deeded access, shall be computed on the basis of the projected width of the lot parallel to the water main, irrespective of the portion used for access.

C. Where the front footage of the property exceeds 330 feet, the property owner will have the option of paying the total charge upon connection or paying an amount equal to 330 feet times the front footage rate and entering into an agreement with the District requiring payment for the balance of the front footage at such time as the property is subdivided.

D. Charges shall be due and payable prior to service being provided, unless the District has installed a new water main adjacent to a developed parcel with an existing private water well.

E. Where the District has installed a main adjacent to a developed parcel with an existing private water well, the property owner will have the option of paying the charges on connection or entering into an agreement with the District to amortize the charge over ten (10) years. The agreement shall be recorded as a lien against the property. The fees will be billed with the regular (bimonthly) water bill with the charges at 5 percent per year over 10 years. The balance may be paid at any time without a penalty and shall be due upon sale or further encumbrance of the property.

F. The front footage fee shall be as shown in Appendix A.

624. LICENSED CONTRACTORS. Only licensed, bondable general engineering (class "A") or underground contractors (class "C-34") in good standing will be permitted to perform construction of or alternations to water conveyance systems connected to the Bella Vista Water District system. Such licensed contractors shall be required to execute a written contract with the Bella Vista Water District setting forth the specifications and manner in which the work is to be performed.

625. LAWS GOVERNING. Contractors installing or modifying water conveyance facilities within Bella Vista Water District shall be required to comply with all applicable local, state and federal laws, including, but not limited to, the California Labor Code, and the California Public Contracts Code, where applicable.

626. INSURANCE. Prior to commencement of any work of improvement, the contractor shall provide Bella Vista Water District with proof of insurance and bonding, as required by the District General Manager, for the work to be performed, such proof naming Bella Vista Water District as an additional insured or loss payee. Insurance shall provide for a minimum aggregate coverage (as shown in Appendix A) for property damage and personal injury.

627. SUBSTANDARD FACILITIES. If any work of improvement constructed within the Bella Vista Water District fails to comply with the District specifications, or the contractor or entity performing such work fails to comply with the requirements set forth herein, Bella Vista Water District may, at its sole option, refuse to accept such facilities into the District until the facilities meet the required specifications, or the contractor complies with the above requirements.

ARTICLE VII. LAND DIVISIONS

700. APPLICATION. Any developer(s) desiring to construct water system improvements to provide water service to a tract of land which they propose to subdivide shall make application to the District by submittal of a tentative map or plan for District approval.

701. CONTENTS OF APPLICATION. The application shall state the name and number of the tract and its location. The application shall be accompanied by three (3) copies of the tentative subdivision map. All plans and specifications submitted to the District shall be signed by a Registered Engineer.

702. INVESTIGATION. Upon receiving the application, the District Staff shall make an investigation of the proposed subdivision and shall report the findings to the Board.

703. "WILL SERVE" LETTER. Upon written request by the applicant, the District will consider issuance of a "will serve" letter for properties within the District. The letter will be issued upon Board approval only when it can be demonstrated that the District reasonably expects to have sufficient water supplies available to serve the property without restriction over an extended period of at least 9 out of 10 years (90th percentile).

704. IMPROVEMENT PLANS. The location of proposed lines and services shall be as shown on the improvement plans prepared in accordance with the District's Design Standards and approved by the District. The actual construction will be done at the expense of and by the subdivider and inspected by the District. All water main construction in new land divisions shall extend to the limits of the property and shall include all looping and other supplementary lines that are necessary in order to insure that future contiguous land divisions and/or developments can connect directly onto such water mains, thus providing for the orderly development of the system.

705. SUBDIVISION AND IMPROVEMENT PLAN APPROVAL PROCESS FOR PROJECTS REQUIRING CONSTRUCTION OF WATER SYSTEM IMPROVEMENTS.

1. Subdivider(s) shall submit the following: (a) three (3) copies of the tentative map, (b) three (3) copies of improvement plans showing all utilities as proposed within the subdivision, (c) reconstruction necessary to the existing system to insure the most economical long-term operation of District facilities in the tributary area, (d) any other information as necessary to fully describe the project, and (e) a non-refundable plan check fee as shown in Appendix A.

2. Upon the recommendation of District Engineer, the subdivision map shall be presented to the General Manager for approval.

3. The General Manager may refer projects that will impose significant impacts to the District Board of Directors for approval. The Board reserves the right to make changes to the proposed water improvements as deemed necessary.

4. The improvement plans will be signed and dated for approval only after all the requested deficiencies or changes have been made to the plans.

706. PLAN CHECK FEES. Plan check fees will be charged to offset the cost incurred to review improvement plans either by District Staff or by a consulting engineer engaged by the District. A base fee and a per lot fee, as shown in Appendix A, shall be paid by developer with submittal of the plans.

707. CONSTRUCTION PERMIT. No construction shall begin until a construction permit is issued by the District. The permit shall be obtained by submitting three (3) sets of signed and dated improvement plans along with an engineer's estimate of the total cost of the water system improvements and deposit of an amount equal to the greater of \$500 or one percent (1%) of the engineer's estimate of the total cost of

the water system improvements, to cover the cost for inspection fees (refer to section 709).

For subdivisions where less than 100 feet of water main is to be installed, the developer may submit a sketch of the proposed construction in lieu of improvement plans to District standards.

A copy of the permit is to be kept at the jobsite at all times work is being performed. The contractor shall notify the District at least 24 hours before commencing work.

708. Not Used.

709. CONSTRUCTION INSPECTION. During construction the District Engineer or representative will make periodic inspections of the work in progress to assure that the materials and workmanship conform to District standards. The engineer and any authorized representatives shall at all times have access to the work. Inspection of the work shall not relieve the contractor of the obligation to fulfill all conditions of the contract.

Such inspections are made for the benefit of the District only. The District does not undertake any responsibility or duty to the developer or property owners to select, review, inspect, supervise, pass judgment upon or inform such parties of the quality, adequacy or suitability of: (a) the Plans and Specifications; (b) the architects, contractor, subcontractors and material men employed or utilized in the construction; or (c) the progress or course of construction and its conformance or nonconformance with the Plans and Specifications or amendments, alterations and changes thereto. The District owes no duty of care to protect the developer or owner, or any other person against negligent, faulty, inadequate or defective work or construction.

710. INSPECTION FEES. Inspection fees will be billed at the hourly rates shown on Appendix A. The inspection time shall begin upon departure from the Bella Vista Water District office and the termination of time shall be upon the return to the Bella Vista Water District office. Inspection time will be logged for each development and billed after completion of the waterline project or as construction is progressing.

711. CONSTRUCTION APPROVAL PROCESS. After completion of the required construction, but prior to final acceptance by the Board, the following shall be submitted to the District:

- (a) "as built" plans,
- (b) summary of pipe footage by diameter size,
- (c) cost of waterline installation (copy of construction bid is acceptable),
- (d) copies of recorded waterline easements, and
- (e) all inspection fees .

Note: no meters will be sold to parcels or lots within a subdivision or planned development until all the above requirements are satisfied.

712. COST AND EXPENSES. All costs and expenses incurred by the District under this Section, including the cost of investigation, inspection, legal and engineering services, shall be paid to the District prior to acceptance of the facilities by the District.

713. WARRANTY OF WORK. A one (1) year contractor's warranty period covering pipeline construction and water service facilities shall begin on the date of final acceptance by the Board of Directors or on the date the facilities are put to actual use by the District, whichever occurs first. Contractor will be notified of any deficiencies which occur during warranty period and will be required to promptly make all necessary corrections. If contractor does not correct the deficiency within 14 days, or if the deficiency is an emergency, District will cause the deficiency to be corrected and

contractor will be required to reimburse District for all District costs, including labor and materials.

714. PROPERTY OF DISTRICT. All water facilities installed shall be conveyed to the District and remain the property of the District. The facilities shall become the property of the District when the final inspection is performed on the subdivision or phase of subdivision construction, submittal of all information and fees required above, and/or acceptance by the Board of Directors.

715. SERVICE CONNECTIONS. The subdivider shall, at its own cost, provide and install the service connections, pipelines, curb stops, service lines, meter yokes, or line setters and meter boxes, as may be required by the District.

716. HOLD HARMLESS AGREEMENT. Any person applying to the District for the installation of a water system pursuant to this Section shall agree to hold the District harmless from any defect(s) in the installation of the system so installed and from any damage(s) resulting there from.

717. PIPE SIZING. Minimum pipe size shall be not less than six (6) inch diameter. The pipeline extensions are to be of sufficient size to serve present and future needs. The necessity of requiring a system loop shall be determined by the District. The District may require installation of larger size mains as necessary to provide required fire flows or to minimize pressure losses through the system.

ARTICLE VIII. ANNEXATIONS

800. POLICY. All annexations to the Bella Vista Water District shall be governed by the rules and regulations in this Policy, as amended from time to time.

801. DEFINITIONS. For the purposes of this policy the following definitions shall apply:

"Area" - means the total (gross) area of the territory proposed for annexation less the area that is unsuitable for development such as steep slopes, creeks, etc. as determined by the District.

"New sources of additional water" - means sources of water not presently available to the District (e.g., groundwater sources that will not interfere or compete with existing or planned District wells within the existing District boundaries, or new surface water supplies that would not otherwise be available to the District). Such new sources of water shall meet all required quality standards for municipal water supplies and shall be provided at no initial cost to the District and shall be available at a cost per unit (i.e., acre feet) that is reasonable in relation to existing sources of water to the District. The additional source should be available long term with first right of renewal and have shortage (drought) provisions at least as good as our existing supplies, i.e. the District's Bureau Contract.

802. CONTIGUOUS PROPERTY. Unless otherwise authorized by the Board, each annexing territory must be contiguous to the District and shall not result in the creation of islands, corridors, or peninsulas of District or non-District territory or cause or further distort existing District boundaries.

803. Not Used.

804. PRIOR AND FUTURE OBLIGATIONS. All land annexed to the District shall be subject to the repayment contract in effect between the United States Government and the District, and any other present or future obligations or indebtedness of the District following annexation.

805. RULES FOR ANNEXATIONS. The following rules shall apply to all annexations: a) All annexations are subject to the approval of the Bureau of Reclamation, and the Shasta County Local Agency Formation Commission, and shall conform to all Ordinances, Regulations, Resolutions, and Standards required by the District. b) 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 territory proposed for annexation. c) If the Board of Directors determines that the District does not have sufficient water to supply the new parcels, annexation will be considered only if the territory provides new sources of additional water to meet 110% of the average annual demand and 100% of the maximum daily demand of the annexed parcels (as determined under Section 806).

In lieu of providing new sources of additional water as specified in © above, a proponent may, upon approval by the Board, provide the water required for a single 3/4" meter and agree to be limited to a 3/4" meter for each parcel.

The proponent will be required to execute a recordable agreement with the District which provides that should the proponent or a subsequent owner of the property desire to increase water use to the parcel either by increasing the meter size or adding meters, the proponent will be required to provide sufficient water for the remainder of the parcel that would have been required had the parcel not been limited to a 3/4-inch water meter. No partial amount of water will be accepted and reducing the size of the parcel via a lot line adjustment will not reduce the amount of water required.

If the Board determines that an individual parcel should be included in a larger area to be annexed, the Board may deny the annexation if such parcel's owner declines to be included in the annexation.

806. ADDITIONAL WATER SUPPLIES. The amount of additional new water supplies to be provided under Section 805 shall be determined as follows:

Maximum daily demand:

$$Q = A \times R \times 2.5 \times C_F$$

Where:

Q = Quantity of water, in gallons per minute

A = Area of territory proposed for annexation, acres

R = Average annual demand, in feet per year for rural and residential usage = 2.0 ft/year

2.5 = Ratio of maximum daily demand to average daily demand

C_F = Conversion factor from ac ft/year to GPM
= 0.620

Therefore Q = 3.10 gpm/acre

Average annual demand:

Shall be based on 4.0 acre feet per acre for irrigated land or 0.75 acre feet per 3/4 - inch domestic service with includes 0.12 acres for irrigation.

For wells, the capacity would be based on the results of a 24-hour pump test with drawdown based on continuous pumping for 180 days.

807. IMPROVEMENTS REQUIRED. As a condition of annexation and at the request of the District, proponent(s) shall provide such pipe lines, water treatment facilities, booster pumps, storage tanks, regulating valves, supplemental water (with

capacities as directed by the District), connecting lines, in-tract improvements, 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 supply improvements shall be designed and constructed in accordance with District standards. Design shall be submitted for District review prior to construction. Construction will be subject to inspection by District. Prior to final acceptance, "as-builts" for all facilities shall be provided to the District.

808. RIGHTS-OF-WAY REQUIRED. All owners of real property in each annexing territory shall grant and convey, without cost to the District, any rights-of-way requested by the District for the purposes of installing water pipes, 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 the maintenance thereof.

809. COSTS. All costs of annexation, including all legal, advertising, environmental review, engineering and all other incidental expenses shall be paid by the proponent(s). All costs and expenses of providing a complete water system, satisfactory to the District, shall be the responsibility of the proponent(s) of such annexation.

810. ANNEXATION FEES. The base fee per acre of property being annexed shall be equal to the value of the District's "capital assets, net" (fixed assets less accumulated depreciation) from the District's latest audited financial statements divided by the total acreage of the District (34,090 acres as of November 2004).

811. SPECIAL FUND. Annexation fees collected per section 810 shall be placed in the Capital Improvement Fund, the uses of which shall be directed toward:

- a. Additional water supplies,
- b. Water treatment improvements,
- c. Water storage and transmission improvements, and

- d. Improvements to District physical plant,

as described in the current Master Water Plan and Capital Improvement Budget or as determined by the Board of Directors.

812. ANNEXATION CREDITS. For annexations providing water supplies in excess of the amount required under Section 806, a credit will be allowed against the above annexation fees and/or Capital Improvement fees for the parcels.

The amount of credit for parcels bringing additional water supplies will be based on the following formula:

$$\text{Credit} = \text{Cost of Water Supplies} \times \frac{\text{Quantity of Surplus Water}}{\text{Total Water Supplies}}$$

where:

Cost of Water Supplies = the reasonable cost of development of the total water supplies (e.g., for well supplies the actual costs for land acquisition, well drilling, well pumping and water treatment facilities),

Surplus Water Supplies = the quantity of water available above and beyond the amount required under Section 806.

Total Water Supplies = the total long-term capacity (firm yield) of the water supply as determined by a qualified engineer or hydro geologist and approved by the District Engineer.

813. ANNEXATION PROCEDURE. 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 information:

- a. Map showing the area of the proposed annexation.
- b. The owner(s) of the land within the area of the proposed annexation.

- c. If applicable, a description of the proposed source(s) of "new" water, including: (a) the location(s) of the source(s); (b) the quantity to be provided from each source; and (c) the point of delivery to the District's water system.
- d. Prior to consideration of any annexation, the proponent(s) shall present a petition signed by at least sixty five (65) percent of the fee owners of land area of the territory requesting annexation.
- e. Following review by District Staff, the proposed annexation will be presented to the Board for acceptance. If the application is accepted by the Board, an annexation agreement shall be prepared setting forth the obligations of the proponent(s) of the annexation and the District.
- f. Following approval of the annexation agreement by the Board and execution of the annexation agreement, the proposal shall be presented to the Bureau of Reclamation, and the Shasta County Local Agency Formation Commission for approval.
- g. Only after the proposed annexation is approved by both LAFCO and the Bureau of Reclamation shall the annexation be presented to the Board for final approval.

814. WATER DELIVERY. 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.

ARTICLE IX. DETACHMENT POLICY

900. GENERAL CONSIDERATIONS. It is the policy of the Bella Vista Water District to oppose detachments that would result in the creation of islands, corridors, or peninsulas of District or non-District territory or otherwise would cause or further the distortion of existing District boundaries.

901. SERVICE CATEGORIES. It is anticipated that parcels within the District requesting detachment will generally fall into one of the three categories listed below. District recommendations to either support or oppose detachment of existing parcels will generally be based of the following service categories:

Category 1 - The parcels currently receive full water service from the District (i.e., water produced from District sources, delivered through water mains owned by the District, through District meters, and billed by the District).

Category 2 - The parcels do not currently receive water service from the District but receive water service through temporary water services or water service agreements with another public water system.

Category 3 - The parcels currently do not receive water service from the District or any other public water system.

The following guidelines for each of the above categories will be used in the consideration of whether to oppose, support, or take no position on specific detachment requests:

Category 1 - Detachment of parcels currently receiving full water service from the District may negatively impact the District's ability to continue to maintain acceptable water service levels to customers that will remain in the District (due to a reduction in conveyance capacity and/or looping of water lines).

Detachment of these parcels may also have an adverse financial impact on the District resulting in an increased burden on the remaining District customers to discharge District bond and contract indebtedness.

For the above reasons the District will normally oppose all Category 1 detachment requests.

Category 2 and 3 - While detachment of parcels that currently do not receive full water service from the District will not impact the present water service level to other District customers, detachment may negatively impact the District's future ability to provide acceptable or improved water service levels to customers that will remain in the District (due to a reduction in planned conveyance capacity and/or looping of water lines).

Detachment of these parcels may also have an adverse financial impact on the District resulting in an increased burden on the remaining District customers to discharge District bond and contract indebtedness.

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, the District will determine whether to support, oppose, or take no position on Category 2 and 3 detachment requests on a case-by-case basis.

902. NON-CONTIGUOUS AREAS. Detachment of a parcel or multiple parcels that are not immediately adjacent to the existing District boundary will be opposed, inasmuch as, the detachment would result in the creation of islands, corridors or peninsulas of District or non-District territory or otherwise cause or further the distortion of existing boundaries.

903. WATER DELIVERY - CURRENT. Where a detachment will significantly impact the District's present 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 main(s) shall be the responsibility of the parcel(s) being detached.

904. WATER DELIVERY - FUTURE. Where a detachment will significantly impact the District's future ability to deliver water to one or more parcels 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 System Master Plan) either the owner(s) of the parcel(s) being detached may construct 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 under Section 911 (below), as required to finance construction of such line(s).

905. MAJOR FACILITIES. Detachment of areas that include any major District facilities (i.e., wells, pump stations, control structures) either existing or shown in the current Water System Master Plan will be opposed.

906. COST OF FACILITIES. Where the District has constructed facilities (e.g., pump stations, storage reservoirs, and/or major pipelines) 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 under Section 911(b).

907. CONTINUED PAYMENTS. Where the detachment of a parcel or multiple parcels will require a significant increase in user rates for the remaining District customers, the District may increase (by up to 10 additional years) the period of time

over which continued special assessment fees will be payable to the District under Section 911(b) to compensate for the loss in user fees.

908. INDIVIDUAL LOTS. Detachment of individual lots within a subdivision 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).

909. LESS THAN 40 ACRES. The District will oppose all requests for detachment of parcels outside of subdivisions where the total area of the parcels is less than 40 acres.

910. PETITION. 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 75% of the lots on 75% of the total land area requesting detachment.

911. FEES. As a condition of detachment the owner(s) of parcel(s) requesting detachment will be required to pay the District the greater of the following amounts:

- a) An amount equal to their proportionate share of the principal on all outstanding loans, special assessments and other debt (including, but not limited to, notes payable to the Department of the Interior and Rural Development, and any deficit accounts with the Bureau of Reclamation) for water system improvements that are either secured by a lien on the property or whose debt service is being paid in part by user fees, standby fees, or assessments on the property, or
- b) An amount equal to the present value of the Bella Vista Water District's special assessment fees for a minimum period of 10 years or continued payment of the special assessment fees for a period of 10 years. The

number of years over which the present value of the special assessment is calculated or the number of years over which continued payment of the special assessment fees will be required may be increased by the Board as required per Sections 904, 906, and 907.

Calculation of the present value of the special assessment fees will be based on the following:

- (1) The assessed value of the property(ies) at the time of detachment.
- (2) The average District special assessment rate for the last 5 years.
- (3) The average District-wide increase in assessed values for the last 5 years.
- (4) A discount rate equal to the average interest rate earned by the District on its investments for the previous 12 months.

912. LAFCO FEES. The proponent will be responsible for the payment of all LAFCO filing and processing fees for consideration and approval of a detachment.

913. DOCUMENTATION. The proponent shall be responsible for the preparation of all documentation (e.g., maps, legal descriptions and CEQA compliance documentation) received by LAFCO and/or other federal, state and local agencies whose approval of the detachment is required.

914. DEVELOPER CONSTRUCTED IMPROVEMENTS. 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 subdivision shall remain the property of the District. This includes funds

deposited by the developer for facilities required to serve the subdivision project but not yet spent.

915. CREDITS. A credit of up to a maximum of 80% of the actual capital improvement fees, if any, paid to the District by individual property owners for the properties included in the detachment may be made by the District against the above amounts due to the District under item 911 (above). However to account for the depreciation of District facilities, the amount of the credit shall be reduced by 3.33% (1/30) for each year of service to the area to be detached starting with the date the first service was installed.

916. REFUNDS. In no case will the District be required to refund any money to the owners of properties being detached.

917. WATER RIGHTS. In no case will the District transfer with the parcels proposed to be detached any portion of its water rights, water allotments, or groundwater supplies.

ARTICLE X. MITIGATION OF INTERFERENCE
FROM THE PUMPING OF NEW DISTRICT WELLS
ON EXISTING RESIDENTIAL WELLS

1000. SEPARATION OF AQUIFERS. During the construction of each new well the District will seal off the upper water bearing formations, where practical, from the new well in order to preclude competing with typically shallower private wells.

1001. PUMP TESTS. Each new District well will be pump tested by the District. A hydrologist's report will be prepared documenting the findings of the pump testing and will calculate the potential interference (drawdown of the static water level) versus the distance from the pumping well.

1002. NOTIFICATION. The findings of the report will be made available for inspection by any interested party. In addition, the District will notify, by mail, all persons owning property within a distance from the District's new well where the potential interference from long-term pumping of the well is anticipated to result in significant drawdown, or within 1,000 feet of the District's new well, whichever is greater. For the purpose of this policy, significant drawdown is defined as a drawdown equal to, or greater than, twenty (20) feet. Notification shall include a copy of this Article and a summary of the findings of the hydrologist's report.

1003. REQUIRED INFORMATION. Owners of properties within the District's service area who have reason to believe that their wells may be significantly affected by pumping of District well(s) shall contact the District and provide the following:

- a) Assessor's parcel number of the property on which the well is located,
- b) Name, address, and phone number of the property owner,
- c) Location of the well on the property,
- d) Copy of well drillers log (if available) or the following information:
 - 1) Date the well was drilled,

- 2) Name of the well drilling company,
- 3) Size of the well,
- 4) Depth of the well,
- 5) Estimated capacity of the well/well pump (typically in gallons per minute or hour),
- 6) Depth to water, and
- 7) Pump setting (distance from the top of the well casing).

1004. INSPECTIONS. Upon the request of the property owner the District will conduct an on-site inspection of the well to provide assistance to the property owner in the collection of the above requested information and to perform periodic measurement of ground water levels.

1005. CONNECTION OPTIONS.

A. If the property owner's well is (1) within the area of significant interference (as defined under this policy) and upon District review of the above information it can reasonably be determined that operation of the District well(s) will cause the property owner's well to run dry, or (2) within 500 feet of the District's well, the property owner will be given the option to connect to the District's water system provided that the District has a water line adjacent to the property. The District will waive the front footage fees and the capital improvement fee for a meter of equivalent size (capacity) to the property owner's existing well production. The property owner will remain responsible for payment of service installation fees and meter set charges, and fees for excess meter size required, if applicable.

B. If the distance from the District's well to the property owner's well is greater than 500 feet but less than 1000 feet, the property owner will be given the option to connect to the District's water system at reduced fees, provided that the District has a water line adjacent to the property. The District will waive the front footage fees and fifty

percent (50%) of the Capital Improvement Fee for a meter with a capacity equal to or less than that of the property owner's existing well production. The property owner will remain responsible for payment of service installation fees and meter set charges, if applicable.

1006. TIME LIMIT. The property owner must exercise the option to connect to the District system provided under this policy within five (5) years of commencement of operation of the new District pumping facilities or the option will expire.

1007. BACKFLOW PREVENTION. If the property owner connects to the District water system pursuant to this Section, the property owner shall either abandon the existing well (the cost of which will be borne by the District) or install an approved backflow prevention device (at the owner's expense).

1008. WATER CHARGES. Once connected to the BVWD water system the property owner will be responsible for all water charges incurred as a result of their use at the District's applicable rates.

1009. MONITORING. If the property owner does not qualify for a connection fee credit under Section 1005 above, and it cannot reasonably be determined that the operation of the District well(s) will cause the property owner's well to run dry, then the District will, upon the property owner's written request, periodically monitor the water level of the property owner's well to measure changes in the static water level. If within a period of 5 years it is determined that operation of the District well(s) has caused significant drawdown of the static water level at the property owner's well the owner will be given the option to immediately connect up to the District's water system as provided under Section 1005 (above).

1010. PARTIAL CREDIT. If the property owner does not qualify for the connection fee credit above and it cannot reasonably be determined that the operation of the District well(s) are causing the owner's well to run dry (per Section 1005, above) or be significantly impacted (per Section 1009, above), but it can be determined that operation of the District well(s) will cause drawdown of the ground water level at the owner's well of greater than 10 feet a partial credit toward the connection fee will be allowed according to the following schedule:

Drawdown

Credit
69

10 to 14.99 feet	40%
15 to 19.99 feet	80%

1011. ELIGIBILITY. Only property owners having operating water wells drilled prior to the completion of drilling of the District's well will be eligible for the credits set forth in this Policy.

1012. DRY WELLS. If a property owner's well runs dry following connection of the property to the District's water system no additional fee credits will be allowed to the property owner by the District.

1013. WELLS OUTSIDE OF DISTRICT. Owners of properties outside of the District service area boundaries will be given the same opportunity to connect to the District's water system as provided to District residents, however, such owners shall be required to agree to be annexed to the District and pay an annexation fee in accordance with the District's annexation policy, or if they are in the service area of another district or city, Bella Vista Water District will pay the proportionate cost, as provided in Sections 1005 or 1010 above, of that city or district's capital improvement fee.

1014. WATER MAIN EXTENSIONS. If there are no District mains adjacent to the owner's property and the owner desires water service from the District, the District (at its cost) will extend its mains to provide service to qualifying parcels within 500 feet of the District's well. The property owner(s) will be responsible for construction of any water main extensions required to serve properties more than 500 feet from the District's well.

ARTICLE XI. BACKFLOW PREVENTION

1100. PURPOSE. The purpose of this section is to protect the public water supply system from contamination due to potential/or actual cross-connections. This protection shall be provided by the establishment of a cross-connection control program as required by Federal and State regulations. This section is adopted pursuant to Public Law 99-339 (Safe Drinking Water Act Amendment of 1986) and Title 17, Sections 7583--7605, inclusive, of the California Code of Regulations, entitled "Regulations Relating to Cross-Connections." These regulations mandate that the District has the primary responsibility for water quality control.

1101. CROSS-CONNECTIONS. It is unlawful for any person, firm, or corporation to make or maintain temporarily or permanently, any cross-connection between plumbing pipes or water fixtures being served by the District, and any other source of water supply or other foreign substance. Bella Vista Water District hereby adopts the Manual of Cross Connection Control 9th Edition (1993) and subsequent revisions as produced by the University of Southern California Foundation for Cross Connection Control and Hydraulic Research as providing development, implementation and enforcement standards for the Bella Vista Water District Cross Connection Control Program. In the case of conflict this Article shall prevail.

1102. CROSS-CONNECTION PROTECTION REQUIREMENTS.

A. General Provisions

1. Whenever backflow protection has been found necessary, the District will require the water user to install an approved testable backflow prevention assembly at the water user's expense. The type of assembly to be installed will be in accordance with the requirements of this Policy.

2. Wherever backflow protection has been found necessary on a water supply line entering a water users premises then all water supply lines from the District's mains entering such premises shall be protected by an approved backflow prevention assembly.

3. Wherever a backflow prevention assembly is installed, the District shall have unrestricted access to the device.

B. Where Protection is Required

1. Each service connection from the District water system for supplying water to premises having an auxiliary water supply shall be protected against backflow of water from such premises into the District's system unless the auxiliary water supply is accepted as an additional source by the District, and is approved by the public health agency having jurisdiction thereof.

2. Each service connection from the District water system for supplying water to any premises on which any substance other than potable water is handled in such fashion as may allow its entry into the water system shall be protected against backflow of the water from the premises into the public system. This shall include the handling of process waters and waters originating from the District water system which have been subjected to deterioration in sanitary quality.

3. Each service connection to any premises having intricate plumbing and piping arrangements or where entry to all portions of the premises is not readily accessible for inspection purposes, or where it cannot be determined where piping is located, making it impracticable or impossible to ascertain whether or not cross-connections exist shall be protected against backflow of water from such premises into the public system.

4. All commercial and public/institutional service connections, except the following: meeting halls with no kitchen, duplexes, triplexes, and apartment houses shall be protected against backflow of water from such premises into the public system.

C. Type of Protection Required

The type of protection provided shall be commensurate with the actual or potential degree of hazard on the consumer's premises. The type of protective assembly that may be required (listing in an increasing level of protection) includes: , Reduced Pressure Principle Backflow Prevention Assembly (RP), and an Air-gap separation (AG). The water user may choose a higher level of protection than required by the District. The minimum types of backflow protection required to protect the District's water supply, at the

user's water connection to premises with varying degrees of hazard are given in Table 1. Situations which are not covered in Table 1 shall be evaluated on a case by case basis and the appropriate backflow protection shall be determined by the District or health agency.

Internal property air-gap or other arrangements will not be allowed due to monitoring limitations. Material Safety Data Sheets may be used to provide the basis of individual backflow prevention justification requirements.

All premises protected with a backflow device shall have an approved pressure relief valve installed per Uniform Plumbing Code Section 1007c and a thermal expansion device installed on the customer's system to prevent potentially dangerous pressure buildup.

Table 1 - TYPE OF BACKFLOW PROTECTION REQUIRED

DEGREE OF HAZARD

(a)		Sewage and Hazardous Substances	
	(1)	Premises where the public water system is used to supplement the reclaimed water supply.	AG
	(2)	Premises where there is waste water pumping and/or treatment plants and there is no interconnection with the potable water system. This does not include a single family residence that has a sewage lift pump. An RP may be provided in lieu of an AG, if approved by the DHS and the District.	AG
	(3)	Premises where reclaimed water is used and there is no interconnection with the potable water system. An RP may be provided in lieu of an AG, if approved by the DHS and the District.	AG
	(4)	Premises where hazardous substances are handled in any manner in which the substances may enter a potable water system. This does not include a single family residence that has a sewage lift pump. An RP may be provided in lieu of an AG if approved by the DHS and the District.	AG
	(5)	Premises where there are irrigation systems into which fertilizers, herbicides, or pesticides are, or can be, injected.	RP
	(6)	Portable pressure sprayers, tanker trucks and cleaning units that have capacity of connecting to a public water system. A use permit shall be obtained from the District.	RP
	(7)	Premises where the service lines are located within 50 feet of a septic tank or leach field.	RP
(b)		Auxiliary Water Supplies	
		Premises where there is an unapproved auxiliary water supply. Backflow protection is required whether the auxiliary water supply is interconnected with the District's water system, or there are no interconnections with the District's water system.	RP
(c)		Fire Protection Systems	
		Fire protection systems are classified on the basis of water source and arrangement of supplies as follows:	
	(1)	Class 1 – Direct connection from public water mains only; no pumps, tanks, or reservoirs; no physical connection from other water supplies; no antifreeze or additives of any kind; and all sprinkler drains discharging to the atmosphere of other safe outlets.	None req'd (see special condition exceptions below)
	(2)	Class 2 – Same as Class 1, except that booster pumps may be installed in the connections from the street mains.	Same as above
	(3)	Class 3 – Direct connection from public water supply main plus one or more of the following: elevated storage tanks; fire pumps taking suction from above-ground covered reservoirs or tanks; and pressure tanks. (All storage facilities are filled by or connected to public water only, the water in the tanks to be maintained in a potable condition. Otherwise, Class 3 systems are the same as Class 1).	RP
	(4)	Class 4 – Directly supplied from public mains similar to Classes 1 and 2, with an auxiliary water supply on or available to the premises; or an auxiliary supply located within 1,700 feet of the pumper connection.	RP
	(5)	Class 5 – Directly supplied from public mains, and interconnected with auxiliary supplies such as pumps taking suction from reservoirs exposed to contamination, or rivers and ponds; driven wells; mills or other industrial water systems; or where antifreeze or other additives are used.	RP

	(6)	Class 6 – Combined industrial and fire protection systems supplied from the public water mains only, with or without gravity storage or pump suction tanks.	RP or AG
	(7)	All other fire protection systems on private property where access is restrict to District. These premises are encouraged to install an RP device which may be required in the future.	None req'd
	(8)	Special Condition exceptions:	
		a. Underground fire sprinkler pipelines parallel to and within 10 feet horizontally of sewer pipelines or other pipelines carrying significantly toxic materials.	RP
		b. When water is supplied to a site or an area from two or more services of a water utility, or from two different water utilities, flow problems should be evaluated.	RP
		c. Occupancies (or changes in occupancies) which involve the use, storage, or handling of types and quantities of materials in a manner which could present a significant health hazard to the domestic water supply.	RP
		d. Premises where entry to all portions of the premises is not readily accessible for inspection purposes, or where it cannot be determined where piping is located, making it impracticable or impossible to ascertain whether or not cross-connections exist shall be protected against backflow of water from such premises into the public system.	RP
(d)		Other Premises	
	(1)	Premises where entry is restricted so that inspections for cross-connections cannot be made.	RP
	(2)	Premises where there is a precedent of cross-connections being established.	RP
	(3)	Premises where two or more services supply water from different street mains to the same building, or structure, through which an inter-street main flow may occur.	RP

1103. BACKFLOW PREVENTION ASSEMBLIES.

A. Approved Backflow Prevention Assemblies

1. Only backflow prevention assemblies which have been approved by the District shall be acceptable for installation by a water user connected to the District's potable water system.

2. The District will provide, upon request, to any affected customer a list of approved backflow prevention assemblies.

B. Backflow Prevention Assembly Installation.

1. The backflow assembly shall be located on the user's side of, and as close to, the service connection meter as is practical.

2. Backflow prevention assemblies shall be installed in a manner prescribed in Title 17 of the California Administrative Code and District Standards. The District shall have the final authority in determining the required location of a backflow prevention assembly.

3. Except as noted in Article 1103.C.3, backflow prevention assemblies, including the enclosure, will remain the property of the owner of the property they serve and shall be maintained by that owner at their cost.

a. Air-gap separation (AG). All piping from the service connection to the receiving tank shall be above grade and be entirely visible. No water use shall be provided from any point between the service connection and the air-gap separation. The water inlet piping shall terminate a distance of at least two (2) pipe diameters of the supply inlet, but in no case less than one (1) inch above the overflow rim of the receiving tank.

b. Reduced pressure principle backflow prevention assembly (RP). The assembly shall be installed in accordance with District's standards. The assembly shall be installed above ground and readily accessible for maintenance and testing.

C. Backflow Prevention Assembly Testing and Maintenance

1. Backflow prevention assemblies must be tested immediately after installation, relocation or repair and at least annually. The District may require a more frequent testing schedule if it is determined to be necessary. No assembly shall be placed back in service unless it is functioning as required.

2. The District will test a water user's backflow prevention assembly annually to fulfill the requirements of this Policy. The District will notify affected customers when annual testing of an assembly is to be performed.

3. All costs of testing, repair (including repair of damage caused by vandalism, freezing, etc.) maintenance, and replacement shall be borne by the water user. The cost of annual testing shall be provided to the District via a bimonthly backflow testing charge on the customer's bill, as shown in Appendix A. The cost of replacing gaskets and

check valve springs for any device and all other costs for repair and maintenance will be billed at the time of occurrence on the next regular water bill.

4. All devices installed by the District are guaranteed from defects in materials and workmanship for one year from the date of installation.

D. Backflow Prevention Assembly Removal

1. Approval must be obtained from the District before a backflow prevention assembly is removed, relocated, or replaced.

a. Removal: The use of an assembly may be discontinued and the assembly removed from service upon presentation of sufficient evidence to the District to verify that a hazard or potential hazard no longer exists;

b. Relocation: An assembly may be relocated following confirmation by the District that the relocation will continue to provide the required protection and satisfy installation requirements. A retest will be required following the relocation of the assembly;

c. Repair: An assembly may be removed for repair, provided the water use is either discontinued until repair is completed and the assembly is returned to service, or the service connection is equipped with other backflow protection approved by the District. A retest will be required following the repair and reinstallation of the assembly;

d. Replacement: An assembly may be removed and replaced provided the water use is discontinued until the replacement assembly is installed. All replacement assemblies must be approved by the District and must be commensurate with the degree of hazard involved. Replaced assemblies must be tested after installation as required by this Policy.

1103.A Well Deactivation

1. Each service connection from the District water system for supplying water to the premises having an active or inactive well may not be required to have backflow protection, provided the well is deactivated in a manner that is compliant with Department of Health Services standards for degree of hazard and has passed an on site inspection by an authorized District representative. The following are the approved alternatives for deactivation:

A. Pull the pump and weld a water tight seal on the top of the well casing.

B. All electrical connections must be disconnected and removed from the well location. In addition, the piping from the well head must also be disconnected and removed from the well site. Any plumbing remaining on the well head must also be disconnected and removed from the well site. Any plumbing remaining on the well head must be capped and welded such that an “easy” reconnect is not possible. Once this is completed, the well is no longer considered to be an auxiliary water supply.

C. Destroy the well per Shasta County Health Department requirements.

1104. ADMINISTRATION PROCEDURES.

A. Water System Survey

1. The District will survey all requests for new services to determine if backflow protection is needed. Plans and specifications may be required to be submitted to the District upon request for review of possible cross-connection hazards as a condition of service for new service requests. If it is determined that a backflow prevention assembly is necessary to protect the District's water system, the required assembly must be installed before service will be connected.

2. The District may, at its discretion, require an inspection of cross-connection hazards of any premises to which it serves water. Any water user who will not allow an on-site inspection of piping systems shall be required to install a backflow prevention assembly the District considers necessary.

B. Customer Notification - Assembly Installation

1. The District will notify the water user of the survey findings in writing, listing the corrective actions to be taken if any are required. If a backflow prevention assembly is required, the water user will be allowed 60 days to have the device installed and tested.

2. A second notice shall be sent to each water user who does not have the backflow prevention assembly installed and tested as prescribed in the first notice within the 60 day period allowed. The second notice gives the water user 14 days to comply. If no action is taken within 14 days, the District may terminate water service to the effected water user until such assembly is installed and tested.

C. Customer Notification - Testing and Maintenance

1. The District will notify each affected water user in writing when it is time for the backflow prevention assembly installed on their service connection to be tested. This notice shall be given the water user a minimum of 5 days prior to testing the assembly.

D. Customer notification – Well deactivation

1. When an existing well is found to supply any premises with a connection to the District water supply, the District will notify the water user in writing, the option of deactivating the well or installing backflow protection. The water user will have 60 days to take corrective action. If no action is taken within 60 days, the district may terminate water service to the affected user.

1105. WATER SERVICE TERMINATION.

A. General. Whenever the District encounters water uses that represent a clear and immediate hazard to the potable water supply that cannot be immediately abated or the customer refuses to comply, the District shall discontinue water service and shall remove the water meter. The property will be credited with the meter for future re-installation.

B. Basis for Termination. Conditions or water uses that create a basis for water service termination shall include, but are not limited to, the following items:

1. Refusal to install a required backflow prevention assembly,
2. Refusal to allow testing or permit a test of a backflow prevention assembly,
3. Refusal to repair or replace a faulty backflow prevention assembly,
4. Direct or indirect connection between the public water system and a sewer system,
5. Unprotected direct or potential connection between the District's water system and a system or equipment containing contaminants,
6. Unprotected direct or potential connection between the District's water system and an auxiliary water system,
7. A situation which presents an immediate health hazard to the District's water system.

C. Water Service Termination Procedures

1. For conditions 1 , 2 and 3 above, the District will terminate service to a customer's premise after two (2) written notices have been sent specifying the corrective action needed and the time period within which to comply. If no action is taken within the time allowed, water service will be terminated.

2. For conditions 4 through 7 above the District will take the following steps to terminate water service immediately:

a. Make a reasonable effort to advise the water user of an intent to terminate water service; and

b. Terminate water service and lock the service valve and remove meter. The water service will remain inactive until correction of violations has been completed and approved by the District.

1106. REQUIREMENTS FOR THE CERTIFICATION AS A BACKFLOW PREVENTION DEVICE TESTER.

Each applicant for certification as a tester of backflow prevention assemblies shall file an approved application with the District, together with an application fee as shown in Appendix A. Competency in all phases of backflow prevention assembly testing and repair must be demonstrated by means of education and/or experience in order to obtain certification. The following are minimum requirements:

A. Applicants shall have had at least two (2) years experience in plumbing, pipe fitting or equivalent qualifications.

B. Applicants shall hold a valid certification as a backflow prevention device tester from the America Water Works Association (A.W.W.A.) California-Nevada Section, from the University of Southern California Foundation for Cross-Connection Control, from a County certification program, or have equivalent training in the opinion of the District and the County Health Department.

C. Each applicant for certification as a tester of backflow prevention assemblies shall furnish evidence to show that he or she has available the necessary tools and equipment to properly test such assemblies. Applicants/testers shall be responsible for the competency and accuracy of all tests and reports. The certificate issued to any tester is valid for a period of one (1) year and may be revoked, suspended, or not renewed by the District for improper testing, repairs, and/or reporting.

1107. EXISTING BACKFLOW PREVENTION ASSEMBLIES.

All presently installed backflow prevention assemblies which do not meet the requirements of this section but were approved devices for the purposes described herein at the time of installation and which have been properly maintained, shall, except for the testing and maintenance requirements under Subsection 1103. C, be excluded from the requirements of these rules so long as the District is assured that they will satisfactorily protect the water purveyor's system. Whenever the existing device is moved from the present location or requires more than minimum maintenance or when the District finds that the maintenance constitutes a hazard to health, the unit shall be replaced by an approved, testable backflow prevention assembly meeting the current requirements of this Policy.

APPENDIX A

SCHEDULE OF RATES AND CHARGES

WATER RATES

Bimonthly W.T. Surcharge – for repayment of the District’s Water Treatment Improvements, Safe Drinking Water / State Revolving Fund (SDWSRF) Loan \$14.00

Construction Water

Construction Meter (Security Deposit) \$750.00
Bimonthly Rental Fee..... \$75.00
Each 100 cu ft (includes CVP surcharge) \$1.00

Temporary Water

Per fill up (fill tank at District office) \$25.00

CROSS CONNECTION (BACKFLOW) CONTROL

Bimonthly Testing Fee (includes up to one hour of labor per year for repair) for required annual testing and repair of any size of backflow device, includes reduced pressure principle assemblies, double check detector check, and reduced pressure principle detector check assemblies.)..... \$8.00

New or replacement installations and repair of above noted devices for materials and labor are per current District rates.

Installation Costs for Backflow Devices (All sizes) At cost + 15%

Steel Backflow Enclosures (all sizes) At cost + 15%

Thermal Freeze Protection Blanket (all sizes) At cost + 15%

PERMIT FEES

Backflow Prevention Permit (for portable pressure sprayers, tanker trucks and cleaning units that have capacity of connecting to a public water system) \$10.00

Bacteriological Testing Cost plus 15%

Inspection Fees [Note: Per Article 707, a deposit of one percent (1%) of the engineer’s estimated cost of construction of the water system improvements shall be

paid prior to issuance of a Construction Permit.]

Plan Check Fees

Base Fee (includes first 3 lots).....	\$200.00
Plus Per Lot for each lot over 3 lots	\$24.00

LABOR & EQUIPMENT RATE SCHEDULE

Labor* (Labor rates vary significantly depending upon job classification and will be billed in quarter hour increments at cost using a multiplier of 1.95 times the employee’s actual hourly wage to reflect the full labor burden, including benefits and accruals)..... At cost

Equipment Rental is limited to availability and use by qualified employees. Equipment rental rates shall be in accordance with “Caltrans Labor Surcharge and Equipment Rental Rates”, current edition. www.dot.ca.gov/hq/construc/equipmnt.html

*NOTE: Overtime labor rates will apply to all hours worked other than during the normal workday, Monday through Friday. Overtime labor rates at one and one-half times the regular hourly rate will apply to all hours worked in excess of 8 hours in a single day. Overtime labor rates of two times regular hourly rates will apply to all hours worked in excess of 12 hours in a single day, and all holidays.

OTHER

Agricultural Water Application Fee	\$50.00
Agricultural Water Reapplication Fee	\$25.00
Application sent to customer by fax or mail	\$5.00
Application by telephone	\$10.00
Bad Check Charge	\$30.00
Board Room Charge (use by public)	\$25.00/hour (two hour minimum)
Credit Card Convenience Fee (per transaction)	\$3.00
Delinquent Payment Penalty Charge.....	1.5 % per month
Delinquent Penalty Notice (on site delivery of a delinquent notice)	\$30.00
Digital data provided on compact disk (CD or DVD /each)	\$10.00

Fire Hydrant Flow Testing	\$50.00
Fire Hydrant Installation.....	actual cost plus 15%
Front Footage Fee	\$16.00 per foot
Fire Protection Services	(see table on Page 88)
Hydraulic Modeling (fire flows or new waterlines).....	actual cost plus 15%
Meter Removal	(all sizes)..... actual cost
Meter Re-installation	(all sizes)..... actual cost
Meter Testing Deposit	\$50.00
Photocopies	
First five copies.....	\$0.25/per 8-1/2 x 11" sheet
Additional copies.....	\$0.15/per 8-1/2 x 11" sheet
Postage	actual cost
Priority service order processing	\$25.00 + 2 hr min labor
Service Reconnection Charge (except for new customers).....	\$30.00
Service Transfer Fee (rate change by customer request)	\$10.00
Temp Services through Fire Hydrants	
Installation & Removal	\$40.00
Water Turnoff.....	\$30.00
Water Turnoff Delinquent	\$45.00

Fines (per section 463). :

1. First violation \$250.00
2. Second violation \$500.00
3. Third and subsequent violations (for each violation)..... \$1,000.00
4. Tampering with a fire hydrant \$1,000.00

CONNECTION FEES (effective 1/1/2012)

Main, E. Stillwater, Welch, Deschutes, Quail Ridge, CC1, and CC2 Pressure Zones

Service Size	AWWA Rated Capacity ¹ (gpm)	Household Equivalent Ratio	Meter ^{2, 8} Set Only	Service ^{3,6} Installation	Capital Improvement Fee (CIF)	Meter ⁴ Set + CIF	Complete ⁵ Service + CIF
Residential, Rural, Commercial and Non-Scheduled Agricultural							
3/4"	15	1.5	\$535	\$929	\$7,420	\$7,955	\$8,884
1.0"	25	2.5	\$560	\$929	\$12,360	\$12,920	\$13,849
1.5"	50	5.0		\$1,257	\$24,730		
2.0"	80	8.0		\$1,257	\$39,560		
3.0"	220	22.0	All services 3" and larger at cost		\$108,800	All services 3" and larger at cost plus Capital Improvement Fee	
4.0"	420	42.0			\$207,720		
6.0"	865	86.5			\$427,790		
8.0"	1600	160.0			\$791,300		

CONNECTION FEES (effective 1/1/2012)

Simpson Pressure Zone

Service Size	AWWA Rated Capacity ¹ (gpm)	Household Equivalent Ratio	Meter ^{2, 8} Set Only	Service ^{3,6} Installation	Capital Improvement Fee (CIF)	Meter ⁴ Set + CIF	Complete ⁵ Service + CIF
Residential, Rural, Commercial and Non-Scheduled Agricultural							
3/4"	15	1.5	\$535	\$929	\$11,310	\$11,845	\$12,774
1.0"	25	2.5	\$560	\$929	\$18,850	\$19,410	\$20,339
1.5"	50	5.0		\$1,257	\$37,700		
2.0"	80	8.0		\$1,257	\$60,330		
3.0"	220	22.0	All services 3" and larger at cost		\$165,900	All services 3" and larger at cost plus Capital Improvement Fee	
4.0"	420	42.0			\$316,710		
6.0"	865	86.5			\$652,270		
8.0"	1600	160.0			\$1,206,520		

Notes:

1. AWWA Recommended Maximum Rate for Continuous Operations
2. Does not include service installation or CIF.
3. Does not include meter or CIF.
4. Does not include service installation.
5. All inclusive; meter set + service installation + CIF are included.
6. Road crossings, bores, and services over 60 feet long are an extra charge.
7. Capital Improvement Fees are adjusted annually in January per Resolution 93-09.
8. The District does not stock any meters larger than 1-inch; therefore Meter Set charges for 1.5-inch and larger will be at cost plus 15%.

**CONNECTION FEES (effective 1/1/2012)
Old Oregon Trail Pressure Zone**

Service Size	AWWA Rated Capacity ¹ (gpm)	Household Equivalent Ratio	Meter ^{2, 8} Set Only	Service ^{3,6} Installation	Capital Improvement Fee (CIF)	Meter ⁴ Set + CIF	Complete ⁵ Service + CIF
Residential, Rural, Commercial and Non-Scheduled Agricultural							
3/4"	15	1.5	\$535	\$929	\$12,890	\$13,425	\$14,354
1.0"	25	2.5	\$560	\$929	\$21,480	\$22,040	\$22,969
1.5"	50	5.0		\$1,257	\$42,960		
2.0"	80	8.0		\$1,257	\$68,730		
3.0"	220	22.0	All services 3" and larger at cost		\$189,010	All services 3" and larger at cost plus Capital Improvement Fee	
4.0"	420	42.0			\$360,830		
6.0"	865	86.5			\$743,140		
8.0"	1600	160.0			\$1,374,590		

**CONNECTION FEES (effective 1/1/2012)
Palo Cedro South Pressure Zone**

Service Size	AWWA Rated Capacity ¹ (gpm)	Household Equivalent Ratio	Meter ^{2, 8} Set Only	Service ^{3,6} Installation	Capital ⁹ Improvement Fee (CIF)	Meter Set ⁴ + CIF	Complete ⁵ Service + CIF
Residential, Rural, Commercial and Non-Scheduled Agricultural							
3/4"	15	1.5	\$535	\$929	\$4,110	\$4,645	\$5,574
1.0"	25	2.5	\$560	\$929	\$6,850	\$7,410	\$8,339
1.5"	50	5.0		\$1,257	\$13,690		
2.0"	80	8.0		\$1,257	\$21,910		

Notes:

1. AWWA Recommended Maximum Rate for Continuous Operations
2. Does not include service installation or CIF.
3. Does not include meter or CIF.
4. Does not include service installation.
5. All inclusive; meter set + service installation + CIF are included.
6. Road crossings, bores, and services over 60 feet long are an extra charge.
7. Capital Improvement Fees are adjusted annually in January per Resolution 93-09.
8. The District does not stock any meters larger than 1-inch; therefore, Meter Set charges for meters 1.5-inch and larger will be at cost plus 15%.
9. All connections in the Palo Cedro South Assessment District (south of Highway 44) are also subject to "Capital Facilities Charge" per Resolution 87-38 (ENR CCI = 4406). As of December 2011 (ENR CCI = 9172), this charge is currently \$3,852.91 per acre. Properties that were not assessed at the time that the assessment district was formed will also be charged \$4,417.71 per acre for facilities already installed as part of the assessment district. In December of each year these charges are adjusted based on the change in the ENR Construction Cost Index.

Scheduled-Agricultural 3 inches and larger (effective 4/1/2011)

<u>Size</u>	<u>Meter Set Only</u>	<u>Complete Service Installation</u>	<u>Capital Improvement Fee</u>	<u>Meter Set + CIF</u>	<u>Complete Service + CIF</u>
3.0"		All Meters and services	\$ 10,135		All services 3" and
4.0"		3" and larger at cost	\$ 12,558		larger at cost plus
6.0"			\$ 16,848		Applicable Capital
8.0"			\$ 19,489		Improvement Fee

Notes:

1. Based on Resolution 93-09 the Scheduled Ag Capital Improvement fee shall be adjusted on the anniversary date of the resolution (April 1) by the ratio of the ENR Construction Cost Index (CCI) in effect at that time (the March ENR CCI) to the ENR CCI in effect on of April 1, 1993. The March 1993 ENR CCI was = 5106. The March 2011 ENR CCI was 9011. The resulting ratio = 1.765.
2. The new rate is effective on April 1 of each year.

Fire Protection Service Rates

For dedicated fire service lines the charge = 1/3 of the bimonthly M&I base rate.

Appendix B

METER DOWNSIZING EXAMPLES

Allowable Downsizings/Exchanges:

Meter Size (inches)	AWWA "Recommended Maximum Rate for Continuous Operations" (gpm)	Allowable Downsizings @ the AWWA "Recommended Maximum Rate for Continuous Operations"		
		For 2 Meters	For 3 meters	For 4 meters
5/8	10	none		
3/4	15	1 @ 5/8" + 50% credit on 2 nd 5/8"	n/a	n/a
1	25	1 @ 3/4" & 1 @ 5/8"	2 @ 5/8" + 50% credit on 3 rd 5/8"	n/a
1 1/2	50	2 @ 1"	1 @ 1", 1 @ 3/4" & 1 @ 5/8" or 3 @ 3/4"	2 @ 3/4" & 2 @ 5/8"
		or any combination of smaller meters	or any combination of smaller meters	or any combination of smaller meters
2	80	1 @ 1 1/2" & 1 @ 1" or any combination of smaller meters	1 @ 1 1/2" & 2 @ 3/4" or 3 @ 1" or any combination of smaller meters	1 @ 1 1/2" & 3 @ 5/8" or 2 @ 1" & 2 @ 3/4" or any combination of smaller meters
		2 @ 2"	2 @ 2" & 1 @ 1 1/2"	1 @ 2", 2 @ 1 1/2" & 1 @ 1" or 4 @ 1 1/2"
3	220	or any combination of smaller meters	or any combination of smaller meters	or any combination of smaller meters
		1 @ 3" & 1 @ 2"	1 @ 3" & 2 @ 2"	1 @ 3", 1 @ 2" & 2 @ 1 1/2" or 4 @ 2"
4	420	or any combination of smaller meters	or any combination of smaller meters	or any combination of smaller meters
		2 @ 4"	1 @ 4" & 2 @ 3"	1 @ 4", 1 @ 3" & 2 @ 2" 3 @ 3" & 1 @ 2"
6	865	or any combination of smaller meters	or any combination of smaller meters	or any combination of smaller meters
		1 @ 6" & 1 @ 4"	1 @ 6", 1 @ 4" & 1 @ 3" 3 @ 4"	1 @ 6", 1 @ 4", 1 @ 3" & 1 @ 2" 3 @ 4" & 1 @ 3"
8	1600	or any combination of smaller meters	or any combination of smaller meters	or any combination of smaller meters

Example Downsizing Credit									
Existing Meter Size	Meter Set Cost	Size of Meter after Downsizing							
		5/8	3/4	1	1 1/2	2	3	4	6
5/8	\$390	-	-	-	-	-	-	-	-
3/4	\$420	\$30	-	-	-	-	-	-	-
1	\$470	\$80	\$50	-	-	-	-	-	-
1 1/2	\$710	\$320	\$290	\$240	-	-	-	-	-
2	\$900	\$510	\$480	\$430	\$190	-	-	-	-
3	\$1,280	\$890	\$860	\$810	\$570	\$380	-	-	-
4	\$1,750	\$1,360	\$1,330	\$1,280	\$1,040	\$850	\$470	-	-
6	\$3,510	\$3,120	\$3,090	\$3,040	\$2,800	\$2,610	\$2,230	\$1,760	-
8	\$4,270	\$3,880	\$3,850	\$3,800	\$3,560	\$3,370	\$2,990	\$2,520	\$760

Note: The above example downsizing credits are based on meter set costs for 5/8" through 2" positive-displacement meters and 3" through 8" turbine meters with strainers. Downsizing credits for cases with other types of meters will be calculated on a case by case basis.

Appendix C

Sample Rebate Agreement

BELLA VISTA WATER DISTRICT

**WATER MAIN EXTENSION REBATE POLICY
FOR APPLICANT INSTALLED FACILITIES**

* * *

THIS AGREEMENT sets forth the terms and conditions under which the Applicant named below will be rebated for expenses incurred as a result of making water service available to other properties by installing a water main extension. The General Rebate Policy set forth in this Agreement has been adopted by the Board of Directors of the Bella Vista Water District, and shall control the party's rights and obligations with respect to any rebates available to the Applicant or party installing the water main.

1. GENERAL INFORMATION

Applicant/Installer

Name(s): _____

Address: _____

Location of Water System

Improvement: _____

General Description of Improvement (attach diagram if necessary):

Parcels to be served by new facility

Assessor Parcel No.	Parcel Size (acre)	Owners Name & Address
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Cost of Pipeline Extension

	Quantity	Units	Unit Cost	Amount
Pipeline Installation	_____	_____	_____	_____
Service Connections	_____	_____	_____	_____
Other (detail)	_____	_____	_____	_____
Total Estimated Cost				_____

Contractor's Name _____

Address _____

Contractor License No. _____

Others responsible for installation _____

II. CONSTRUCTION REQUIREMENTS

Starting of Work and Time for Completion

Applicant shall commence work on the project within _____ calendar days after execution of this Agreement and, unless delayed by one of the causes mentioned below, all construction work shall be completed not later than _____ calendar days from the date hereof. Applicant's failure to so complete the construction to the satisfaction of Bella Vista Water District within the time stated above shall be considered a breach of this agreement and entitle Bella Vista Water District to demand payment under either the performance bond or letter of credit provided by Applicant to insure their performance hereunder, and Bella Vista Water district may thereafter complete the project in accordance with the plans and specifications.

Charges & Liens

The Applicant and/or its Contractor shall pay all charges and liens incurred for labor and materials used in the construction of the project as they become due. Should the Applicant or Contractor fail to pay any such charge, Bella Vista Water District may pay the same on behalf of the Contractor or Applicant and shall be reimbursed by the Contractor or Applicant for the payment, on demand.

Completion Guarantee

Prior to commencement of construction of the project the Applicant shall provide a good and sufficient performance bond for the benefit of Bella Vista Water District in the amount set forth above as the Total Estimated Cost in Part I. The purpose of such bond is to insure completion of the project should Applicant default in any of its obligations hereunder. Such bond as required under this paragraph may be in either of the following forms:

- (1) Performance Bond issued to Bella Vista Water District, guaranteeing completion of the project on or before the required time of completion as required by this Agreement, the issuing surety to be approved prior to acceptance by Bella Vista Water District; or
- (2) Irrevocable Letter of Credit naming Bella Vista Water District as beneficiary, and issued by a financial institution acceptable to Bella Vista Water District, with an expiration date not sooner than the required time of completion as required by this Agreement.

Installation According to District Approved Plans and Specs

The improvements installed in accordance with this Agreement shall be installed and completed in accordance with detailed plans and specifications prepared by a registered Civil Engineer and approved by the District prior to start of construction and the District retains the absolute discretion to determine the kind and quality of work and materials to be utilized. As the work progresses, the District reserves the right to amend

and adapt the plans and specifications to meet the conditions on the Job Site as they may develop. Any costs arising from such preparation and or revision of plans shall be the responsibility of the Applicant.

Standard Specifications

Bella Vista Water District adopts and maintains Standard Specifications for the purpose of setting forth the minimum applicable requirements for water works construction. Such Standard Specifications are applicable to *all projects* for which acceptance by the Bella Vista Water District will ultimately be requested. A copy of the current applicable Standard Specifications is delivered with this Agreement and its terms and conditions are incorporated in this Agreement in their entirety, as though fully set forth. By affixing their signatures to this Agreement, the Applicant and any and all contractors and material men who may participate in completion of the Project agree to be bound thereby.

Contractors Installing Facility

The installation applied for and all work done in connection therewith, shall be performed and completed by a contractor, licensed in the state of California, to perform underground construction to the satisfaction of the District. Applicant and its contractors shall permit District personnel access to the Job Site and the Project at all times to permit inspection and to insure that the Project is being completed both in a timely manner, and in accordance with the agreed upon plans and specifications.

Property and Rights-of-Way

No work shall be performed, nor installation made until all necessary and suitable real property accesses are secured and the necessary easements or fee interests are properly transferred to the District. In connection with this Requirement, Applicant shall secure such access by deeded easement or fee interest to the Bella Vista Water District, after first obtaining approval for the described access from District engineers. Applicant shall further provide a preliminary title report in connection with tendering the executed easement or grant deed, showing that the grantor named therein is vested with title to be transferred to Bella Vista Water District, subject only to real property tax liens not yet delinquent, and with necessary consents to subordination from other lien holders, if any.

Applicant's Responsibility

The Applicant shall take all responsibility for work under this Agreement including: all risk of loss resulting from (1) the nature or character of the work; (2) the nature of the ground in or on which the work is to be performed which is different from what is expected; (3) delays occasioned by weather, floods, unforeseen difficulties, accidents or any other causes.

Indemnity Agreement

Applicant further agrees to indemnify and hold harmless the District, its employees, agents, directors and officers from all claims of any kind arising from the performance of work under this Agreement, including claims for personal injury or death, claims for damage to property, and claims for loss of business, and including all such claims that may be presented or asserted by officers or employees of the Applicant, its contractors or subcontractors, officers or employees of the District, officers or employees of the Contractor or subcontractors, and third parties for failure to so provide in any contract it lets.

Insurance Requirements

Prior to commencement of construction of the Project, the Contractor or Applicant shall provide to Bella Vista Water District, insurance coverage in an amount not less than \$1,000,000.00. Proposed insurance coverage shall be submitted to Bella Vista Water District prior to commencement of work, and the District's approval of this Agreement and permission to commence project construction shall be conditioned on the District's prior approval of the proposed insurance coverage. Such insurance coverage shall require that Bella Vista Water District is named as an additional insured and shall provide notice of at least thirty (30) days prior to any material change or cancellation of such coverage. The above-described coverage shall be in addition to any performance bond or letter of credit required herein with respect to the construction of the project as set forth above.

Delay or Failure to Complete

In the event of a failure to complete the project in a timely manner and as previously agreed upon, Bella Vista Water District will have the right to make a call on the letter of credit or performance bond furnished as a condition of this Project, and thereafter complete the project.

Unavoidable Delays and Defaults

Either party, Applicant or Bella Vista Water District, shall be excused for any delays or defaults by that party in the performance of this Agreement unavoidably caused by the act of the other, the act of any agent of the other, the act of any governmental authority, the act of any public enemy, acts of God, the elements, or other causes beyond that party's control. Each party shall use diligence to avoid any such delay or default and to resume performance under this Agreement as promptly as possible after any such delay or default.

Notice of Completion

Applicant shall execute and deliver to the District a notice of completion that the project is ready for final inspection and acceptance by the Bella Vista Water District. Upon

receipt of such notice, the District shall promptly inspect the facility and thereafter notify the Applicant of any defects or deficiencies that require correction (including real property access issues, if not previously resolved). If no such deficiencies are present, the District shall thereafter place acceptance of the facilities into the District on the agenda for the next available Board meeting for presentation and acceptance by the Board.

Workmanship Guarantee

Notwithstanding acceptance of the Project, Applicant guarantees that all work performed by Applicant or its Contractors, and all structures furnished and installed or constructed under this Agreement shall fully meet or exceed all requirements of the plans and specifications and the Standard Specifications in effect at the time the work is completed. Such guarantee shall extend for a period of twelve (12) months from the date the completed project is accepted by the District. To insure such guarantee, the District may require an extension of the performance bond or letter of credit given by Applicant, as set forth above for the entire warranty period.

Title

Immediately upon acceptance of the completed Project, all right, title and interest in and to the facility constructed in accordance with this Agreement shall vest in the Bella Vista Water District.

Area Not to be Served Before Acceptance

Nothing in this Agreement, nor the provision of temporary service by the District shall be construed as an agreement or undertaking to serve any area or person unless and until this Agreement has been performed in its entirety by Applicant and the facilities have been accepted by the District.

Other Agreements

Any supplemental or other agreements between Applicant and the District are set forth in Addenda to this Agreement and shall be attached hereto and executed by the party to be charged.

III. PIPELINE REBATE POLICY - GENERAL TERMS & CONDITIONS

General Policy

It shall be the policy of the Bella Vista Water District to require extensions attached to the water system to be of adequate size to serve all potential benefited landowners, allocating the cost as fairly as possible. For some installations, the District may require over sizing from that pipe size necessary to serve potential benefited landowners in order to comply with an orderly development of District facilities. Over sizing cost will be

chargeable to the Applicant, and is likewise available for rebates under the District over sizing policy as part of the total cost of the project installation. The determination of whether a particular line requires over sizing is within the sole discretion of the Bella Vista Water District, and subject to approval of its Board of Directors.

For the purpose of this Agreement, Applicant agrees that extension of the line installed under this Agreement to serve non contiguous lands do not constitute a "hook-up" and are not subject to this rebate agreement nor to any charges for the purpose of reimbursing the Applicant who paid for the original installation.

Cost Allocation

At such time as the District receives sufficient information, it shall prepare an estimate of the allocation of cost of the proposed extension. The allocation of cost to each potential benefited landowner shall be furnished to the Applicant upon demand. The allocation of cost for rebate purposes shall be on the basis of total potential acreage to be served, contiguous to the pipeline thereby calculating a per/acre rebate, and thereafter multiplying such amount by the actual parcel size requesting service.

Approval by Board of Directors

Prior to acceptance of this Agreement, the Board of Directors must approve the proposed extension. Prior to approval, the Board reserves the right to reject, amend, or order further study of any proposed extension. Upon approval of the proposed extension by the Board of Directors, the installation of specified water facilities will commence in accordance with the provisions set forth in the Agreement.

Applicant Paying for Original Installation

The District shall maintain a record of each person or entity paying for the original installation of the extension constructed pursuant to this Agreement. The record shall include the name and address of each such person or entity and it shall be the Applicant's responsibility to notify the District of any subsequent change of address or ownership. Failure to so notify the District of any subsequent address change shall result in a *waiver* of the right to receive any rebate that may be available under this Agreement.

Notice of Completion and Final Cost Estimate Provided to District

Upon completion and approval of the pipeline, the installer shall furnish the District with "as built" drawings of the pipeline along with the itemized total final cost for rebate purposes. If after ninety (90) days from acceptance of the facility by the Board of Directors into the Bella Vista Water District system the requested information is not supplied to the District office, the District may determine that the Applicant is ineligible for the rebates provided by this Agreement.

Notice of Available Service to Benefited Parcels

Upon completion of the installation of the pipeline, upon a final determination of its cost, upon acceptance into the District system, and upon receipt of the "as built" drawings required from the Applicant and final cost total, the District shall notify all landowners contiguous to the pipeline that water service is available, and it shall notify them of the repayment plan set forth in this Agreement. Potentially benefited landowners will have a period of ninety (90) days within which to respond to the notice, and within which to tender their proportionate share of the line installation cost in order to avoid the surcharge for later hookups, as described below.

Payment Received Within 90 Days

Any payment received within the 90 day period after notice is given to potentially benefited landowners shall be transmitted to Applicant without offset for bookkeeping charges, or other costs. Payments received thereafter shall be subject to a 10% bookkeeping charge, as set forth below, by the District for the maintenance of records necessary for implementation of this Agreement.

Surcharge for Late Hookups

District customers who request service from the line constructed by Applicant after the initial 90 day period, will be required to pay, in addition to their proportionate share of the cost, 5% annual interest on their proportionate share of the cost of installation, calculated from the date the project was accepted by the Board of Directors into the District's system. Such sums received shall thereafter be transmitted to the Applicant, less 10% of the amount received, which will be applied to District funds to compensate for bookkeeping time and materials. In the event a later customer was not considered a potential benefited landowner, the charge for hookup to the extension will be determined by the District and the amount forwarded to Applicant without interest, but less the 10% bookkeeping charge.

Waiver of Interest by Applicant

Applicant may waive the interest accrued on a late hookup to the line extension by providing the District with written notice thereof prior to any rebates being paid to Applicant. Such waiver shall be applicable for all rebates paid to Applicant under this Agreement, and is non-revocable.

Term of Agreement

The term of this Agreement and the District's obligation to account for, collect, and transmit rebates to the Applicant is ten (10) years from the date of this agreement by the Board of Directors. Thereafter, no rebates will be available to the Applicant.

No Other Agreement

The District does not undertake to reimburse any proponent of an extension except as specifically provided in this Agreement.

IV. GENERAL PROVISIONS

Notices

Any and all notices or other matters required or permitted by this Agreement or by law to be served on, given to, or delivered to either the District or the Applicant, by the other shall be given in writing and shall be deemed duly served, given, or delivered when personally delivered to the party to whom it is addressed, or in lieu of personal service, when deposited in the United States mail, first-class postage paid, addressed as follows:

Bella Vista Water District
11368 E. Stillwater Way
Redding, CA 96003

Future Line Extensions

For the purpose of this Agreement, Applicant agrees that further extension of the line installed under this Agreement to serve noncontiguous lands do not constitute a "hookup" and are not subject to this Rebate Agreement nor to any charges for the purpose of reimbursing the Applicant who paid for the original installation.

Sole and Only Agreement

This document constitutes the sole and only agreement of the parties to this Agreement relating to the project and correctly sets forth the rights, duties, and obligations of each to the other as of its date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this document are of no force and effect. Any other documents which form part of this Agreement must be incorporated by reference.

Modifications or Amendments

Any modification or amendment to this Agreement must be in writing, signed by both parties and specifically reference that it modifies the terms of this Agreement. Such modifications may take the form of "change orders" or amendments. The Line Rebate Policy set forth in this Agreement shall control notwithstanding any subsequent amendments to the District's Line Rebate Policy at such future time.

Attorney's Fees

Should any litigation be commenced between the parties to this Agreement concerning the project, or any provision of this Agreement, or the rights and obligations of the parties in relation to this Agreement, the party prevailing in the litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for that party's attorney's fees in the litigation.

DATED THIS _____ DAY OF _____, 20____, AND
EXECUTED AT REDDING, CALIFORNIA.

BELLA VISTA WATER DISTRICT

APPLICANT(S)

By: _____
David J. Coxey, General Manager

By: _____

By: _____

Appendix D
METER SIZING

As referenced in various sections of the Policy Manual water meters shall be sized in accordance with the following criteria.

Meter Sizing			
Meter Size (inches)	AWWA Recommended Maximum Rate for Continuous Operations (gpm)	Irrigable Acreage @ 10 gpm for household use plus 5 gpm/acre based on Recommended Max. Rates for Continuous Operations	Minimum Maximum Acreage For Meter Sizing
5/8	10	0.00	>0.25
3/4	15	1.00	0.25 – 0.99
1	25	3.00	1.00 - 2.99
1 1/2	50	8.00	3.00 - 7.99
2	80	14.00	8.00 - 13.99
3	220	42.00	14.00 - 41.99
4	420	82.00	42.00 - 81.99
6	865	171.00	82.00 – 170.99
8	1600	318.00	171.00 – 317.99

**Appendix E
BELLA VISTA WATER DISTRICT
COUNTY OF SHASTA, CALIFORNIA**

Resolution No. 08-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BELLA VISTA WATER DISTRICT
ADOPTING REVISED SCHEDULE OF CHARGES

**

RECITALS

WHEREAS, Bella Vista Water District, is a California Water District (BVWD) which was formed and operates pursuant to the California Water Code.

The Board of Directors, is authorized pursuant to Water Code Section 34807 to manage and conduct the business affairs of the District.

Pursuant to law, BVWD is empowered to generally perform all acts necessary or proper to carry out the provisions of the Water Code, and specifically may acquire, plan, construct, improve, operate and keep in repair the necessary works for the production, storage, transmission and distribution of water for irrigation, domestic, industrial and municipal purposes.

BVWD passed and adopted its ordinances entitled "District Policy, Rules, Regulations, and Water Rates" on September 27, 1979 (hereafter the "Policy").

The Board of Directors has determined that the rates and charges need to be amended to conform with today's costs.

The Board held a public hearing on February 25, 2008, which was noticed in the Redding "Record Searchlight." The Board further discussed these proposed changes at a Regular Board meeting on January 28, 2008.

RESOLUTION

NOW THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. That the modifications to the Policy, Rules, Regulations and Water Rates of the Bella Vista Water District presented on February 25, 2008, are hereby adopted by the Board of Directors in the form attached hereto as Exhibit "A" incorporated herein by this reference.

2. The Board may, by future action amend or revoke any provision of the Policy by proper action, and such revocations and amendments shall thereafter be attached to the Policy in order to maintain a single reference source for review by the District and the Public.

3. To the extent that any policy, rule, or regulation set forth in the attached Exhibits are inconsistent with prior policies, rules, or regulations, the latter shall control.

4. The effective date of these increases will be March 1, 2008, and will be charged on all water service accounts billed after that date.

PASSED AND ADOPTED this 25 day of February 2008 by the following vote:

Ayes: Noes: Absent: Abstain:

BELLA VISTA WATER DISTRICT

By: _____
Jeff Thompson, President of the Board of Directors

ATTEST:

David J. Coxey, Secretary

Appendix F

Revision History

Revised August 10, 1993
Revised October 26, 1993
Revised February 8, 1994
Revised March 8, 1994
Revised July 12, 1994
Revised November 8, 1994
Revised January 3, 1995
Revised February 14, 1995
Revised May 14, 1996
Revised July 23, 1996
Revised November 12, 1996
Revised January 14, 1997
Revised September 9, 1997
Revised November 13, 1997
Revised January 6, 1998
Revised January 5, 1999
Revised March 9, 1999
Revised April 20, 1999
Revised May 16, 2000
Revised August 8, 2000
Revised January 11, 2001
Revised June 12, 2001
Revised January 11, 2002
Revised June 11, 2002
Revised January 1, 2004
Revised March 1, 2005
Revised April 30, 2007
Revised February 25, 2008
Revised January 26, 2009
Revised August 24, 2009
Revised December 28, 2009
Revised December 20, 2010
Revised January 1, 2012