



REGULAR MEETING 8:00 A.M. OPERATIONS CENTER - 1200 SOUTH GENE AUTRY TRAIL – PALM SPRINGS – CALIFORNIA

About Desert Water Agency:

Desert Water Agency operates independently of any other local government. Its autonomous elected board members are directly **accountable to the people they serve**. The Agency is one of the desert's two State Water Contractors and provides water and resource management, including recycling, for a 325-square-mile area of Western Riverside County, encompassing parts of Cathedral City, Desert Hot Springs, outlying Riverside County and Palm Springs.

1. PLEDGE OF ALLEGIANCE
2. APPROVAL OF MINUTES – June 6, 2017 CIOFFI
3. **GENERAL MANAGER'S REPORT** KRAUSE
4. COMMITTEE REPORTS – A. Finance – June 9, 2017 STUART
B. Executive – June 14, 2017 CIOFFI
5. PUBLIC INPUT:
Members of the public may comment on any item not listed on the agenda, but within the jurisdiction of the Agency. In addition, members of the public may speak on any item listed on the agenda as that item comes up for consideration. Speakers are requested to keep their comments to no more than three (3) minutes. As provided in the Brown Act, the Board is prohibited from acting on items not listed on the agenda.
6. SECRETARY-**TREASURER'S REPORT** – MAY 2017 BLOOMER
7. ITEMS FOR ACTION
A. Request Adoption of Ordinances Establishing Governing Regulations KRIEGER
(1) Ordinance No. 66 Governing Water Service
(2) Ordinance No. 67 Governing Recycled Water Service
(3) Ordinance No. 68 Governing Sewer Service
B. Request Adoption of Resolutions Amending Rates, Fees and Charges KRIEGER
(1) Resolution No. 1167 Establishing Rates, Fees & Charges for Water Service
(2) Resolution No. 1168 Establishing Rates, Fees & Charges for Recycled Water Service
(3) Resolution No. 1169 Establishing Rates, Fees & Charges for Sewer Service
C. Request Adoption of Fiscal Year 2017/2018 Operating, General and Wastewater Budgets KRIEGER
D. Request Adoption of Resolution No. 1170 Establishing Tax Rate FY 2017/2018 KRIEGER
E. Request Authorization to Execute Quitclaim Deed to City of Cathedral City JOHNSON
F. Request Board Authorization for General Manager to Execute Easement in Favor of Cathedral City JOHNSON
8. ITEMS FOR DISCUSSION
A. May Water Production Figures KRAUSE
9. DIRECTORS COMMENTS AND REQUESTS
10. CLOSED SESSION
A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Agua Caliente Band of Cahuilla Indians vs. Coachella Valley Water District, et al
B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Agua Caliente Band of Cahuilla Indians vs. County of Riverside, et al

C. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code Section 54956.9 (d) (1)

Name of Case: Mission Springs Water District vs. Desert Water Agency

D. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: 0.504 acre west of Indian Canyon Drive between Racquet Club Rd. and Via Olivera

APN No. 504-260-026 and portions of APN No. 504-260-025 and 504-260-027

Agency Negotiators: Mark S. Krause, General Manager and Steven L. Johnson, Asst. General Manager

Negotiating Parties: DWA and Ayres Advisors

Under Negotiation: Price and terms

11. RECONVENE INTO OPEN SESSION – REPORT FROM CLOSED SESSION

12. ADJOURN

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting is asked to contact Desert Water Agency's Executive Secretary, at (760) 323-4971, at least 48 working hours prior to the meeting to enable the Agency to make reasonable arrangements. Copies of records provided to Board members which relate to any agenda item to be discussed in open session may be obtained from the Agency at the address indicated on the agenda.

**MINUTES
OF THE REGULAR MEETING
OF THE
DESERT WATER AGENCY
BOARD OF DIRECTORS**

2

June 6, 2017

DWA Board:	James Cioffi, President)	Attendance
	Joseph K. Stuart, Vice President)	
	Kristin Bloomer, Secretary-Treasurer)	
	Patricia G. Oygard, Director)	
	Craig A. Ewing, Director)	

DWA Staff:	Mark S. Krause, General Manager)
	Steve Johnson, Asst. General Manager)
	Martin S. Krieger, Finance Director)
	Sylvia Baca, Asst. Secretary of the Board)
	Irene Gaudinez, Human Resources Mgr.)
	Ashley Metzger, Outreach & Conserv. Mgr.)

Consultant:	Michael T. Riddell, Best Best & Krieger)
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Public:	David Freedman, P.S. Sustainability Comm.)
	William Johnson, Palm Springs resident)

17837. President Cioffi opened the meeting at 8:00 a.m. and asked everyone to join Vice President Stuart in the Pledge of Allegiance. **Pledge of Allegiance**

17838. President Cioffi called for approval of the May 16, 2017 Regular Board meeting minutes. **Approval of 05/16/17 Regular Board Mtg. Minutes**

Vice President Stuart moved for approval. After a second by Director Ewing, the minutes were approved as written (Secretary-Treasurer Bloomer abstained due to her absence).

17839. President Cioffi called upon General Manager Krause to provide an update on Agency operations. **General Manager's Report**

Mr. Krause stated on May 13 at approximately 5:20 p.m. stand-by personnel responded to a report of a hit fire hydrant at the corner of Waverly Dr. and Golf Club Dr. Staff replaced the bolts, gasket and put the hydrant back in service. A police report was made and the water loss was estimated for a fully open 6-inch fire hydrant riser, which ran for approximately 30 minutes. **Hit Fire Hydrant-Waverly Dr. & Golf Club Dr.**

Mr. Krause stated for the month of May, approximately 39,000 acre-feet of water was delivered to the basin and the Whitewater Hydro generated approximately 761,400 kWh. The plant went offline for approximately 7 hours on May 26 due to SCE problems associated with high winds. Staff anticipates collecting approximately \$67,000 from SCE from the power produced.

Mr. Krause stated on Monday May 15, DWA met with CVWD and MWD in Riverside to discuss the current status of the Lake Perris Water Recovery project. The briefing included discussion of agreements, costs, project schedule, CEQA, funding, project water yield, water rights and hydrogeology studies. A funding agreement between MWD and DWR has been finalized and will soon be executed. It is an agreement for the funding of environmental analysis, planning, and preliminary design. The agreement states that the project will recover all seeped water and deliver it to MWD in addition to its current Table A water. The agreement states "MWD shall offer in writing to DWA and CVWD the opportunity to share this recovered water proportional to our relative maximum annual Table A amounts of Lake Perris". If DWA and/or CVWD decide to participate in this Project, MWD, DWA, and/or CVWD will need to execute additional funding agreements. DWA and CVWD have expressed their desire to see the findings of DWR's hydrologic study first before making the final decision to participate. Overall, DWR and MWD costs incurred for planning, design and construction are estimated between 25 to 27 million dollars. It is anticipated that DWR will issue Water System Revenue Bonds that will be recovered through MWD, DWA and CVWD's Statement of Charges. \$7,250,000 is currently being billed to MWD in their statement of charges. DWR will serve as the Lead Agency for the Project under CEQA, and MWD shall serve as a Responsible Agency.

Continuing his report, Mr. Krause stated that significant progress has been made in the environmental review and approval of the California WaterFix project. A final decision is expected in late spring or early summer this year. This has made the State Water Contractors effort to resolve the method of cost of allocation all the more imperative. Significant progress has been made in this area; however, more detailed analysis is necessary. It is anticipated that DWA staff will present a series of white papers to the Board prepared by the State Water Contractors (Based on papers prepared by MWD). The papers will be presented this summer and fall. The papers will explain the physical infrastructure, the benefits and reasons for improving and modernizing the system; the operations and the water supply yield; and the cost allocation amongst the contractors and finance.

Concluding his report, Mr. Krause noted the current system leak data, developer projects; and meetings and activities he participated on during the past several weeks.

17840. President Cioffi noted the minutes for the May 30, 2017 Executive Committee were provided in the Board's packet.

President Cioffi noted the minutes for the May 30, 2017 Conservation & Public Affairs Committee were provided in the Board's packet.

President Cioffi noted the minutes for the June 1, 2017 Finance Committee were provided in the Board's packet.

17841. President Cioffi opened the meeting for public input.

There being no one from the public wishing to address the Board, President Cioffi closed the public comment period.

17842. President Cioffi called upon Secretary-Treasurer Bloomer to provide an overview of financial activities for the month of April 2017.

Secretary-Treasurer Bloomer reported that the Operating Fund received \$1,500,392 in Water Sales Revenue and \$90,165 in Reclamation Sales Revenue. \$70,026 was included in Miscellaneous Receipts (ACWA/JPIA premium refunds). \$2,131,822 was paid out in Accounts Payable. Year-to-date Water Sales are 11% over budget, Year-to-date Total Revenues are 10% over budget and Year-to-date Total Expenses are 17% under budget. There were 22,398 active services as of April 30, 2017 compared to 22,356 as of March 31, 2017.

Reporting on the General Fund, Ms. Bloomer stated that \$1,550,354 was received in Property Tax Revenue. \$721,930 was received in Groundwater Assessments (\$547,571 from the Operating Fund & \$174,359 from Private Pumpers). \$384,830 was received in State Water Project Refunds. \$18,796 was received in Whitewater Hydro Power Sales for March 2017. \$2,602,679 was paid out in State Water Project charges.

Regarding the Wastewater Fund, Ms. Bloomer stated that \$61,856 was received in Sewer Capacity charges. There are a total of 63 contracts (46 Cathedral City Cove and 17 Dream Homes). Three contracts were paid in full with total delinquents of 24 (38%). \$66,898 was paid out in Accounts Payable.

17843. President Cioffi called upon General Manager Krause to present staff's request for adoption of Resolution No's. 1161, 1163 and 1165 Making Findings of Fact Relevant and Material to the Levy of a Replenishment Assessment and Levying a Replenishment Assessment for Fiscal Year 2017/2018 and Resolution No's. 1162, 1164 and 1166 Levying a Water Replenishment Assessment for Fiscal Year 2017/2018 for the Whitewater River, Mission Creek and Garnet Hill Subbasins.

General Manager Krause stated at the May 16 meeting, a determination was made that funds should be raised by a replenishment assessment and the Board set today for a public hearing on the matter. The proposed assessment for the Whitewater River Subbasin will be set at \$120 per acre-foot. Notices of the public meeting and today's public hearing were sent to all pumpers on May 16, 2017 and published in The Public Record on May 9, 2017. He noted the revisions to pages III-3, Section E. Staff recommends adoption of Resolution No. 1161 and 1162.

In response to President Cioffi, General Manager Krause stated \$38 per acre-foot is currently being suppressed.

President Cioffi declared the public hearing open at 8:29 a.m. for the Whitewater River Subbasin Groundwater Assessment.

There being no one from the public wishing to address the Board and no written comments regarding the proposed assessment, President Cioffi closed the public hearing at 8:30 a.m.

Vice President Stuart moved to adopt Resolution No's. 1161 and 1162. Director Ewing seconded the motion, which passed unanimously.

RESOLUTION NO. 1161
A RESOLUTION OF THE BOARD OF DIRECTORS
OF DESERT WATER AGENCY MAKING FINDINGS
OF FACT RELEVANT AND MATERIAL TO THE LEVY
OF A REPLENISHMENT ASSESSMENT
PURSUANT TO DESERT WATER AGENCY LAW
(WHITEWATER RIVER)

RESOLUTION NO. 1162
A RESOLUTION OF THE BOARD OF DIRECTORS
OF DESERT WATER AGENCY LEVYING A WATER
REPLENISHMENT ASSESSMENT FOR THE FISCAL
YEAR 2017-2018 FOR THE PURPOSE OF
REPLENISHING GROUNDWATER SUPPLIES
(WHITEWATER RIVER)

17844. President Cioffi declared the public hearing open at 8:32 a.m. for the Mission Creek Subbasin Groundwater Assessment.

2017/18 Mission Creek
 GW Replenish
 Open Public Hearing

There being no one from the public wishing to address the Board and no written comments regarding the proposed assessment, President Cioffi closed the public hearing at 8:33 a.m.

Close Public Hearing

Director Ewing moved to adopt Resolution No's. 1163 and 1164. President Cioffi seconded the motion, which passed unanimously.

Items for Action:
(Cont.)
Public Hearing

RESOLUTION NO. 1163
A RESOLUTION OF THE BOARD OF DIRECTORS OF
DESERT WATER AGENCY MAKING FINDINGS OF FACT
RELEVANT AND MATERIAL TO THE LEVY OF A
REPLENISHMENT ASSESSMENT PURSUANT
TO DESERT WATER AGENCY LAW
(MISSION CREEK)

RESOLUTION NO. 1164
A RESOLUTION OF THE BOARD OF DIRECTORS OF
DESERT WATER AGENCY LEVYING A WATER
REPLENISHMENT ASSESSMENT FOR THE
FISCAL YEAR 2017-2018 FOR THE PURPOSE OF
REPLENISHING GROUNDWATER SUPPLIES
(MISSION CREEK)

17845. President Cioffi declared the public hearing open at 8:34 a.m. for the Garnet Hill Subbasin Replenishment Assessment.

2017/18 Garnet Hill
GW Replenishment
Assessments
Open Public Hearing

There being no one from the public wishing to address the Board and no written comments regarding the proposed assessment, President Cioffi closed the public hearing at 8:35 a.m.

Close Public Hearing

Vice President Stuart moved to adopt Resolution No's. 1165 and 1166. Director Ewing seconded the motion, which passed unanimously.

RESOLUTION NO. 1165
A RESOLUTION OF THE BOARD OF DIRECTORS OF
DESERT WATER AGENCY FINDINGS OF FACT
RELEVANT AND MATERIAL TO THE LEVY OF A
REPLENISHMENT ASSESSMENT PURSUANT
TO DESERT WATER AGENCY LAW
(GARNET HILL)

Resolution No. 1165
Adopted

RESOLUTION NO. 1166
A RESOLUTION OF THE BOARD OF DIRECTORS OF
DESERT WATER AGENCY LEVYING A WATER
REPLENISHMENT ASSESSMENT FOR THE
FISCAL YEAR 2017-2018 FOR THE PURPOSE OF
REPLENISHING GROUNDWATER SUPPLIES
(GARNET HILL)

Resolution No. 1166
Adopted

17846. President Cioffi asked Agency Counsel Riddell to provide a report on the May 18, 2017 Annual Membership meeting and Board of Directors meeting of the State Water Contractors.

Mr. Riddell provided a report on the following items: 1) Annual Membership Meeting, 2) Election of SWC Board Officers, 3) SWP Operations Report, 4) General Manager's Report, and 5) Cal Water Fix Allocation Discussions.

17847. President Cioffi called upon Finance Director Krieger to present the draft proposed Operating, General and Wastewater Budgets for 2017/2018.

Draft 2017/2018
Operating, General and
Wastewater Budgets

Mr. Kreiger noted that copies of the draft budgets along with budget highlights were provided to the Board. He stated that the Finance Committee will be meeting this week for their final review. He announced he was available to meet directly with any members of the Board who had questions.

17848. Secretary-Treasurer Bloomer stated she recently attended the CSDA Legislative Days in Sacramento.

Director's Report on
Conference/Seminar
Attendance

17849. President Cioffi asked Assistant General Manager Johnson to present staff's investigation into relocating the fire hydrant and sample station at 2380 E. Smokewood Ave.

Fire Hydrant & Sample
Station Relocation
Request/2380 E.
Smokewood Ave.

Assistant General Manager Johnson stated as requested by the board at its last meeting, an investigation was conducted on the history of the fire hydrant and sample station located in front of the residence at 2380 E. Smokewood Ave. As part of the investigation, staff reviewed the damage and maintenance record and performed a field investigation. There were no damage invoices within the past ten years nor hit and run records for the location. Staff also reviewed maintenance records and noted the last maintenance was performed in December 2015 (hydrant painted).

Continuing his report, Assistant General Manager Johnson said that staff performed a site survey of the area and confirmed the facilities are located within the street right-of-way. Staff came up with two options to relocate the facilities: 1) Relocate to the south with a cost estimate of \$16,000; and 2) Utilize existing facilities and install a 90 degree angle on the hydrant lateral and sample station piping and relocate facilities to the north of current position, with a cost estimate of \$5,000. Based on the research and site evaluation, staff believes relocation is unwarranted and therefore financially prohibited. Staff recommends not relocating the facilities at the Agency's expense. However, relocating the facilities at the customer's expense is an acceptable option.

President Cioffi invited Mr. Johnson, the homeowner, to speak on this item.

**Discussion Items:
(Cont.)**

Fire Hydrant & Sample
Station Relocation
Request/2380 E.
Smokewood Ave.

Public Input

Mr. Johnson stated he purchased the property in 2000 and had some construction work performed in 2002. He stated that the concrete pads around the facilities were replaced 6 months ago. He explained the neighbor to the south has a large wall, which forces traffic to his property.

The Board concurred they were not supportive of using ratepayer money to relocate the services.

President Cioffi requested staff meet with Mr. Johnson and City staff regarding this since the location is within the right-of-way.

17850. President Cioffi noted that Board packets included Outreach & Conservation reports for May 2017.

Outreach &
Conservation – May
2017

Mrs. Metzger announced a workshop in Riverside later this month regarding AB401 and that a comment letter is due July 31 to ACWA. She also noted that the Agency's 2016 Water Quality report is currently posted on the website.

17851. At 9:32 a.m., President Cioffi convened into Closed Session for the purpose of Conference with Legal Counsel, (A) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Agua Caliente Band of Cahuilla Indians vs. Coachella Valley Water District, et al; (B) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), ACBCI vs. County of Riverside, et al; (C) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Mission Springs Water District vs. Desert Water Agency; (D) Real Property Negotiators, pursuant to Government Code Section 54956.8, Property-0.504 acre west of Indian Canyon Drive between Racquet Club Rd. and Via Olivera, Agency Negotiators: Agency Negotiators: Mark S. Krause, General Manager and Steven L. Johnson, Assistant General Manager, Negotiating Parties: DWA and Ayres Advisors, Under Negotiation: Price and terms; and (E) Real Property Negotiators, pursuant to Government Code Section 54956.8, Property: Conveyance of Property, APN No. 687-030-019 to City of Cathedral City and Conveyance of Easement APN No. 677-402-021 to City of Cathedral City, Agency Negotiators: Mark S. Krause, General Manager and Steven L. Johnson, Assistant General Manager, Negotiating Parties: DWA and City of Cathedral City, Under Negotiations: Terms.

Closed Session:

A. Existing Litigation –
ACBCI vs. CVWD, et
al.
B. Existing Litigation –
ACBCI vs. Riverside
County
C. Existing Litigation –
MSWD vs. DWA
D. Real Property
Negotiators (DWA &
Ayres Advisors)
E. Real Property
Negotiators (DWA &
City of Cathedral City)

17852. At 10:42 a.m., President Cioffi reconvened the meeting into open session and announced there was no reportable action.

**Reconvene –No
Reportable Action**

17853. In the absence of any further business, President Cioffi adjourned the meeting at 10:43 a.m.

Adjournment

James Cioffi, President

ATTEST:

Kristin Bloomer, Secretary-Treasurer

DRAFT

GENERAL MANAGER'S REPORT

JUNE 20, 2017

Mesquite Property Fence and Landscaping Project:

As part of the purchase agreement for the Mesquite Property, the Agency agreed to install screening vegetation on a 6-foot-tall fence. The Agency coordinated with Riverside County Flood Control, which owns and maintains the adjacent flood control channel, to repair an existing 6-foot-tall fence. A DWA construction crew then removed built-up sand around the fence and installed an irrigation connection for the screening vegetation. The Agency also removed any vegetation that could be used, and was being used, as shelter for homeless individuals. Down to Earth landscaping will install irrigation piping and plant *Pyracantha* which will be used as the screen vegetation.

Photo 1: Fence, looking south, before project.



Photo 2: Fence, looking north, before project.

Mesquite Fencing

(Cont.)



Photo 2: Fence, looking south, after fence repair and grading.

Photo 3: Fence, looking north, after grading.



18" Snow Creek Emergency Pipeline Replacement:

In March 2017, a series of leaks occurred on the 1950's section of the Snow Creek Pipeline, adjacent to HWY 111, South of Mountain Gate Development. The leaks were due to the deterioration and age of the pipe. The Agency was forced to reduce the flow through the pipeline to prevent further pipe ruptures. Starting on June 5th, Agency construction crews began replacing approximately 2,300 lineal feet of the deteriorating pipe with a new 18" Ductile Iron Pipe. Work Order 14-196-18 with a budget of \$230,000 will cover the cost of the pipe installation. The estimated cost for the project is \$200,000 with \$100,000 for labor and \$100,000 for materials. Work is expected to take 8 weeks to complete.

Photo 5: Construction on the 18" DIP pipeline using an Excavator.



Photo 4: Large rocks encountered during construction



Whitewater Deliveries

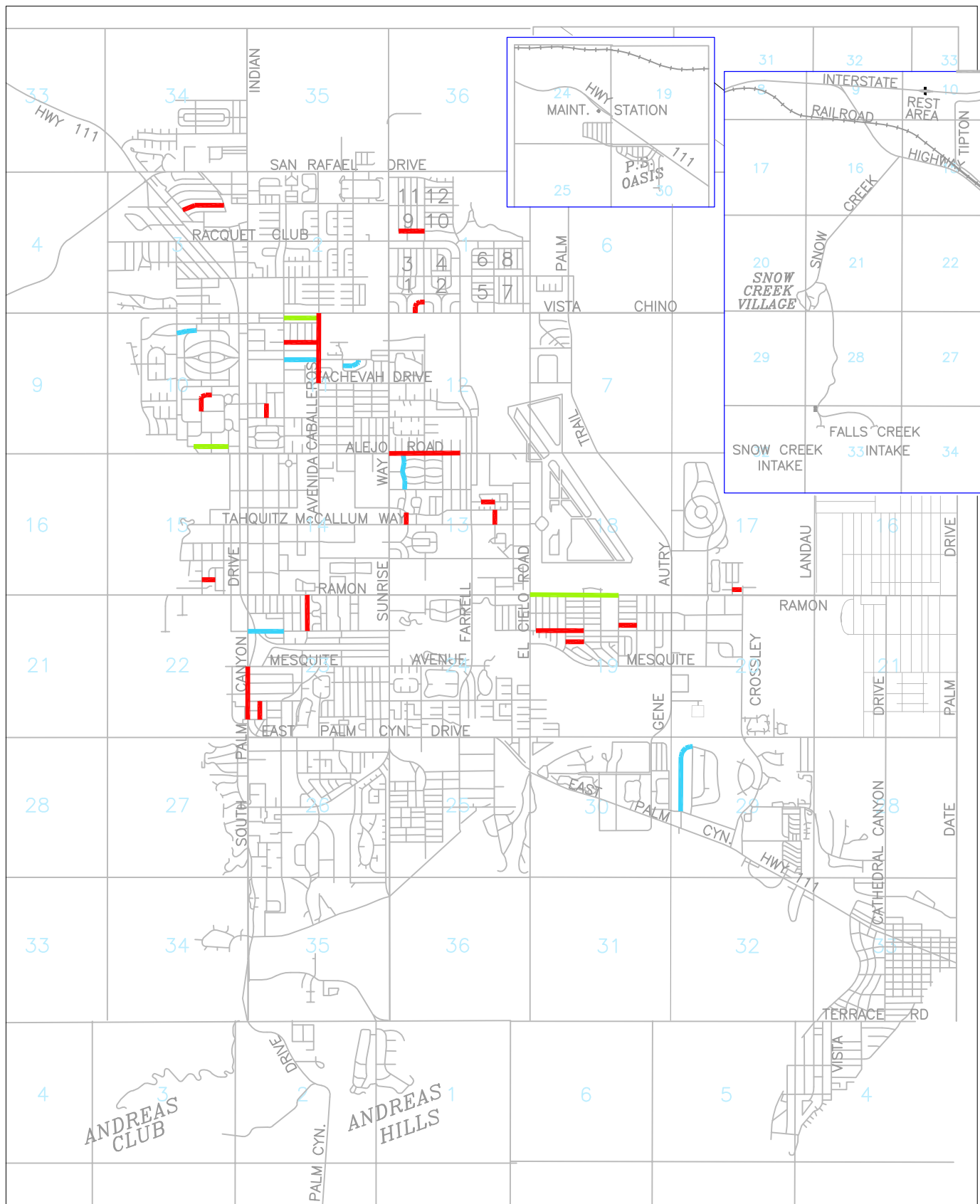
From June 1 through June 13, the Whitewater Hydro has generated approximately 290,825 kWh.

SYSTEM LEAK DATA		
(PERIOD BEGINNING MAY 31, 2017 THRU JUNE 8, 2017)		
STREET NAME	QUARTER SECTION	NUMBER OF LEAKS
CALLE SAN RAPHAEL	4519NW	7
PASEO EL MIRADOR	4411NW	5
HERMOSA PL	4410SE	5
SATURMINO DR	4413NW	4
COTTONWOOD RD	4411NW	4
SUNNY DUNES RD	4423NW	3
CHINO DR	4410SE	3
CHIA RD	4411NW	3
MISSION RD	4410SE	3
BROADMOOR DR	4529NW	2
LIVMOR AVE	4413NE	2
SATURMINO DR (N/O TAHQUITZ CYN WAY)	4413NW	2
ALEJO RD	4412SW	2
LINDA VISTA RD	4411NE	1
CAMINO NORTE	4410NE	1
RAMON RD	4519NW	1
SUNNY DUNES RD	4519NW	1
SANTA ROSA DR	4415SE	1
SARAH ST	4517SW	1
AVENIDA CABALLEROS	4411NW	1
DEL LAGO RD	4401NW	1
VIA SOLEDAD	4423SW	1
LOUELLA RD	4413NE	1
AVENIDA PALOS VERDES	4411SW	1
SAHARA RD	4401SW	1
SEPULVEDA RD	4403NE1	1
S PALM CANYON DR	4423SW	1
CAMINO REAL	4423NW	1
CAMINO SAN MIGUEL	4519NE	1

TOTAL LEAKS IN SYSTEM:	61
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* Streets highlighted in blue are being replaced as part of the 2016/2017 Replacement Pipeline Project

* Streets highlighted in green are included as part of the proposed list of streets for the 2017/2018 Replacement Pipeline Project



SYSTEM LEAKS

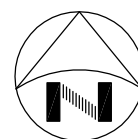
(Period beginning May 31, 2017 thru June 8, 2017)

DESERT WATER AGENCY
PALM SPRINGS, CALIFORNIA

LEGEND

- LEAK(S) RECORDED
- LEAK(S) RECORDED; INCLUDED IN 2016/17 REPLACEMENT PIPELINES
- LEAK(S) RECORDED; INCLUDED IN PROPOSAL FOR 2017/18 REPLACEMENT PIPELINES

DWG. BY
SR



DATE
6/17

SCALE
NTS

EXHIBIT
"A"

**Minutes
Finance Committee Meeting
June 9, 2017**

Directors Present: Joseph K. Stuart, Kristin Bloomer

Staff Present: Mark Krause, Martin Krieger, Steve Johnson, Esther Saenz

Discussion Items

1. Proposed 2017/2018 Operating Fund Budget
The Committee discussed the Operating Budget; no changes were suggested.
2. Proposed 2017/2018 General Fund Budget (Revised)
The Committee discussed the Whitewater Hydro and the need for a Bypass Pipeline. The "Adjusted Capital Improvements & Reserves were reviewed along with potential Hydro maintenance expenses.
3. Proposed 2017/2018 Wastewater Fund Budget
The Committee discussed the Wastewater Fund Budget; no changes were suggested.
4. Other
Proposed Late Payment Fees
The Committee reviewed the proposed late payment fees and discussed proposed changes to the Agency's delinquent accounts processes including turn-offs, payment schedules and stand-by staff.

Adjourn

Minutes
Executive Committee Meeting
June 14, 2017

Directors Present: Jim Cioffi, Joe Stuart

Staff Present: Steve Johnson, Martin Krieger

1. Discussion Items

A. Review Agenda for June 20, 2017 Regular Board Meeting

The proposed agenda for the June 20, 2017 regular board meeting was reviewed.

B. Expense Reports

The May expense reports were reviewed.

2. Other –

A. CSDA Mail Ballot

The Committee reviewed the California Special Districts Association mail ballot. President Cioffi requested staff to mail the voted ballot in support of Kristin Bloomer.

3. Adjourn

DESERT WATER AGENCY
STATEMENT OF CASH RECEIPTS AND EXPENDITURES

OPERATING ACCOUNT

MAY 2017

INVESTED
RESERVE FUNDS
\$14,481,074.41

BALANCE	MAY 1, 2017	(\$562,065.73)	
WATER SALES		\$2,061,806.61	
RECLAMATION SALES		127,745.44	
WASTEWATER RECEIPTS		88,838.08	
POWER SALES		3,683.32	
METERS, SERVICES, ETC.		245,338.00	
REIMBURSEMENT – GENERAL FUND		159,191.81	
REIMBURSEMENT – WASTEWATER FUND		25,528.48	
ACCOUNTS RECEIVABLE – OTHER		18,172.93	
CUSTOMER DEPOSITS – SURETY		5,392.00	
CUSTOMER DEPOSITS – CONST.		66,511.00	
LEASE REVENUE		3,396.33	
INTEREST RECEIVED ON INV. FDS.		0.00	
FRONT FOOTAGE FEES		0.00	
BOND SERVICE & RESERVE FUND INT		0.00	
MISCELLANEOUS		<u>110,007.41</u>	
TOTAL RECEIPTS		\$2,915,611.41	
PAYMENTS			
PAYROLL CHECKS		\$483,426.59	
PAYROLL TAXES		155,805.52	
ELECTRONIC TRANSFERS		129,638.65	
CHECKS UNDER \$10,000.00		268,980.89	
CHECKS OVER \$10,000.00 – SCH. #1		1,231,579.23	
CANCELLED CHECKS AND FEES		<u>9,474.46</u>	
TOTAL PAYMENTS		<u>\$2,278,905.34</u>	
NET INCOME		\$636,706.07	
BOND SERVICE ACCOUNT			
MONTHLY WATER SALES		\$0.00	
EXCESS RETURNED BY B/A		<u>\$0.00</u>	
BOND SERVICE FUND			\$0.00
INVESTED RESERVE FUNDS			
FUNDS MATURED		\$500,000.00	
FUNDS INVESTED – SCH. #3		<u>989,000.00</u>	
NET TRANSFER		(\$489,000.00)	\$489,000.00
BALANCE	MAY 31, 2017	(\$414,359.66)	\$14,970,074.41

OPERATING ACCOUNT

SCHEDULE #1-CHECKS OVER \$10,000

CHECK #	NAME	DESCRIPTION	AMOUNT
114543	AQUATIC INSPECTIONS	RESERVOIR INSPECTION & REPAIRS (TAHQUITZ #1 & #2 / PS EAST #1 & #2)	\$31,600.00
114546	BACKFLOW APPARATUS & VALVE CO	WATER SERVICE SUPPLIES	\$18,407.57
114551	CORA CONSTRUCTORS INC	ZONE 1240 - BOOSTER DESERT PALISADES (W/O # 15-150-B)	\$44,564.50
114556	ERS	CONTRACT PAYMENT - NON-POTABLE WATER MAINTENANCE	\$60,316.30
114561	HD SUPPLY WATERWORKS LTD	WATER SERVICE SUPPLIES	\$10,868.58
114567	J COLON COATINGS INC	CONTRACT PAYMENT - RESERVOIR MAINTENANCE	\$14,970.00
114608	SOUTHERN CALIFORNIA EDISON CO	POWER	\$180,916.89
114620	Z&L PAVING, INC	PAVING	\$15,268.50
114670	DESERT WATER AGENCY - WASTEWATER	WASTEWATER REVENUE BILLING FOR APRIL 2017	\$83,707.29
114672	ACWA-JPIA	HEALTH,DENTAL & VISION INSURANCE PREMIUMS - JUNE 2017	\$173,666.91
114689	BEST BEST & KRIEGER LLP	LEGAL FEES	\$72,226.31
114707	DOWN TO EARTH LANDSCAPING	LANDSCAPE MAINTENANCE	\$31,195.00
114711	ERS	CONTRACT PAYMENT - POTABLE WATER MAINTENANCE	\$81,589.19
114718	FIONA HUTTON & ASSOCIATES	PUBLIC INFORMATION - CONSULTING SERVICES (FEBRUARY & MAY 2017)	\$10,750.00
114732	INLAND WATER WORKS SUPPLY CO	WATER SERVICE SUPPLIES	\$37,410.01
114734	KENNY STRICKLAND INC	FUEL PURCHASE	\$10,529.29
114735	KINER COMMUNICATIONS	MARKETING & ADVERTISING SERVICES FOR CV WATER COUNTS	\$12,678.32
114736	KRIEGER & STEWART INC	ENGINEERING	\$64,785.28
114741	MCKEEVER WATERWELL & PUMP INC	MAINTENANCE - WELL # 33	\$119,236.00
114770	THATCHER COMPANY OF CALIFORNIA	WATER SERVICE SUPPLIES	\$18,781.34
114775	UNITED WATER WORKS INC	WATER SERVICE SUPPLIES	\$21,804.95
114785	Z&L PAVING, INC	PAVING	\$29,034.00
114788	WALTER FAMILY PARTNERSHIP	TURF BUY BACK PROGRAM	\$18,950.00
114789	SUNRISE OASIS HOA	TURF BUY BACK PROGRAM	\$20,000.00
114790	RIVIERA GARDENS	TURF BUY BACK PROGRAM	\$20,000.00
114792	BILTMORE CONDO ASSOCIATION #1	TURF BUY BACK PROGRAM	\$13,120.00
114793	CANYON SANDS HOA	TURF BUY BACK PROGRAM	\$15,203.00
** TOTAL			\$1,231,579.23

**DESERT WATER AGENCY
OPERATING FUND - LISTING OF INVESTMENTS
MAY 31, 2017**

PURCH DATE	NAME	DESCRIPTION	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY	CALLABLE STATUS
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Local Agency Investment Fund

06-30-83	State of California	LAIF	Open	\$ 12,220,074.41	\$ 12,220,074.11	\$ 12,220,074.11	0.940%	
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Certificates of Deposit

09-28-15	Union Bank	Capital Bank CD	09-28-17	\$ 250,000.00	\$ 250,000.00	\$ 250,215.00	1.050%	Bullet
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Total Certificates of Deposit	\$ 250,000.00	\$ 250,000.00	\$ 250,215.00
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Commercial Paper

Total Commerical Paper	\$	\$	\$
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Government Agency

09-20-16	Union Bank	FNMA (Callable 6-20-17)	09-20-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 994,920.00	1.300%	Quarterly
10-28-16	Union Bank	FHLMC STEP (Callable 7-28-17)	10-28-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,430.00	1.000%	Quarterly
02-28-17	Union Bank	FHLMC (Callable 8-25-17)	02-25-19	\$ 500,000.00	\$ 500,000.00	\$ 499,715.00	1.400%	Quarterly

Total Government Agency	\$ 2,500,000.00	\$ 2,500,000.00	\$ 2,492,065.00
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Weighted Mean YTM 0.985%

TOTAL INVESTED @ 05/31/17	\$ 14,970,074.41	\$ 14,970,074.11	\$ 14,962,354.11
BALANCE @ 06/30/16	\$ 12,488,311.86		
INCREASE (DECREASE)	\$2,481,762.55		

DESERT WATER AGENCY
STATEMENT OF CASH RECEIPTS AND EXPENDITURES

GENERAL ACCOUNT

MAY 2017

INVESTED
RESERVE FUNDS
\$109,248,032.70

BALANCE MAY 1, 2017 (\$620,514.94)

* TAXES - RIVERSIDE COUNTY	9,496,719.43
* INTEREST EARNED - INV. FUNDS	80,808.59
GROUNDWATER REPLEN. ASSESSMENT	39,245.90
REIMBURSEMENT - OPERATING FUND	0.00
REIMBURSEMENT - CVWD MGMT AGRMT	0.00
STATE WATER PROJECT REFUNDS	218,649.00
REIMB - CVWD - WHITEWATER HYDRO	0.00
POWER SALES - WHITEWATER	67,617.41
MISCELLANEOUS	3,766.29

TOTAL RECEIPTS \$9,906,806.62

PAYMENTS

CHECKS UNDER \$10,000.00	19,647.29
CHECKS OVER \$10,000.00 - SCH. #1	984,705.81
CANCELLED CHECKS AND FEES	0.00

TOTAL PAYMENTS \$1,004,353.10

NET INCOME \$8,902,453.52

INVESTED RESERVE FUNDS

FUNDS MATURED	1,187,000.00
FUNDS INVESTED – SCH. #2	10,040,000.00

NET TRANSFER (\$8,853,000.00) \$8,853,000.00

BALANCE MAY 31, 2017 (\$571,061.42) \$118,101,032.70

* INCLUSIVE TO DATE

	TAXES	INTEREST
RECEIPTS IN FISCAL YEAR	\$25,008,701.01	\$914,350.72
RECEIPTS IN CALENDAR YEAR	\$18,878,807.70	\$466,927.62

DESERT WATER AGENCY

GENERAL ACCOUNT

SCHEDULE #1-CHECKS OVER \$10,000

CHECK #	NAME	DESCRIPTION	AMOUNT
8898	STATE OF CA. DEPT. OF WATER RESOURCES	STATE WATER PROJECT ENTITLEMENT - FEBRUARY 2017	\$25,558.00
8905	DESERT WATER AGENCY-OPERATING	P/R & EXPENSE REIMBURSEMENT FOR APRIL 2017	\$159,191.81
8907	STATE OF CA. DEPT. OF WATER RESOURCES	STATE WATER PROJECT - MAY 2017	\$655,031.00
8909	COACHELLA VALLEY WATER DISTRICT	WHITEWATER BASIN MANAGEMENT - 3RD QUARTER FISCAL 2016/17	\$144,925.00

**** TOTAL**

\$984,705.81

**DESERT WATER AGENCY
GENERAL FUND - LISTING OF INVESTMENTS
MAY 31, 2017**

PURCHASE DATE	NAME	DESCRIPTION	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY	CALLABLE STATUS
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Local Agency Investment Fund

06-30-83	State of California	LAIF	Open	\$ 45,342,562.70	\$ 45,342,562.70	\$ 45,342,562.70	0.940%	
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Certificates of Deposit

01-25-13	Union Bank	General Electric Capital Bank CD	01-25-18	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,090.00	1.100%	Bullet
09-28-15	Union Bank	Capital Bank CD	09-28-17	\$ 250,000.00	\$ 250,000.00	\$ 250,215.00	1.050%	Bullet
10-07-15	Ladenburg Thalmann	Goldman Sachs CD	04-07-18	\$ 245,000.00	\$ 245,000.00	\$ 245,384.65	1.350%	Bullet
10-29-15	Ladenburg Thalmann	Ally Bank CD	10-30-17	\$ 245,000.00	\$ 245,000.00	\$ 245,213.15	1.150%	Bullet
11-04-15	Ladenburg Thalmann	Capital One NA CD	11-06-17	\$ 245,000.00	\$ 245,000.00	\$ 245,213.15	1.100%	Bullet
11-04-15	Ladenburg Thalmann	Discover CD	11-06-17	\$ 245,000.00	\$ 245,000.00	\$ 245,171.50	1.150%	Bullet
04-20-17	RBC Wealth Mgmt	Whitney Bank CD	04-22-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,002,880.00	1.650%	Bullet

Total Certificates of Deposit	\$ 3,230,000.00	\$ 3,230,000.00	\$ 3,234,167.45
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Commercial Paper

12-16-13	Stifel	General Electric	05-15-18	\$ 587,600.00	\$ 500,000.00	\$ 520,580.00	6.300%	Bullet
04-27-15	Ladenburg Thalmann	Apple Inc.	05-03-18	\$ 997,920.00	\$ 1,000,000.00	\$ 996,960.00	1.000%	Bullet
02-01-16	Union Bank	US Bank Note (Callable 12-29-17)	01-29-18	\$ 1,000,950.00	\$ 1,000,000.00	\$ 1,000,480.00	1.450%	1 Time

Total Commercial Paper	\$ 2,586,470.00	\$ 2,500,000.00	\$ 2,518,020.00
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Government Agency

09-19-12	Stifel (D.A.D)	FNMA	09-19-17	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,020.00	0.950%	1 Time
12-28-12	Stifel (D.A.D)	FHLB (Callable Continuous)	12-28-17	\$ 1,000,000.00	\$ 1,000,000.00	\$ 998,380.00	0.840%	Continuous
03-27-13	Ladenburg Thalmann	FNMA (Callable 6-27-17)	03-27-18	\$ 1,000,000.00	\$ 1,000,000.00	\$ 998,660.00	1.050%	Qtrly
06-13-13	Ladenburg Thalmann	FHLB (Callable 6-13-17)	06-13-18	\$ 1,000,000.00	\$ 1,000,000.00	\$ 998,870.00	1.100%	Qtrly
06-23-15	Ladenburg Thalmann	FHLMC	06-23-17	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,940.00	0.900%	1 Time
10-02-15	Stifel	FHLB (Callable 10-2-17)	10-02-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,590.00	1.450%	Continuous
10-29-15	Stifel	FHLB (Callable Continuous)	10-29-18	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,750.00	1.120%	Continuous
11-23-15	Ladenburg Thalmann	FHLMC (Callable 8-23-17)	05-23-18	\$ 996,000.00	\$ 1,000,000.00	\$ 996,240.00	1.000%	Qtrly
11-25-15	Stifel	FNMA (Callable 8-25-17)	11-25-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,700.00	1.500%	Qtrly
02-26-16	Ladenburg Thalmann	FNMA (Callable 8-26-17)	02-26-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,530.00	1.250%	Qtrly
03-23-16	Ladenburg Thalmann	FNMA (Callable 6-23-17)	03-23-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,810.00	1.500%	Qtrly
03-30-16	Stifel	FNMA STEP (Callable 6-30-17)	03-30-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,720.00	1.500%	Qtrly
03-30-16	Stifel	FHLMC STEP (Callable 6-30-17)	03-30-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 995,960.00	1.250%	Qtrly
04-26-16	Ladenburg Thalmann	FHLB (Callable Continuous)	10-26-20	\$ 999,500.00	\$ 1,000,000.00	\$ 990,470.00	1.550%	Continuous
05-23-16	Stifel	FNMA (Callable 8-23-17)	08-23-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 991,260.00	1.250%	Qtrly
05-25-16	Stifel	FNMA STEP (Callable 8-25-17)	05-25-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,280.00	1.000%	Qtrly
05-26-16	Union Bank	FNMA	11-26-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 995,020.00	1.300%	1 Time
05-31-16	Ladenburg Thalmann	FHLMC (Callable 8-29-17)	08-29-18	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,620.00	1.020%	Qtrly
06-01-16	Stifel	FFCB (Callable Continuous)	03-01-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 994,660.00	1.250%	Continuous
06-13-16	Ladenburg Thalmann	FNMA (Callable 6-13-17)	06-13-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,720.00	1.400%	Qtrly
06-16-16	Stifel	FFCB (Callable Continuous)	03-16-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 994,390.00	1.400%	Continuous
06-21-16	Stifel	FHLMC STEP (Callable 6-21-17)	06-21-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 989,520.00	1.400%	Qtrly
06-28-16	Stifel	FHLMC STEP (Callable 6-28-17)	06-28-19	\$ 1,500,000.00	\$ 1,500,000.00	\$ 1,498,755.00	0.750%	Qtrly
06-28-16	Ladenburg Thalmann	FNMA (Callable 6-28-17)	06-28-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 993,660.00	1.200%	Qtrly
06-30-16	Stifel	FHLMC STEP (Callable 6-30-17)	12-30-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,490.00	1.000%	Qtrly

**DESERT WATER AGENCY
GENERAL FUND - LISTING OF INVESTMENTS
MAY 31, 2017**

PURCHASE DATE	NAME	DESCRIPTION	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY	CALLABLE STATUS
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Government Agency

07-07-16	Ladenburg Thalmann	FFCB (Callable Continuous)	01-07-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 994,150.00	1.000%	Continuous
07-11-16	Ladenburg Thalmann	FHLB (Callable Continuous)	10-11-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 990,140.00	1.125%	Continuous
07-11-16	Ladenburg Thalmann	FHLB (Callable Continuous)	07-11-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 991,490.00	1.125%	Continuous
07-13-16	Union Bank	FFCB (Callable Continuous)	01-13-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 987,130.00	1.240%	Continuous
07-26-16	Ladenburg Thalmann	FNMA (Callable 7-26-17)	07-26-19	\$ 999,500.00	\$ 1,000,000.00	\$ 993,920.00	1.125%	Qtrly
07-27-16	Stifel	FNMA STEP (Callable 7-27-17)	07-27-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 981,810.00	1.250%	Qtrly
08-10-16	Ladenburg Thalmann	FHLMC (Callable 8-10-17)	08-10-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 991,930.00	1.450%	Qtrly
08-24-16	Ladenburg Thalmann	FHLMC STEP (Callable 8-24-17)	08-24-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 998,150.00	1.125%	Qtrly
08-24-16	RBC Wealth Mgmt	FHLMC STEP (Callable 8-24-17)	08-24-18	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,320.00	0.875%	Qtrly
08-30-16	Stifel	FHLMC STEP (Callable 8-30-17)	08-30-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,100.00	1.000%	Qtrly
08-30-16	Ladenburg Thalmann	FNMA (Callable 8-27-17)	11-27-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 988,450.00	1.250%	Qtrly
09-06-16	Ladenburg Thalmann	FFCB (Callable Continuous)	03-06-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 994,410.00	1.150%	Continuous
09-20-16	Union Bank	FNMA (Callable 6-20-17)	09-20-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 994,920.00	1.300%	Qtrly
09-27-19	Ladenburg Thalmann	FHLMC STEP (Callable 6-27-17)	09-27-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,640.00	1.000%	Qtrly
09-29-16	Ladenburg Thalmann	FHLMC STEP (Callable 6-29-17)	09-29-21	\$ 950,000.00	\$ 950,000.00	\$ 940,633.00	1.250%	Qtrly
09-30-16	Ladenburg Thalmann	FNMA (Callable 6-30-17)	09-30-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 992,570.00	1.250%	Qtrly
10-06-16	Ladenburg Thalmann	FHLMC (Callable 7-6-17)	07-06-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 991,430.00	1.375%	Qtrly
10-11-16	Ladenburg Thalmann	FHLMC (Callable 7-11-17)	10-11-18	\$ 999,750.00	\$ 1,000,000.00	\$ 994,810.00	1.000%	Qtrly
10-17-16	Stifel	FNMA (Callable 10-17-17)	04-17-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 987,960.00	1.250%	1 Time
10-28-16	Stifel	FHLMC STEP (Callable 7-28-17)	10-28-21	\$ 1,500,000.00	\$ 1,500,000.00	\$ 1,493,400.00	1.250%	Qtrly
10-28-16	Union Bank	FHLMC STEP (Callable 7-28-17)	10-28-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,430.00	1.000%	Qtrly
11-03-16	Ladenburg Thalmann	FFCB (Callable Continuous)	05-03-21	\$ 999,250.00	\$ 1,000,000.00	\$ 985,090.00	1.490%	Continuous
11-15-16	Stifel	FHLMC STEP (Callable 8-15-17)	11-15-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 994,800.00	1.000%	Qtrly
12-14-16	Ladenburg Thalmann	FHLMC (Callable 6-14-17)	12-14-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 998,870.00	1.750%	Qtrly
12-29-16	Ladenburg Thalmann	FHLB (Callable 6-29-17)	09-29-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,160.00	2.000%	Qtrly
12-29-16	Ladenburg Thalmann	FNMA (Callable 6-29-17)	06-29-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,040.00	1.750%	Qtrly
12-30-16	Ladenburg Thalmann	FHLMC (Callable 6-30-17)	12-30-19	\$ 998,000.00	\$ 1,000,000.00	\$ 1,000,010.00	1.500%	Qtrly
01-27-17	Stifel	FHLB STEP (Callable 7-27-17)	07-27-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,530.00	1.000%	Qtrly
01-27-17	RBC Wealth Mgmt	FHLMC (Callable 7-27-17)	01-27-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,260.00	2.000%	Qtrly
01-27-17	Stifel	FHLMC (Callable 7-27-17)	07-27-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,150.00	1.850%	Qtrly
01-27-17	Ladenburg Thalmann	FNMA (Callable 7-27-17)	01-27-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,080.00	1.650%	Qtrly
01-30-17	Union Bank	FHLB (Callable 1-30-18)	04-30-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,670.00	1.750%	Qtrly
02-07-17	Ladenburg Thalmann	FNMA (Callable 8-17-17)	02-07-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,670.00	1.750%	Qtrly
02-24-17	Ladenburg Thalmann	FNMA (Callable 8-24-17)	11-24-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,310.00	2.000%	Qtrly
02-28-17	Union Bank	FHLMC (Callable 8-25-17)	02-25-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,430.00	1.400%	Qtrly
03-15-17	Union Bank	FFCB (Callable 6-15-17)	03-15-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,300.00	2.130%	Continuous
03-29-17	Stifel	FHLMC STEP (Callable 3-29-18)	03-29-22	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,920.00	1.300%	Annual
03-30-17	Ladenburg Thalmann	FHLMC (Callable 6-30-17)	03-30-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,130.00	1.900%	Qtrly
04-20-17	Stifel	FHLMC STEP (Callable 7-20-17)	04-20-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,560.00	1.250%	Qtrly
04-27-17	Ladenburg Thalmann	FHLMC (Callable 10-27-17)	01-27-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,610.00	2.000%	Qtrly
05-25-17	Ladenburg Thalmann	FHLMC (Callable 8-25-17)	11-25-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,140.00	1.875%	Qtrly

Total Government Agency \$ 66,942,000.00 \$ 66,950,000.00 \$ 66,690,538.00

Weighted Mean YTM 1.198%

TOTAL INVESTED @ 05/31/17 \$ 118,101,032.70 \$ 118,022,562.70 \$ 117,785,288.15

BALANCE @ 06/30/16 \$ 107,168,350.37

INCREASE OR (DECREASE) \$ 10,932,682.33

DESERT WATER AGENCY
STATEMENT OF CASH RECEIPTS AND EXPENDITURES

WASTEWATER ACCOUNT

MAY 2017

INVESTED
RESERVE FUNDS
\$1,192,620.01

BALANCE	MAY 1, 2017	\$4,236.16	
ACCOUNTS RECEIVABLE - OTHER		\$0.00	
CUSTOMER DEPOSITS - CONSTRUCTION		0.00	
INTEREST EARNED - INVESTED FUNDS		24.74	
WASTEWATER REVENUE		83,707.29	
SEWER CAPACITY CHARGES		3,770.26	
MISCELLANEOUS		<u>0.00</u>	
TOTAL RECEIPTS		\$87,502.29	
PAYMENTS			
CHECKS UNDER \$10,000.00		\$16,487.05	
CHECKS OVER \$10,000.00 - SCH. #1		121,049.79	
CANCELLED CHECKS AND FEES		<u>0.00</u>	
TOTAL PAYMENTS		<u>\$137,536.84</u>	
NET INCOME		(\$50,034.55)	
INVESTED RESERVE FUNDS			
FUNDS MATURED		\$2,000.00	
FUNDS INVESTED – SCH. #2		<u>0.00</u>	
NET TRANSFER		\$2,000.00	(\$2,000.00)
BALANCE	MAY 31, 2017	(\$43,798.39)	\$1,190,620.01

DESERT WATER AGENCY

WASTEWATER ACCOUNT

SCHEDULE # 1-CHECKS OVER \$10,000

CHECK #	NAME	DESCRIPTION	AMOUNT
2493	COACHELLA VALLEY WATER DISTRICT	WASTEWATER REVENUE BILLING FOR APRIL 2017	\$49,431.31
2495	DESERT WATER AGENCY	PAYROLL & EXPENSE REIMBURSEMENT FOR APRIL 2017	\$25,528.48
2497	COACHELLA VALLEY WATER DISTRICT	SEWER CAPACITY CHARGES	\$46,090.00
** TOTAL			\$121,049.79

**DESERT WATER AGENCY
WASTEWATER FUND - LISTING OF INVESTMENTS
MAY 31, 2017**

PURCH DATE	NAME	DESCRIPTION	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY
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Local Agency Investment Fund

06-30-83	State of California	LAIF	Open	\$ 1,190,620.01	\$ 1,190,620.01	\$ 1,190,620.01	0.940%
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TOTAL INVESTED @ 05/31/17	\$ 1,190,620.01	\$ 1,190,620.01	\$ 1,190,620.01
BALANCE @ 06/30/16	\$ 1,027,031.01		
INCREASE OR (DECREASE)	\$ 163,589.00		

DESERT WATER AGENCY - OPERATING FUND
COMPARATIVE EARNINGS STATEMENT

MONTH 16-17 MAY	THIS MONTH			FISCAL YEAR TO DATE			VARIANCE	
	THIS YEAR	LAST YEAR	BUDGET	THIS YEAR	LAST YEAR	BUDGET	YTD	PCT
OPERATING REVENUES								
WATER SALES	2,061,424.58	1,704,243.70	1,720,025.00	21,066,022.17	19,497,167.12	18,851,550.00	2,214,472.17	12
RECLAMATION SALES	146,684.51	132,431.97	129,400.00	1,251,218.55	1,259,829.52	1,217,800.00	33,418.55	3
POWER SALES	3,683.32	1,476.00	1,750.00	18,896.05	9,689.64	19,250.00	353.95	2-
OTHER OPER REVENUE	216,729.51	59,765.87	121,125.00	1,328,327.82	1,267,260.08	1,219,875.00	108,452.82	9
TOTAL OPER REVENUES	2,428,521.92	1,897,917.54	1,972,300.00	23,664,464.59	22,033,946.36	21,308,475.00	2,355,989.59	11
OPERATING EXPENSES								
SOURCE OF SUPPLY EXP	22,269.12	25,061.22	27,084.00	2,477,119.68	2,304,945.91	2,689,091.00	211,971.32	8-
PUMPING EXPENSE	282,770.09	180,910.64	172,400.00	2,409,842.90	2,598,410.84	2,964,050.00	554,207.10	19-
REGULATORY WATER TREAT	61,657.51	47,768.05	42,100.00	469,067.23	450,178.90	463,100.00	5,967.23	1
TRANS & DIST EXPENSE	363,650.27	367,703.41	430,841.00	3,418,110.38	2,910,217.75	3,589,259.00	171,148.62	5-
CUSTOMER ACT EXPENSE	122,021.84	75,383.19	74,050.00	896,060.88	824,923.83	816,150.00	79,910.88	10
ADMIN & GEN EXPENSE	850,929.10	674,486.64	658,225.00	8,125,069.87	8,334,711.21	8,250,475.00	125,405.13	2-
REGULATORY EXPENSE	3,919.46	4,432.55	16,991.00	169,957.79	107,596.85	186,909.00	16,951.21	9-
SNOW CREEK HYDRO EXP	5,392.11	2,398.26	3,400.00	39,163.06	33,905.42	37,400.00	1,763.06	5
RECLAMATION PLNT EXP	106,601.48	107,927.69	66,750.00	473,489.52	838,473.59	1,980,700.00	1,507,210.48	76-
SUB-TOTAL	1,839,210.98	1,486,071.65	1,491,841.00	18,477,881.31	18,403,364.30	20,977,134.00	2,499,252.69	12-
OTHER OPER EXPENSES								
DEPRECIATION	487,634.15	458,810.35	459,225.00	5,118,886.72	4,993,968.46	5,051,475.00	67,411.72	1
SERVICES RENDERED	9,787.01	6,703.50	13,850.00	119,178.23	170,057.87	152,350.00	33,171.77	22-
DIR & INDIR CST FOR WQ	205,239.55	168,976.36	72,750.00	1,893,661.76	1,871,509.10	800,250.00	1,093,411.76	137
TOTAL OPER EXPENSES	2,130,392.59	1,782,609.14	1,892,166.00	21,822,284.50	21,695,881.53	25,380,709.00	3,558,424.50	14-
NET INCOME FROM OPERATIONS	298,129.33	115,308.40	80,134.00	1,842,180.09	338,064.83	4,072,234.00	5,914,414.09	145-
NON-OPERATING INCOME (NET)								
RENTS	3,396.33	3,368.43	3,375.00	68,976.43	68,719.76	68,975.00	1.43	0
INTEREST REVENUES	11,998.10	8,474.14	8,300.00	114,266.14	85,415.59	91,300.00	22,966.14	25
INTEREST EXP. OTHER			25,325.00		00	278,575.00	278,575.00	100-
INVESTMENT AMORT.					00		4,700.00	0
OTHER REVENUES	240.00	840.00		4,700.00			1,324.03	17-
GAINS ON RETIREMENT	6,100.00	24,500.00		6,550.97	133,577.52	7,875.00	14,904.15	0
DISCOUNTS	15.63	10.94	75.00	15,654.15	26,808.06	750.00	67.02	2-
PR. YEAR EXPENSES			275.00	2,957.98	405.24	3,025.00	69,726.09	0
LOSS ON RETIREMENTS	6,200.49	179,889.05		69,726.09	179,366.95		37,500.00	23-
TOTAL NON-OPER INCOME	15,549.57	3,000.00	3,750.00	28,995.53	52,212.73		8,504.47	23-
		139,695.54	17,050.00	244,426.23	83,346.49	144,150.00	388,586.23	270-
TOTAL NET INCOME	313,678.90	24,387.14	63,084.00	2,086,616.32	421,411.32	4,216,384.00	6,303,000.32	149-

**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

JUNE 20, 2017

**RE: REQUEST FOR ADOPTION OF ORDINANCE NO. 66, 67 & 68
FOR WATER SERVICE, RECYCLED WATER SERVICE & SEWER
SERVICE**

Summary of Changes

Attached are copies of the revised ordinances governing water, recycled water and sewer service. Some areas within the ordinances were modified to correct minor typos and inconsistencies. The ordinances also address the following issues:

Late Fees

Ordinance No. 66 introduces late fees. Currently, the Agency's delinquent customers do not pay any late fees. Our staff spends a significant amount of time handling delinquent accounts prior to water shutoff including notification and collection phone calls and door tagging properties. Staff recommends the implementation of a late fee, currently set at \$25 to reduce and cover the cost of staff time associated with delinquent accounts. Late fees will also help encourage on-time payments.

	Desert Water Agency Current	Desert Water Agency Proposed
Late charge day	none	30
Late charge amount	none	\$25

	Coachella Valley Water District	Indio Water Authority	Mission Springs Water District
Late charge day	25, 40	33	33
Late charge amount	1.5%, \$25	10%	10% or \$5

Shutoff Policy

Desert Water Agency's shutoff policy is also more lenient than any of the surrounding water agencies. Staff recommends tightening the shutoff period by 30 days. This will streamline staff time and help encourage customers to pay their bill promptly. Shortening the shutoff period will also mean a customer will not have incurred as much billing, which lessens the financial burden needed to restore water service.

In addition to adjusting the duration of time for customers to make payments before shutoff, staff recommends that we increase the amount of the charge to restore water service outside of standard hours from \$105 to \$150. Standard hours would be Monday through Friday from 8:00 a.m. to 4:00 p.m. This would allow staff to turn service back on the same day within normal DWA business hours.

Staff is also recommending that we only accept the fee after hours in cash due to discrepancies that can arise with other payment methods (example: returned checks, incorrect confirmation numbers, etc.).

	Desert Water Agency Current	Desert Water Agency Proposed
Shutoff day	75 (+48 hours)	45 (+48 hours)

Returned Payments

Language in the previous ordinances only spoke to fees being issued for returned checks, but did not address fees charged if electronic payments or auto-payments are returned/rejected. The language is being updated to refer to all payment methods.

Recommendations

Staff recommends that the Board approve Ordinance Nos. 66, 67, and 68 by a roll call vote.

**ORDINANCE NO. 66
DESERT WATER AGENCY**

**REGULATIONS GOVERNING
WATER SERVICE**

EFFECTIVE DATE: July 1, 2017

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REGULATIONS GOVERNING WATER SERVICE

SECTION 1 - DEFINITION OF TERMS

- 1-1 **AGENCY DEFINITIONS:** Whenever the words defined in this section, or pronouns used in their stead, occur in these Rules and Regulations, they shall have the meanings here given:
- 1-1.1 **ACCOUNT ESTABLISHMENT FEE** shall mean an administrative charge for Agency services to establish an account in the new owner's name.
- 1-1.2 **AGENCY** shall mean the Desert Water Agency organized and operated pursuant to the provisions of the Desert Water Agency Law, Stats. 1961, Ch. 1069.
- 1-1.3 **APPLICANT** shall mean an individual, partnership, corporation, or agency which is the owner of the premises for which water service is being applied.
- 1-1.4 **BACKUP FACILITY CHARGE** shall mean a charge levied on a premises for the purpose of providing water service connection capacity in the Agency's overall water supply.
- 1-1.5 **BOARD** shall mean the Board of Directors of the Desert Water Agency.
- 1-1.6 **COMMERCIAL FIRE PROTECTION SERVICE** shall mean any un-metered service connection to a private on-site automatic fire system designed and intended for fire extinguishing.
- 1-1.7 **CONNECTION CHARGE** (Front Footage Charge) shall mean a charge levied on any premises for the purpose of providing water service.
- 1-1.8 **CONTRACTOR** shall mean any individual, firm, corporation, partnership, or association duly licensed to perform work by the State of California in connection with the installation of water facilities.
- 1-1.9 **CUSTOMER** shall mean the owner of a premises receiving water service.
- 1-1.10 **DEVELOPER** shall mean a person, firm, corporation, partnership, or association who proposes to develop real property, or who subdivides real property for purposes of development.
- 1-1.11 **GENERAL MANAGER** shall mean the General Manager of the Desert Water Agency.
- 1-1.12 **INSTALLATION CHARGE** shall mean a charge levied on any premises covering material, labor and equipment for installing water system facilities.

- 1-1.13 **INTRACT** or **ONSITE** shall mean that area which lies inside the peripheral boundary of a subdivided area and/or a developed area.
- 1-1.14 **LOCAL AGENCY** shall mean a city, county, or city and county.
- 1-1.15 **LOT** shall mean a parcel or that portion of a parcel of land which is delineated or described as a single integral unit of a subdivision or parcel map.
- 1-1.16 **MAIN** or **WATER MAIN** shall mean a water pipeline and appurtenances controlled by the Agency and located in a street, alley, easement, thoroughfare, or right-of-way which is used to serve connections for individuals, premises, customers, and the general public.
- 1-1.17 **MAIN EXTENSION** shall mean the installation of any Agency water main and appurtenances either Intract or Offtract beyond the existing water system.
- 1-1.18 **MONTHLY SERVICE CHARGE** shall mean a charge levied on any premises for the purpose of covering costs for operating, maintaining and replacing the facilities, providing water service, and for billing, collection, and administrative costs.
- 1-1.19 **OFFTRACT** or **OFFSITE** shall mean that area which lies outside the peripheral boundary of a subdivided area and/or a developed area.
- 1-1.20 **PERSON** shall mean any individual, firm, corporation, company, political subdivision, city, county, district, the State of California, or the United States of America, or any department or agency thereof. The singular shall in each case include the plural.
- 1-1.21 **PREMISES** shall mean any lot, or property, or any building or other structure.
- 1-1.22 **PRIVATE PLUMBING** shall mean the customer's pipeline and appurtenances extending from a point designated by the Agency, or at the point of connection to the Agency's meter to the customer's house, building, or structure which receives water.
- 1-1.23 **REGULATIONS** shall mean the current edition of, and any amendments or revisions to, the Agency's Regulations Governing Water Service.
- 1-1.24 **REPLACEMENT CHARGE** shall mean a charge on any premises covering material, labor and equipment for replacing a service connection or portions thereof including, but not limited to, meter boxes, valve covers, extensions, and valve lids.
- 1-1.25 **RESIDENTIAL FIRE PROTECTION SERVICE** shall mean any metered service connection to a private on-site automatic fire sprinkler system designed and intended for fire suppression.

- 1-1.26 **SERVICE AREA** shall mean that area for which the Agency provides water service.
- 1-1.27 **SERVICE CONNECTION** shall mean that service piping between a water main and the customer's private plumbing.
- 1-1.28 **STANDARD SPECIFICATIONS** shall mean the current edition of the Agency's Water System Construction Specifications.
- 1-1.29 **SUBDIVISION** shall mean the division of any improved or unimproved land, shown on the latest equalized county assessment roll as a unit or as contiguous units, for the purpose of sale, lease, or financing, whether immediate or future, except for leases of agricultural land for agricultural purposes. SUBDIVISION includes a condominium project or an apartment complex.
- 1-1.30 **SUPPLEMENTAL IMPORTED WATER CAPACITY CHARGE** shall mean a charge levied on a premises for providing water source capacity provided by the Agency's purchase of supplemental imported water.
- 1-1.31 **WATER** shall mean water used for residential, commercial, and irrigation purposes.
- 1-2 **Other Definitions:** Words or terms not defined above shall be defined in accordance with the **Glossary - Water and Waste Control Engineering** prepared by the American Public Health Association and the Water Pollution Control Federation.

SECTION 2 - AUTHORITY

- 2-1 **General Authority:** The General Manager may prescribe and enforce rules and procedures not in conflict or inconsistent with existing regulations to implement the application, administration, interpretation, and enforcement of these Regulations.
- 2-2 **Revision of Fees and Charges:** The Board may from time to time, by motion, resolution, or ordinance add, fix, alter, change, amend or revise any fees or charges for facilities and services.
- 2-3 **Authority of Inspectors:** The General Manager or his duly authorized representatives and/or employees of the Agency shall be permitted to enter upon all premises to which water service is being provided for the purpose of determining the size, depth, grade, location, and condition of any water facility, and to determine possible hazards relating to the health, safety and welfare of the people throughout the Agency's water system in accordance with the provisions of these Regulations.

SECTION 3 - WATER SERVICE

3-1 **General Provisions:**

3-1.1 **Shortage of Water Supply and Interruption of Service:** The Agency shall exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of water to the customer. However, the Agency will not be liable for interruption, shortage or insufficiency of supply, or any loss or damage occasioned thereby, The Agency cannot assure a continuous, uninterrupted supply of water.

3-1.2 **Right to Temporarily Suspend Service:** The Agency, whenever it shall find it necessary for any reason shall have the right to suspend temporarily the delivery of water. In such cases, the Agency will attempt to provide a reasonable notice thereof, as circumstances may permit.

3-1.3 **Water Pressure Conditions:**

3-1.3.1 **Acceptance:** The signing of an application for water connections or for water service shall be prima facie acceptance and consent to such conditions of pressure and service as may from time to time exist, and the applicant agrees to hold the Agency harmless from any and all damages caused by or arising out of low, high, or fluctuating pressure or interruptions of service.

3-1.3.2 **Higher Elevation Service Requests:** The Agency assumes no obligation to serve water to elevations higher than its existing facilities can serve. Due to topography, and other causes, the pressure is not uniform over the territory the system serves, and the Agency reserves the right to change to different pressures in various areas served. Where premises are situated at such an elevation that they cannot be assured of a dependable supply from the distribution system of the Agency and/or where the desired rates of flow and/or pressures required by the particular operation to be conducted on the premises cannot be assured by the Agency, the parties, in consideration of the installation of water service must agree to accept such water service as the Agency is able to render from its distribution system; to construct, if necessary, and maintain at customer's expense on customer's premises, a reservoir and/or a booster pump of sufficient capacity to furnish an auxiliary supply of water at such times as pressure in the Agency's mains may be insufficient to supply the premises with water and to execute a written release to the Agency for all claims for failure to furnish an adequate water supply.

3-1.4 **Obstructing Meter Boxes:** Water meters and meter boxes are property of the Agency and normally are placed on public property or on Agency easements. It shall be a violation of these Regulations to damage or interfere with them or to place vehicles, dirt, trash, leaves, or lawn cuttings or other obstructions on or over the meter boxes.

3-1.5 **Damage to Meters by Hot Water:** Customer shall be liable for damage which may result from the backing up of hot water from the customer's premises to the

water meter. Should damage occur, the customer shall be notified in accordance with Section 10-1.1 to correct the plumbing condition causing such damage and shall be assessed and charged for the cost of repairs to the water meter. Should the condition not be corrected and/or the meter repair bill not paid within ten days after notice in accordance with Section 11-1.3, the water service for said premises shall be discontinued, and service shall not be restored until said bill is paid together with a charge for restoration of service.

- 3-1.6 **Changes in Customer's Equipment:** Customers making any material change in the size, character, or extent of the equipment or operations utilizing water service, or whose change in operation results in an increase in the use of water, shall immediately give the Agency a written notice of the nature of the change.
- 3-1.7 **Notices:** Notices from the Agency to a customer will normally be given in writing, and either mailed or delivered at the last known address. Where conditions warrant and in emergencies, the Agency may resort to notification either by telephone or messenger. Notices from the customer to the Agency may be given verbally or in writing at the Agency's office.
- 3-1.8 **Changes in Distribution System:** Any person making improvements or changes which will result in cutting, refitting, relocating, raising, or lowering of service connections, water mains, fire hydrants, meters, valves, or other parts of the water system by the Agency, will be required to agree in writing to indemnify the Agency for all cost incurred by the Agency in making such changes. When the location of a meter is changed at the customer's request, the cost of making the change will be at the customer's expense.
- 3-1.9 **Resale of Water:** A customer of the Agency may not enter into any contract or agreement to resell water received from the Agency, nor shall the customer deliver or cause to be delivered, water acquired from the Agency to premises other than those prescribed in the application for service.
- 3-1.10 **Responsibility for Private Plumbing Facilities:** The Agency has no responsibility in the maintenance and operation of a customer's water system beyond the Agency's meter or point of ownership by the Agency. The customer shall be responsible and liable for his own private plumbing facilities. The customer shall, at his own risk and expense, furnish, install, and keep in good and safe condition all the equipment that may be required for receiving, controlling, applying, and utilizing water. The Agency shall not be responsible for any loss or damage caused by the improper care or wrongful act of the customer or of any of his tenants, agents, employees, contractors, licensees, or permittees in installing or maintaining, using, operating, or interfering with such equipment. The Agency shall not be responsible for damage to property caused by spigots, faucets, valves, faulty pipes, and other equipment that are open when water is turned on at the meter, either when the water is turned on originally or when turned on after a temporary turn off. Customers having water heaters, boilers, refrigeration, or other devices requiring a continuous water supply should take all necessary action to prevent damage or the causing of injury to such devices as a result of the shutting off of the water supply. At the

discretion of the Agency, a meter bypass may be installed as a part of the service to provide for a continuous supply of water during removal or repair of the meter. The Agency shall be kept whole and harmless at all times of any claims resulting from matters involving quantities, quality, time, or occasion of delivery, or any other phase of the maintenance, operation, and service of a customer's water system.

- 3-1.11 **Quick Closing Valves:** No person or customer shall install or use a quick closing valve or other device when such valve or device during its operation causes water hammer or an abrupt change of pressure in any Agency service connection or main. When such a condition exists, the customer shall be required to discontinue use of such valve or device immediately upon notification by the Agency. Upon failure to comply with a notice of correction of such condition, the water service shall be discontinued until the correction is made by a proper installation to eliminate all such water hammer or abrupt change of pressure which affects Agency service connections or mains, and the customer shall be responsible for payment of applicable fees for resumption of service.
- 3-1.12 **Check Valves:** If the placing of an approved check valve or other device on the customer's side of the water meter is necessary for the safety of the Agency's water system or appurtenances thereof, such approved check valve shall be immediately installed by the Agency at the expense of the customer. Future maintenance and repairs will be performed by the Agency at the customer's expense. Check valves or other devices necessary for the safety and protection of the customer's private plumbing and appliances will be the responsibility of the customer to install and thereafter maintain.
- 3-1.13 **Ground Wire Attachments:** The Agency will hold the customer or any other responsible party liable for any damage to the Agency's property which may be occasioned by the attachment of any ground wires to any plumbing which is, or may be, connected to a service connection or main belonging to the Agency.
- 3-2 **Agency Consent:** No premises shall receive water service from the Agency's water system without prior consent by the Agency. No consent shall be given unless proper application has been made as provided in Section 4, and applicable charges have been paid in accordance with these Regulations. The applicant is responsible for paying all costs and expenses incidental to the installation and maintenance of the customer's own private plumbing facilities.
- 3-3 **Unauthorized Connections:**
- 3-3.1 **Violations:** Customers are alerted to Civil Code Section 1882, which imposes triple damages for the illegal reconnection or diversion of water, and Penal Code Sections 624 and 625, which make it a crime to tamper with water facilities. The following shall constitute a violation of the Regulations, and may result in additional charges by the Agency as well as any other civil or criminal remedies imposed, termination of service, or authorized by law.

- 3-3.1.1 **Connections:** To tap or make any connection to the Agency's facilities or unmetered private fire protection services.
- 3-3.1.2 **Operate Valves:** To open the valve or extract water from fire hydrants except for the suppression and extinguishment of fire or except when written consent is given by the Agency for temporary construction water use.
- 3-3.1.3 **Wasting Water:** To cause or permit the waste of water from the Agency's water system, or to maintain or cause or permit to be maintained, any leaky outlets, apparatus, or plumbing fixtures through which water is permitted to run to waste.
- 3-3.1.4 **Activating Service by Customer:** Should a person turn on the water supply, or permit or cause it to be turned on, without first having made proper application and having paid all required fees and charges, said person will be held liable for all charges and damages as a result of unauthorized activation of water service and water service shall be discontinued until the above charges are paid.
- 3-3.2 **Responsibility for Private Plumbing:** The Agency assumes no responsibility for the delivery of water through private plumbing or for any damage resulting from the operation of same.
- 3-4 **Damage to Agency Facilities:** When water is used or wasted due to a line break or other system impairment, the person causing the break or impairment shall pay all costs incurred by the Agency in repairing such damage, including staff and overhead costs. In situations which, in the discretion of the General Manager, are emergencies, an additional charge in the amount of 100% of the above figure shall be imposed to attempt to recoup in behalf of the Agency and its water customers all direct and indirect costs of such damage, including the threat to the public health and safety caused thereby. In such emergency situations, the minimum billing shall be \$500 because of the necessary, intangible, and indirect costs of all such emergencies to the Agency and its water customers.
- 3-5 **Notification of Change of Ownership:** It shall be the duty of every owner signing an application for water service to notify the Agency of any change in the ownership of said premises at least two business days prior to such change. Every applicant shall be liable for the water furnished pursuant to such application until the Agency receives written notice to cancel such service. Upon discovery of ownership change, water service will be discontinued unless the subsequent owner makes arrangements with the Agency to continue the service. Discontinuance of water service may require discontinuance of sewer service from the Agency.
- 3-6 **Access to Premises:** The Agency's duly authorized agents shall at all reasonable times have the right to enter the customer's premises for any purpose properly connected with its operations.
- 3-7 **Responsibility:** The Agency's responsibility ends at the customer's side of the meter or, in the case of an unmetered or other special installation, at the point where the Agency's facilities end.

- 3-8 **Ownership:** All service connections and meters shall remain at all times the property of the Agency.
- 3-9 **Maintenance and Replacement:** All service connections and meters shall be maintained, repaired, and replaced by the Agency when rendered unserviceable through normal wear and tear, provided that where replacements, repairs, and adjustments of any service and/or meter are rendered necessary by the act, negligence, or carelessness of the customer, the customer shall bear the expense.

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SECTION 4 - WATER SERVICE CONNECTIONS

- 4-1 **Application:** An applicant who desires water service must complete an application form supplied by the Agency. Each applicant for water service may be required to establish credit in accordance with Section 9.
- 4-2 **Premises to be Served:** The applicant shall describe the premises to be served, and only the premises so specified shall be connected to the Agency's water system. The Agency reserves the right to make separate connections to each and every unit, or to make a single connection to the entire premises.
- 4-3 **Division of Property:** Whenever property having a service connection is divided into two or more parcels, the existing service connection shall serve the parcel which it directly enters, and new service connections shall be required for each of the remaining parcels.
- 4-4 **Separate Service Connections:** A service connection of size and material specified by the Agency shall be required for service to each lot or parcel of a subdivision.
- 4-5 **Approval of Drawings:** Service connections made to existing Agency water mains for any premises shall be installed only by the Agency. A developer may be allowed by the Agency to install service connections to mains installed by the developer, prior to acceptance by the Agency. Such connections shall require water improvement drawings and shall depict the proposed facilities. All drawings and specifications shall substantially conform to the Agency's Standard Specifications and shall be submitted to the Agency in advance of construction for prior approval by the Agency.
- 4-6 **Licensed Contractors:** Only duly authorized and licensed contractors, or employees or agents of the Agency, shall be permitted to install water facilities.
- 4-7 **Service Size:** The Agency reserves the right to determine the size of the service connection.
- 4-8 **Service Connection Location:** Where practicable, the Agency will install the service connection at a location selected by the applicant, but the Agency reserves the right to determine the location in relation to boundaries of the premises to be served. Customarily, a service connection will terminate at a point behind and adjacent to the curb in streets or adjacent to the property line where no curb exists. In locations where the applicant's premises do not directly abut on a public thoroughfare, the Agency at its option may provide a service connection of conventional length terminating at some practicable location on public property, or on an Agency-owned easement, and the applicant has the responsibility of connecting thereto. The applicant's private plumbing to connect to the Agency's service connection should not be installed until the service connection is installed. In the event the applicant's private plumbing is installed prior to the time the service

connection is installed, and its location does not correspond with that of the service connection, then the applicant must bear the additional cost of connecting the applicant's private plumbing to the Agency's service connection.

- 4-9 **Cost of Installation:** The Agency will permit the installation of water service connections to the applicant's premises at the applicant's expense in accordance with Section 7-1.
- 4-10 **Appurtenances:**
- 4-10.1 **Stops and Valves:** Each service connection shall have an Agency-owned meter stop on the inlet side of the meter for exclusive use by the Agency in controlling the use of the water through the service connection, a meter, a check valve, and a customer control valve on the outlet side of the meter for use by the customer. If the meter stop is damaged by the customer, the customer shall be responsible for the cost of replacing meter stop. The repair or replacement of the customer control valve on the customer's side of the meter will be the responsibility of the customer.
- 4-10.2 **Meters:** All service connections shall be metered except in those cases where, for a limited time, the Agency shall find it desirable not to meter the service because of construction work or other special circumstances. Customarily, meters will be installed in public property adjacent to the curb or property line, but, at the option of the Agency, they may be installed on the customer's premises in an appropriate housing. No rent or other charge will be paid by the Agency for a meter located on the customer's property. Meters will be sealed by the Agency at the time of installation, and no seal shall be altered or broken except by authorized employees or agents of the Agency. If a meter seal is altered or a meter is damaged by a customer, the Agency shall have the right to charge the customer for the replacement of the meter.
- 4-10.3 **Cost of Installation:** The cost of installing the meter stop, meter, check valve, customer control valve, meter box, and all necessary pipe and fittings shall be borne by the customer and shall be in accordance with Section 7-1.
- 4-11 **Plan Checking:** The Agency will review and check the drawings for service connections, where main extensions are not required, at the applicant's expense as provided in Section 7-9. Plan Check Fees as provided in Section 7-9 shall not apply to applicants for service connections to single family residences (classified as R-1).
- 4-12 **Inspection of Connections:** Every water service connection installed by other than the Agency shall be subject to inspection, at the applicant's expense, as provided in Section 7-10. The Agency may have an inspector in attendance at all times during the actual work.

SECTION 5 - TEMPORARY SERVICE CONNECTIONS

- 5-1 **General Provisions:** Temporary services, whether from a fire hydrant or otherwise, are installed for the convenience and use of individuals, contractors and companies doing construction work. However, temporary services are not limited to construction purposes, but may be installed for any use at the discretion of the Agency. Service from facilities installed by a developer shall be considered temporary until the development has been accepted by the Agency. Any temporary service may be discontinued during any emergency for the duration of the emergency. The length and nature of such emergency will be determined by the Agency. Temporary services are not transferable except to the successors of interest of the applicant by operation of the law.
- 5-2 **Applications:** An applicant who desires temporary water service must make application with the Agency.
- 5-3 **Duration:** Temporary service connections shall be terminated within six months after installation unless the applicant makes written application for and receives written extension of time from the Agency.
- 5-4 **Responsibility for Metered Connections:** The applicant for temporary service shall be held responsible for loss or damage to the temporary service connections from the time of installation until removal, or until 2 business days after notice in writing has been received by the Agency that the applicant has no further need of the temporary service.
- 5-5 **Meter Readings, Billings and Collections:** Meter readings, billings, and collections shall be in accordance with Section 11.
- 5-6 **Meter and Backflow Protection Device Deposits:** Deposits for meters and backflow protection device shall be in accordance with Section 7-12.1.
- 5-7 **Meter and Backflow Protection Device Installation Charges:** Charges for installations of meters and backflow protection device shall be in accordance with Section 7-12.2.
- 5-8 **Monthly Service Charges:** Monthly service charges shall be in accordance with Section 8-4.
- 5-9 **Service from Fire Hydrants:**
- 5-9.1 **General Provisions:** Upon application to and approval by the Agency, water may be procured from fire hydrants. The applicant must specify hydrant location when making application. All hydrant meters will be equipped with the appurtenant apparatus necessary to deliver fire flow demands without the necessity of disconnecting an existing temporary fire hydrant service. The Agency will make the installation, all construction meter moves to other hydrant locations, and remove

the construction meter at the applicant's request and expense. Construction meter moves will be made within two working days of notifying the Agency of the request to move said meter. Whenever the Agency deems the conditions feasible, it may accept requests for the installation, relocation and removal of temporary service connection by telephone. The original receipt issued shall serve as a permit to receive water from only the designated hydrant. When service is terminated, the deposit shall be refunded less any outstanding charges.

5-9.2 **Meter Relocation Charges:** Meter relocation charges shall be in accordance with Section 7-12.3.

5-10 **Service from Other Than Fire Hydrants:**

5-10.1 **General Provisions:** A temporary service connection from a primary source other than a fire hydrant may be procured upon application to and approval by the Agency. The application shall be made in accordance with Section 4.

5-10.2 **Service Installation and Removal Charges:** The charge for installation and removal shall be the greater of (a) the actual cost of installation including labor, material, and equipment plus applicable overheads, or (b) the charge for a regular service connection of equal size. Payment and any necessary refund shall be made in accordance with Section 7-1.5 and 7-2.

SECTION 6 - MAIN EXTENSIONS

6-1 **General Provisions:**

6-1.1 **Individual Extensions:** The Agency will permit extension of its water mains and service connections to individual's premises at the individual's expense, subject to the Agency's requirements and conditions.

6-1.2 **Agency Ownership:** Any such facilities which do not constitute private plumbing will be the sole property of the Agency upon acceptance by the Agency. Before service is provided for permanent or temporary use, the applicant shall execute any and all documents required by the Agency to vest title to those facilities in the Agency.

6-1.3 **Specifications:** The size, type, quality of materials, and the actual construction will be done in accordance with the Agency's Standard Specifications and approved drawings. Construction shall be performed by a contractor acceptable to the Agency or by the Agency itself with its own forces. The installation of the main extension will be under the inspection of and subject to the approval by the Agency.

6-1.4 **Costs:** Adjustment of any difference between the estimated cost and the actual cost of any main extension constructed hereunder will be made as provided in Section 6-2.2.

6-1.5 **Feasibility:** The right is reserved, as the interests of the Agency may require, to determine the economic and/or engineering feasibility of any main extension and the Agency will not approve extensions for which the feasibility is negative or uncertain, as determined by the Agency in its sole discretion.

6-1.6 **Location:** Main extensions will be required in all streets fronting the premises and are to be installed in conjunction with proposed street improvements to the premises. Main extensions will be located in streets, in easements provided to the Agency by the applicant or in easements obtained by the Agency, or in property deeded to the Agency. Prior to installing a main extension, the applicant shall provide the Agency with such easements or deeds as may be necessary or reasonably appropriate to the operation thereof. The Agency will not be required to make extensions where street grades have not been brought to those established by public authority.

6-1.7 **Parallel Mains:** Where the premises are located adjacent to a street exceeding 70 feet in width, or a freeway, waterway, or railroad right-of-way, the Agency may elect to install a main extension on the same side thereof as the premises in lieu of extending a service connection across said street, freeway, waterway or railroad right-of-way from an existing or proposed unit. Parallel mains may also be required to eliminate island or median crossings of service and fire hydrant connections.

- 6-1.8 **Agency Right to Allow Connections:** The Agency shall have the right at any time to allow other users to connect to the Agency's water system at any location, whether built by the Agency or by another party and transferred to the Agency, subject to payment of such fees as may be required by agreement or by resolution of the Board.
- 6-1.9 **Minimum Sizing:** The Agency will not permit a main extension of less than eight inches in diameter unless approved in advanced by the Agency.
- 6-1.10 **Agency Right to Design and Construct:** The Agency reserves the right to design and construct water facilities at its discretion. The cost of said facilities shall be borne by the applicant including, but not limited to design, materials, and installation.
- 6-1.11 **Separate Service Connections:** A service connection of size and material required by the Agency's specifications shall be placed to each lot or parcel of a subdivision.
- 6-2 **Types of Extensions:**
- 6-2.1 **General:**
- 6-2.1.1 **Oversizing:** If the Agency elects to require a size or type of main extension in excess of the requirements of the applicant, the applicant will be reimbursed for the additional incremental cost of the material for the oversized requirement only, pursuant to the terms and conditions fixed by the Agency's General Manager.
- 6-2.1.2 **Off-tract Improvements:** If off-tract improvements are required to serve the applicant's in-tract improvements, the cost of required facilities shall be borne by the applicant, including, but not limited to design, materials and installation.
- 6-2.1.2.1 **Main Extension Refund Agreement:** The Agency may elect to enter into a refunding agreement with the applicant. The refunding agreement shall contain such terms and conditions as the Board shall from time to time deem appropriate. Any refund shall be based on a front footage charge.
- 6-2.2 **By Agency:** The Agency, at its option, may extend its water system to the applicant's premises at the applicant's expense. The applicant shall pay the Agency a deposit equal to the estimated cost of the main extension, as determined by the Agency. Said deposit shall be used to compensate the Agency and/or any contractors and suppliers engaged by the Agency in the installation of the main extension. Within 60 days after the cost of the main extension has been determined, any difference between the cost and the deposit shall be paid by or refunded to the applicant. The Agency will not be required to pay interest on the deposit. Where two or more applicants apply for service from the same main extension, the Agency may allocate the costs proportionately.

- 6-2.3 **By Applicant:** The applicant shall furnish security to the Local Agency to guarantee the installation of the main extension in the amount equal to the estimated cost thereof as determined by the Agency. The applicant will be required to enter into a written agreement with the Agency for the construction and installation of required facilities and deposit with the Agency a sum of money equal to ten percent of the estimated construction costs as determined by the Agency for the purpose of covering the cost of inspection and incidentals. The mains and appurtenances shall be installed by a contractor holding a valid California contractor's license in accordance with the provisions of Division 3, Chapter 9 of the Business and Professions Code of the State of California, or any amendments thereto. As used in this Section, the word "applicant" shall be deemed to include the word "subdivider".
- 6-3 **Inspection:** The Agency will provide inspection of the main extension at the applicant's expense as provided in Section 7-10.
- 6-4 **Plan Checking:** The Agency will review and check the drawings for the main extension prior to approval at the applicant's expense as provided in Section 7-9.
- 6-5 **Design Review:** The Agency will perform design review for tentative projects on an actual cost basis. An estimate will be prepared by the Agency prior to performing said review in accordance with Section 7-11.

SECTION 7 - FEES AND CHARGES

- 7-1 **Service Connections and Meter Installations:** Each applicant shall pay to the Agency charges for the installation of regular metered service connections and metered residential fire protection service connections then in effect as established by resolution of the Board.
- 7-1.1 **Time of Payment:** Service Connection and Meter Installation Charges shall be paid to the Agency prior to issuance of a financial arrangement letter from the Agency to the appropriate governmental entity or prior to the provision of water service, whichever occurs first.
- 7-1.2 **Meter Installations:** Charges for meter installations shall be based on the size of the meter.
- 7-1.3 **Backup Facility Charges and Supplemental Imported Water Capacity Charges:** Every applicant for a regular metered service connection or metered residential fire protection service connection shall, in addition to all other charges, pay a Backup Facility Charge and Supplemental Imported Water Capacity Charge based on the size and type of use of the applicant's metered connection.
- The purpose of the Backup Facility Charge is to raise a portion of the funds required by the Agency to develop new water production and storage facilities. Supplemental Imported Water Capacity Charges are necessary to acquire rights for imported water. Backup Facility Charges and Supplemental Imported Water Capacity Charges shall also apply to existing metered service connections for which increased delivery capability is requested and larger service connections and meters are installed. In such event, both charges shall apply to the difference in service and delivery capacity between the new meter and the old meter which is being replaced.
- 7-1.3.1 **Exemption:** The Backup Facility Charge and Supplemental Imported Water Capacity Charge shall apply to all applications for metered service, regardless of type of use, but shall not apply to applications for temporary service or unmetered private fire protection service. The Backup Facility Charge may be reduced or eliminated where certain water improvement facilities constructed in the Base Zone will be required of an applicant. The reduction or elimination will be no greater than the value of the constructed facilities as determined by the Agency's General Manager, whose decision will be final.
- 7-1.4 **Customer Control Valve Installations:** Charges will be collected for the installation of customer control valves. The charge will be determined in accordance with the size of the meter required.
- 7-1.5 **Service Connection Installations:** Charges will be collected for the installation of service connections. Charge shall be based on the size required to provide adequate service.

- 7-1.5.1 **Exemption:** A developer who installs water facilities in accordance with Section 6-2.3 shall not be charged a Service Connection Charge for those service connections that developer installs.
- 7-1.5.2 **Pavement/Concrete Removals and Replacements:** If pavement/concrete removal and replacement or other street improvements are required, a charge will be added to the Service Connection Charge to cover the additional cost of the pavement/concrete removal.
- 7-2 **Service Size Larger Than Two Inch Installations:** A charge will be collected for installation of service connections larger in diameter than two inches. An estimate shall be prepared by the Agency, and upon payment of the amount of said estimate by the applicant, the work shall be scheduled. Should the records show that the cost exceeded the amount deposited by the applicant, the applicant shall be billed for the difference and same shall become due and payable within ten days thereafter. Should the same not be paid within ten days, the Agency shall discontinue water service to the premises where the work was done and shall not furnish water thereto until said bill, together with an additional charge for restoration of service, is paid.
- 7-3 **Service Relocations:** A charge will be collected for the relocation of activated service connections and shall be the greater of (a) the actual cost including labor, material and equipment plus applicable overheads, or (b) the charge of a regular service connection of equal size. Payment shall be in accordance with Sections 7-1 and 7-2.
- 7-4 **Service Abandonments:** A charge will be collected for the abandonment of service connections and shall consist of the actual cost including labor, material and equipment plus applicable overheads. Payment shall be in accordance with Sections 7-1 and 7-2.
- 7-5 **Change in Meter Sizes:** A charge will be collected for the installation of a larger meter at the request of the customer and upon Agency approval. The charge will consist of the cumulative difference in meter charges between the smaller meter and the larger meter, in accordance with Sections 7-1.2, 7-1.3 and 7-1.4. If, however, the installation of a larger meter requires a larger service connection installation, the charge to the customer shall also include the full cost of the service connection in accordance with Section 7-1 and 7-2.
- 7-6 **Connection Charges (Front Footage Charge):** Every applicant who wishes to connect to the Agency's water system shall execute the Agency's standard water service application and pay the Connection Charge where applicable as set by resolution of the Board.
- 7-6.1 **Exemption:** A developer who installs water facilities in accordance with Section 6-2.3 shall not be charged a Connection Charge for those water facilities that developer installs.

- 7-7 **Meter Test Deposits:** A deposit will be required to cover the reasonable cost of a meter test as set by resolution of the Board.
- 7-8 **Replacements:** A charge will be collected for the replacement of service connections or portions thereof, including but not limited to, meter boxes, valve covers, extensions, and valve lids. The specific amounts of such charges and the time of payment by the customer shall be determined by the Agency and may include a reasonable minimum.
- 7-9 **Plan Check Fees:** Plan Check Fees are established by resolution of the Board and shall be charged for the Agency's services in checking the plans for required water facilities.
- 7-10 **Inspection Fees:** The Agency shall provide inspection, at the applicant's expense, at the applicable hourly rate paid by the Agency for an inspector plus approved administrative and general charges.
- 7-11 **Design Review Fees:** Design Review Fees are established by resolution of the Board and shall be charged for the Agency's services in analyzing the water system requirements for proposed developments.
- 7-12 **Temporary Service Connections:** Temporary Service Connection Charges as follows are set by resolution of the Board:
- 7-12.1 **Deposits:** A deposit will be required for each construction meter, in addition to a deposit for each backflow protection device. When service is terminated, the deposits shall be refunded less any outstanding charges.
- 7-12.2 **Installations:** A charge will be collected for the installation of each construction meter, in addition to a charge for the installation of the backflow protection device.
- 7-12.3 **Relocations:** A charge will be collected for the relocation of each construction meter and backflow protection device.
- 7-13 **Restoration of Service:** A charge to be set by resolution of the Board will be collected for restoring service that has been discontinued.
- 7-14 **Backflow Protection Device Installations:** A charge will be collected for the installation of each backflow protection device as set by resolution of the Board.
- 7-15 **Development Review Charge:** Development Review Charges are established by resolution of the Board and shall be charged for the Agency's service in the preparation of will-serve letters, development bond amounts, and response to initial studies.
- 7-16 **Water Quality Sampling:** A charge will be collected for Agency collection and analysis of development Bacteriological Samples as set by resolution of the Board.

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Account Establishment Fee: An administrative fee charged for the establishment of an account in a new owner's name as set by resolution of the Board.

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SECTION 8 - MONTHLY CHARGES

- 8-1 **Metered Services:** For all metered service, the charges for service shall consist of "Monthly Service Charge," "Quantitative Charge," and "Zone Pumping Charge" for water delivered.
- 8-1.1 **Monthly Service Charges:** The monthly charge for all types or classes of service shall be determined by the size of the meter and shall be set by resolution of the Board.
- 8-1.2 **Quantitative Charges:** The quantitative charge for all metered and unmetered water used for all purposes shall be set by resolution of the Board.
- 8-1.3 **Zone Pumping Charges:** The service zones of the Agency are designated on a Service Area Map on file in the Agency's office. It shall consist of a base rate zone and separate pumping elevation zones. The Quantitative Charge shall be set by resolution of the Board and shall apply to all zones. In addition, charges to be set by resolution of the Board shall be collected in the pumping elevation zones to reflect the extra costs of pumping to such higher elevations.
- 8-2 **Commercial Fire Protection Services:** A Monthly Service Charge as set by resolution of the Board shall be determined by the size of the service for unmetered commercial fire protection services.
- 8-3 **Backflow Protection Devices:** Monthly charges as set by resolution of the Board will be collected for testing and necessary minor repairs of each device.
- 8-4 **Construction and Temporary Services:** Monthly Service Charges in accordance with Section 8-1 will be collected for metered and unmetered service for construction work and for service of temporary or limited duration.
- 8-4.1 **Backflow Protection Devices:** Monthly service charges to be set by resolution of the Board.
- 8-5 **Late Payment Charge:** Monthly water charges that become delinquent after 30 days (billing period) will incur a late fee charge set by Resolution of the Board.

SECTION 9 - CREDIT POLICY

9-1 **Establishing Credit:** Water service, in all cases, will be kept in the name of the property owner. Each applicant for water service will be required to establish credit to the satisfaction of the Agency before service will be rendered. Owner's credit will be deemed established, with no deposit required, if the new owner can provide proof of ownership for the residential property to be serviced, and/or the owner has had previous service within the Agency service area during the past two years and maintained an account history where service has not been discontinued for nonpayment for 12 consecutive months. All non-residential service will require a deposit, unless the owner has other non-residential service with the Agency and has maintained an account history where service has not been discontinued for nonpayment for 12 consecutive months.

9-2 **Amount of Deposit:** Where credit cannot be established pursuant to Sections 9-1, a deposit shall be required and shall consist of two times the average monthly bill using the most recent 12 months of consecutive service to determine the average. Where a deposit amount cannot be determined by taking an average of the 12 most recent months of service, a minimum deposit will be required based on the size of the water meter which serves the property. The minimum deposit shall be set by resolution of the Board.

9-3 **Application of Deposit:** Deposits shall be held for one year. Upon the completion of one year's continuous service, during which time service had not been discontinued for nonpayment, the deposit shall be applied to the water account. If service is discontinued for nonpayment, the deposit shall remain with the Agency until completion of 24 months of continuous service or until service is ordered discontinued by the Applicant.

The deposit, less the amount of any unpaid water and sewer bills, will be refunded without interest upon discontinuance of service by the applicant.

Refundable deposits may be forfeited to the Agency, as provided by law, if unclaimed by the depositor within three years from the date service is discontinued.

SECTION 10 - DISCONTINUANCE AND RESTORATION OF SERVICE

10-1 **Discontinuance of Service:**

- 10-1.1 **Agency Initiated:** The Agency has the right to discontinue water or sewer service, or both, if a customer fails to comply with these Regulations. Under such circumstances, the Agency will make a reasonable effort to notify the customer. Prior to discontinuance of service, notice is not necessary when the noncompliance, violation, or infraction of these Regulations by the customer results, or is likely to result in a dangerous or unsanitary condition on the premises, or in the water system, or elsewhere. In such case the Agency may order immediate discontinuance of service.

Before discontinuing service, subject to the exception as otherwise provided above, the Agency will give the customer notice in writing specifying the reason or reasons why service may be discontinued and granting an opportunity to be heard within five days of receipt of said notice. The service address, if different from the billing address, will also receive a notice with an opportunity to be heard within five days of receipt of said notice. If the customer or occupant fails or refuses to comply with the notice or fails to request an opportunity to be heard within five days after the presentation of the notice, then the Agency may discontinue service to the customer. If the person requests the opportunity to be heard and is heard, the Agency will thereafter determine if service shall be continued.

- 10-1.2 **At Customer's Request:** A customer may have service discontinued by notifying the Agency at least 48 hours (2 business days) in advance of the desired date of discontinuance. Service will only be discontinued on the Agency's normal working days and during normal working hours unless approved by the Agency in advance.

10-2 **Restoration of Service:**

- 10-2.1 **General Provisions:** A customer whose service has been discontinued may have it restored by making application and paying applicable restoration of service charges in accordance with Section 7-13.
- 10-2.2 **Unauthorized Restoration:** It shall be a violation of these Regulations, and a crime, for any person to make an unauthorized reconnection to the Agency's water system once service to the premises has been discontinued in accordance with Section 3-3.1.4.

SECTION 11 - METER READING, BILLING AND COLLECTION

11-1 **Meter Reading and Billing:**

11-1.1 **Rendering of Bills:** Bills for water service shall be based upon monthly meter readings and monthly billings.

11-1.2 **Pro-ration of Bills:** The charges applicable to opening periods, closing bills, and bills rendered for periods corresponding to less than one month will be computed as follows:

The amount of the minimum charge and the quantity allowed therefore in each of the several quantity rate blocks will be prorated on the basis of the ratio of the number of days in the period that service is provided to the number of days in an average billing period. The measured quantity of usage will be applied to such prorated amounts and quantities.

11-1.3 **Payment of Bills:** During each month, the Agency shall mail a statement covering charges for all water received by the customer during the preceding month. Charges shall be due and payable upon receipt of the statement. If it is necessary for the Agency to visit the premises to collect payment, a collection charge to be determined by the General Manager will be added to the amount owing. Any form of payment submitted for payment of water service which is not honored and has been returned by the bank shall be subject to a return payment fee. Such payments shall be replaced by the customer with cash or cashier's check including a returned payment fee as determined by the Agency in order to avoid discontinuance of water service.

11-1.4 **Delinquent Accounts:** The bill for water service shall be delinquent if not paid within 30 days after billing. Bills for sewer service, groundwater replenishment service, or other services provided by the Agency shall be delinquent if not paid when due. Nonpayment of any such delinquency shall constitute a violation of this ordinance and shall be cause for terminating water service as well as sewer service. When delinquency occurs, a final notice (including a late fee charge) will be mailed to the billing address. If payment has not been received 15 days after final notice has been issued, the service address, if different from the billing address, will be tagged 48 hours in advance of scheduled turn off to give the occupant opportunity to pay the outstanding account. If occupant does not pay the outstanding account or make arrangements for payment by the date of scheduled turn off, then water and/or sewer service may be discontinued without further notice.

Service shall not be restored to the premises until all charges including fees, if any, have been paid in full. An owner whose service has been discontinued for nonpayment of bills, or whose deposit shall have been applied in whole or in part to the payment of any bills, will be required to reestablish credit by a cash deposit in accordance with Section 9-1.

A customer who has a delinquency for any premises served by the Agency may not receive water service, recycled water service, or sewer service on another premises until all delinquencies, including fees, are paid in full. Additionally, when a service has been terminated for nonpayment, all charges may be transferred to another account held in the sole name of the same owner. This account will become delinquent if payment is not made within 15 days from the date of delinquency transfer, and will be subject to shutoff without further notice. The Agency may file liens against the property or any other properties owned by the delinquent customer within the State of California to enforce collection of delinquent accounts.

11-2 **Meter Test at Customer's Request:**

11-2.1 **General Provisions:** A customer may request the Agency to test the meter serving the premises. The Agency will require the customer to deposit an amount for such test in accordance with Section 7-7. The deposit will be returned if the meter is found to register more than two percent fast. The Agency shall request the customer's presence when the test is conducted. A written report of the test will be available to the customer.

11-3 **Adjustment of Bills for Meter Error:**

11-3.1 **General Provisions:** When a water meter is found to be out of order, the charge for water will be based, at the option of the Agency, on one of the following:

- ◆ The average monthly consumption for the three preceding months during which the meter is known to have registered correctly; or
- ◆ An estimate of consumption based either upon the customer's prior use during the same season of the year or upon a reasonable comparison with the use of other customers receiving the same class of service during the same period and under similar circumstances and conditions; or
- ◆ The consumption as registered by a substitute meter; or
- ◆ In accordance with Section 11-3.3.

11-3.2 **Meter Reading Inaccessibility:** When a meter is covered or otherwise inaccessible so that it cannot be read, an average bill will be rendered and accumulated errors, if any, will be adjusted when the meter is first thereafter read.

11-3.3 **Adjustment Based Upon Meter Test:** If a meter tested in accordance with Section 11-2 is found to be registering more than two percent fast, another meter will be installed and the Agency will refund to the customer the meter test deposit plus the amount of the overcharge based on corrected meter readings for the period the meter was in use, but not to exceed a period of four months immediately preceding the request for the meter test.

When, upon test, a meter is found to be registering more than 25 percent slow, the Agency may bill the customer for the amount of the undercharge based on corrected meter readings for the period the meter was in service but not to exceed a period of two months immediately preceding the request for the meter test. The meter test deposit will be retained by the Agency to cover the testing of the meter.

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SECTION 12 – COMMERCIAL FIRE PROTECTION SERVICE CONNECTIONS

12-1 **General Provisions:** When a commercial fire protection service connection is installed, the control valve thereon will be left closed and sealed until a written order to turn on the water is received from the customer. The Agency shall not be liable for damage of any kind for any reason that may occur on or to the premises served. A double check valve must be installed on the commercial fire protection service connection of a type approved by the National Board of Fire Underwriters and equipped with a bypass detection meter.

12-2 **Installation Charge:** The charge for a commercial fire protection service installation shall be the actual cost including labor, material and equipment plus applicable overheads. Payment shall be made in accordance with Section 7-2.

12-3 **Conditions for Service:** Unless otherwise approved by the Agency, a commercial fire protection service connection of size and material required by the Agency's specifications shall be placed to each and every lot or parcel of a subdivision requiring private fire protection service.

Commercial fire protection service shall be used for no other purposes than for the discharge of water in case of fire and for the use of water therefor through automatic or manual means for the extinguishing of fire; and it shall be unlawful to install on said systems any taps, hose bibs or outlets from which water may be drawn for other uses.

12-4 **Penalties for Misuse:** Use of water from a commercial fire protection service for purposes other than extinguishing a fire or testing of the fire line shall constitute a violation of these regulations and the customer shall be charged for the unauthorized use as determined by the Agency's General Manager.

For repeated unauthorized usage, the Agency reserves the right to discontinue the commercial fire protection service and install a regular or fire flow meter at the customer's expense, including all fees as outlined in Section 7-1.3. Upon installation of said metered facility, service shall thereafter be classified as a metered service and shall be billed at the applicable rate. The Agency shall not be held liable for damage which may result from said discontinuance of service.

SECTION 13 - CROSS CONNECTIONS

- 13-1 **General Provisions:** There shall be no connections installed, located, maintained, or operated between the water supply system of the Agency, including its appurtenant mains, pipes, fixtures and equipment, and any other water supply system which might cause contamination or pollution of the water and physical parts of the Agency's water system. The Agency shall have the right to discontinue the supply of water to the premises where this condition exists.
- 13-2 **Protection from Cross Connections and Backflow:** Water service connections shall be protected from the hazards of cross connection and backflow in accordance with the regulations of the California State Department of Public Health and ordinances of the County of Riverside or any other provision of law.
- 13-3 **Installation and Maintenance of Devices:** Backflow protection devices of an approved type shall be installed and maintained at the expense of the customer. Installation costs will be charged in accordance with Section 7-14. Maintenance costs to be charged in accordance with Section 13-5.
- 13-4 **Discontinuance of Service:** The service of water to any premises may be discontinued by the Agency without notice if unprotected cross connections exist on the premises, or if a defect is found in an installed backflow protection device, or if a backflow protection device has been removed or bypassed, and service will not be restored until such conditions or defects are corrected. Discontinuance of service may be summary, immediate, and without notice whenever if, in the judgment of the General Manager, such action is necessary to protect the water supply or the safety of the water system, and the Agency's determination shall be final and conclusive.
- 13-5 **Testing Charges:** All backflow protection devices shall be tested at least once a year, or more often in those instances where successive inspections indicate repeated failure. The defective devices shall be repaired, overhauled or replaced at the expense of the customer. A charge in accordance with Section 8-3 shall be added to the water bill for testing and minor repairs. Charges for repairs amounting to \$100 or more, including applicable overheads, will be billed to the customer separately.

SECTION 14 - ENFORCEMENT

- 14-1 **General Provisions:** The following procedures are established for enforcement of these Regulations, not for penalty. All Customers shall be held strictly responsible for any and all acts of tenants, agents or employees, and those Customers shall be liable for any expense, loss or damage incurred by the Agency, all pursuant to these Regulations.
- 14-2 **Violations:**
- 14-2.1 **Written Notice:** Any Person found in violation of these Regulations will be notified pursuant to Section 10-1.1, except when immediate discontinuance of service is required as provided in that Section.
- 14-2.2 **Corrective Action:** Upon notification by the Agency of any violation of these Regulations, the Customer shall immediately take whatever corrective action may be necessary.
- 14-3 **Discontinuance of Service:** The Agency may discontinue service for any violation of these Regulations as provided in Section 10.
- 14-4 **Abatement:** During any period of discontinuance of service, occupancy of such premises shall constitute a public nuisance, whereupon the Agency may cause abatement proceedings to be brought against said premises. In such event, and as a condition of restoration of service, the Customer shall reimburse the Agency for reasonable attorney's fee and cost of suit arising in said action, in addition to the charges provided for in Section 9 and Section 10.

SECTION 15 - SEVERABILITY

- 15-1 **Severability of Regulations:** These Regulations and the various sections, parts, and clauses thereof are hereby declared to be separable. If any part, section, subsection, paragraph, sentence, clause, or phrase of these Regulations is for any reason held to be unconstitutional or unlawful, such provision shall not affect the validity of the remaining portions of these Regulations.

DRAFT

SECTION 16 - ADOPTION

- 16-1 **Effective Date:** Except as otherwise provided herein, this Ordinance becomes effective on July 1, 2017.
- 16-2 **Previous Ordinance Repealed:** Ordinance No. 58 is hereby repealed.

ADOPTED this 20th day of June 2017.

James Cioffi, President
Board of Directors

ATTEST:

Kristin Bloomer, Secretary-Treasurer
Board of Directors

**ORDINANCE NO. 67
DESERT WATER AGENCY**

**REGULATIONS GOVERNING
RECYCLED WATER SERVICE**

EFFECTIVE DATE: July 1, 2017

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REGULATIONS GOVERNING RECYCLED WATER SERVICE

SECTION 1 - DEFINITION OF TERMS

- 1-1 **AGENCY DEFINITIONS:** Whenever the words defined in this section, or pronouns used in their stead, occur in these Rules and Regulations, they shall have the meanings here given:
- 1-1.1 **AGENCY** shall mean the Desert Water Agency organized and operated pursuant to the provisions of the Desert Water Agency Law, Stats.1961, Ch. 1069.
- 1-1.2 **APPLICANT** shall mean an individual, partnership, corporation or agency which is the owner of the premises for which recycled water service is being applied.
- 1-1.3 **BACKUP FACILITY CHARGE** shall mean a charge levied on a premises for the purpose of providing recycled water service connection capacity in the Agency's overall recycled water system.
- 1-1.4 **BOARD** shall mean the Board of Directors of the Desert Water Agency.
- 1-1.5 **CONTRACTOR** shall mean any individual, firm, corporation, partnership, or association duly licensed to perform work by the State of California in connection with the installation of recycled water service facilities.
- 1-1.6 **CUSTOMER** shall mean the owner of the premises receiving recycled water service.
- 1-1.7 **DEVELOPER** shall mean a person, firm, corporation, partnership, or association who proposes to develop real property, or who subdivides real property for purposes of development.
- 1-1.8 **GENERAL MANAGER** shall mean the General Manager of the Desert Water Agency.
- 1-1.9 **INSTALLATION CHARGE** shall mean a charge levied on any premises for material, labor, and equipment to install recycled water system facilities.
- 1-1.10 **INTRACT** or **ONSITE** shall mean that area which lies inside the peripheral boundary of a subdivided area and/or a developed area.
- 1-1.11 **LOCAL AGENCY** shall mean a city, county, or independent special district of the State of California.

- 1-1.12 **LOT** shall mean a parcel or that portion of a parcel of land which is delineated or described as a single integral unit of a parcel map.
- 1-1.13 **MAIN** or **RECYCLED WATER MAIN** shall mean a recycled water pipeline and appurtenances controlled by the Agency and located in a street, alley, easement, thoroughfare, or right of way which is used to serve connections for individuals, premises, customers, and the general public.
- 1-1.14 **MAIN EXTENSION** shall mean the installation of any Agency recycled water main and appurtenances either intract or offtract beyond the existing recycled water system.
- 1-1.15 **MONTHLY SERVICE CHARGE** shall mean a charge levied on any premises to cover costs for operating, maintaining and replacing the facilities providing recycled water service, and for the billing, collection, and administrative costs.
- 1-1.16 **OFFTRACT** or **OFFSITE** shall mean that area which lies outside the peripheral boundary of a subdivided area and/or a developed area.
- 1-1.17 **PERSON** shall mean any individual, firm, corporation, company, political subdivision, city, county, district, the State of California, or the United States of America, or any department or agency thereof. The singular shall in each case include the plural.
- 1-1.18 **PREMISES** shall mean any lot, property, or any building or other structure.
- 1-1.19 **PRIVATE PLUMBING** shall mean the customer's pipeline and appurtenances extending from a point designated by the Agency to the customer's lake, pump building, water storage structure, surface impoundment, or irrigation system which receives recycled water.
- 1-1.20 **RECYCLED WATER** is water which, as a result of treatment of municipal wastewater is suitable for a direct beneficial use or a controlled use that would not otherwise occur and is therefore considered a valuable resource.
- 1-1.21 **REGULATIONS** shall mean the current edition of, and any amendments or revisions to, the Agency's Regulations Governing Recycled Water Service.
- 1-1.22 **REPLACEMENT CHARGE** shall mean a charge on any premises covering material, labor, and equipment to replace a service connection or portions thereof including, but not limited to, meter boxes, valve covers, extensions, and valve lids.
- 1-1.23 **SERVICE AREA** shall mean that area for which the Agency provides recycled water service.

- 1-1.24 **SERVICE CONNECTION** shall mean that service piping between a recycled water main and the customer's private plumbing.
- 1-1.25 **STANDARD SPECIFICATIONS** shall mean the current edition of the Agency's Recycled Water System Construction and Operating Specifications.
- 1-1.26 **SUBDIVISION** shall mean the division of any improved or unimproved land, shown on the latest equalized county assessment roll as a unit or as contiguous units, for the purpose of sale, lease, or financing, whether immediate or future, except for leases of agricultural land for agricultural purposes. **SUBDIVISION** includes a condominium project or an apartment complex.
- 1-2 **Other Definitions:** Words or terms not defined above shall be defined in accordance with the **Glossary - Water and Waste Water Control Engineering** prepared by the American Public Health Association and the Water Pollution Control Federation.

SECTION 2 - AUTHORITY

- 2-1 **General Authority:** The General Manager may prescribe and enforce rules and procedures not in conflict or inconsistent with existing regulations to implement the application, administration, interpretation, and enforcement of these Regulations.
- 2-2 **Revision of Fees and Charges:** The Board may from time to time by motion, resolution, or ordinance add, fix, alter, change, amend, or revise any fees or charges for facilities and services.
- 2-3 **Authority of Inspectors:** The General Manager or his duly authorized representatives and/or employees of the Agency shall be permitted to enter upon all premises to which recycled water service is being provided for the purpose of determining the size, depth, grade, location, and condition of any recycled water facility and to determine possible hazards relating to the health, safety, and welfare of the people throughout the Agency's recycled water system in accordance with these Regulations.
- 2-4 **Recycled Water Service:** The Agency provides recycled water service as directed by the General Manager. Property owners within the Agency who use potable water for non-potable uses, including but not limited to cemeteries, golf courses, parks, highway landscape areas and industrial use, and for whom recycled water is available at a reasonable cost, are required to use recycled water in lieu of potable water for such purposes pursuant to California Water Code Section 13550.

SECTION 3 – RECYCLED WATER SERVICE

3-1 **General Provisions:**

3-1.1 **Shortage of Recycled Water Supply and Interruption of Service:** The Agency shall attempt to furnish and deliver a continuous and sufficient supply of recycled water to the customer, and to avoid any shortage or interruption of delivery of same. However, the Agency will not be liable for interruption, shortage, or insufficiency of supply, or any loss or damage occasioned thereby. The Agency cannot assure a continuous, uninterrupted supply of recycled water.

3-1.2 **Right to Temporarily Suspend Service:** The Agency, whenever necessary for any reason, shall have the right to suspend temporarily the delivery of recycled water. In such cases, the Agency will attempt to provide a reasonable notice thereof, as circumstances may permit.

3-1.3 **Recycled Water Pressure Conditions:**

3-1.3.1 **Acceptance:** The signing of an application for recycled water connections or for recycled water service shall constitute acceptance and consent to such conditions of pressure and service as may from time to time exist, and the applicant agrees to hold the Agency harmless from any and all injury or damage caused by, or arising out of low, high, or fluctuating pressure or interruptions of service.

3-1.3.2 **Higher Elevation Service Requests:** The Agency assumes no obligation to serve recycled water to elevations higher than its existing facilities can serve. Due to topography, and other causes, recycled water pressure is not uniform throughout the territory the system serves, and the Agency reserves the right to change to different pressures in various areas served. Where premises are situated at such an elevation that they cannot be assured of a dependable supply from the distribution system of the Agency and/or where the desired rates of flow and/or pressures required by the particular operation to be conducted on the premises cannot be assured by the Agency, the applicant agrees to accept such recycled water service as the Agency is able to render from its distribution system; to construct, if necessary, and maintain at customer's expense on customer's premises, a reservoir and/or a booster pump of sufficient capacity to furnish an auxiliary supply of recycled water at such times as pressure in the Agency's mains may be insufficient to supply the premises with recycled water; and to release the Agency from all claims for failure to furnish an adequate recycled water supply.

3-1.4 **Obstructing Meter Facility:** Recycled water meters and appurtenances shall be the property of the Agency and normally are placed on public property or on Agency easements. It shall be a violation of these Regulations to damage or interfere with them or to place obstructions on or over the meter and/or appurtenances.

- 3-1.5 **Changes in Customer's Equipment:** Customers making any material change in the size, character, or extent of the equipment or operations utilizing recycled water service, or whose change in operation results in an increase in the use of recycled water, shall immediately give the Agency a written notice of the nature of the change.
- 3-1.6 **Notices:** Notices from the Agency to a customer will normally be given in writing, and either mailed or delivered at the last known address. Where conditions warrant and in emergencies, the Agency may resort to notification either by telephone or messenger. Notices from the customer to the Agency must be delivered in writing to the Agency's office.
- 3-1.7 **Change in Distribution System:** Any person making improvements or changes which will result in cutting, refitting, relocating, raising, or lowering service connections, recycled water mains, meters, valves, or other parts of the recycled water system of the Agency, shall indemnify the Agency for all costs incurred by the Agency in making such changes. When the location of a meter is changed at the customer's request, the cost of making the change will be at the customer's expense.
- 3-1.8 **Resale of Recycled Water:** A customer of the Agency may not enter into any contract or agreement to resell recycled water received from the Agency, nor shall the customer deliver or cause to be delivered, recycled water acquired from the Agency to premises other than those described in the application for service.
- 3-1.9 **Responsibility for Private Plumbing Facilities:** The Agency has no responsibility for the maintenance or operation of a customer's recycled water system beyond the Agency's meter or point of ownership by the Agency. The customer shall be responsible and liable for his own private plumbing facilities. The customer shall, at his own risk and expense, furnish, install, and keep in good and safe condition all the equipment that may be required for receiving, controlling, applying, and utilizing recycled water. The Agency shall not be responsible for any loss or damage caused by the improper care or wrongful act of the customer or any of his tenants, agents, employees, contractors, licensees, or permittees in installing or maintaining, using, operating, or interfering with such equipment. The Agency shall not be responsible for damage to property caused by spigots, faucets, valves, faulty pipes, and other equipment that are open when water is turned on at the meter, either when the recycled water is turned on originally or when turned on after a temporary turn off. Customers having aquatic animals, plants, and landscaping or anything else requiring a continuous water supply should take all necessary action to prevent damage or the causing of injury as a result of the shutting off of the recycled water supply. The customer agrees to hold the Agency harmless from any and all claims resulting from matters involving quantities, quality, time or occasion of delivery, or any other phase of the maintenance, operation, and service of a customer's recycled water system.

- 3-1.10 **Quick Closing Valves:** No person or customer shall install or use a quick closing valve or other device when such valve or device during its operation causes water hammer or an abrupt change of pressure in any Agency service connection or main. When such a condition exists, the customer shall be required to discontinue use of such valve or device immediately upon notification by the Agency. Upon failure to comply with a notice of correction of such condition, the recycled water service shall be discontinued until the correction is made by a proper installation to eliminate all such water hammer or abrupt change of pressure which affects Agency service connections or mains, and the customer shall be responsible for payment of applicable fees for resumption of service.
- 3-1.11 **Ground Wire Attachments:** The Agency will hold the customer or any other responsible party liable for any damage to the Agency's property which may be occasioned by the attachment of any ground wires to any plumbing which is, or may be connected to a service connection or main belonging to the Agency.
- 3-2 **Agency Consent:** No premises shall receive recycled water service from the Agency's recycled water system without prior consent of the Agency. No consent shall be given unless proper application has been made as provided in Section 4, and applicable charges have been paid in accordance with these Regulations. The applicant is responsible for paying all costs and expenses incidental to the installation and maintenance of the customer's own private plumbing facilities.
- 3-3 **Unauthorized Connections:**
- 3-3.1 **Violations:** Customers are alerted to Civil Code Section 1882, which imposes triple damages for the illegal reconnection or diversion of water, and Penal Code Sections 624 and 625, which make it a crime to tamper with water facilities. The following shall constitute a violation of these Regulations and may result in additional charges by the Agency as well as any other civil or criminal actions imposed or authorized by law.
- 3-3.1.1 **Connections:** To tap or make any connection to the Agency's recycled water mains.
- 3-3.1.2 **Wasting Recycled Water:** To cause or permit the waste of recycled water from the Agency's recycled water system or to maintain, or cause or permit to be maintained any leaky outlets, apparatus, or plumbing fixtures through which recycled water is permitted to run to waste.
- 3-3.1.3 **Activating Service by Customer:** Turning on the recycled water supply or permitting or causing it to be turned on without first having made proper application and having paid all required fees and charges is prohibited. Any violator will be held liable for all charges and damages as a result of unauthorized activation of recycled water service, which charges and damages may be tripled as authorized by law and recycled water service shall be discontinued until the above charges and damages are paid in full.

- 3-3.2 **Responsibility for Private Plumbing:** The Agency assumes no responsibility for the delivery of recycled water through private plumbing or for any damage resulting from the operation of same.
- 3-4 **Damage to Agency Facilities:** When recycled water is used or wasted due to a line break or other system impairment, the person causing the break or impairment shall pay all costs incurred by the Agency in repairing such damage, including staff and overhead costs and all direct and indirect costs incurred by the Agency. When the line break or system impairment creates an emergency condition, the minimum billing shall be \$500 because of the necessary, intangible and indirect costs of all such emergencies to the Agency and its recycled water customers.
- 3-5 **Notification of Change of Ownership:** It shall be the duty of every owner signing an application for recycled water service to notify the Agency of any change in the ownership of said premises at least two business days prior to such change. Every applicant shall be liable for the recycled water furnished pursuant to such application until the Agency receives written notice to cancel such service. Upon discovery of ownership change, recycled water service will be discontinued unless the subsequent owner makes arrangements with the Agency to continue service.
- 3-6 **Access to Premises:** The Agency's duly authorized agents shall at all reasonable times have the right to enter the customer's premises for any purpose properly connected with its operations.
- 3-7 **Responsibility:** The Agency's responsibility ends at the customer's side of the meter, or in the case of other special installations, at the point where the Agency's facilities end.
- 3-8 **Ownership:** All service connections and meters shall remain at all times the property of the Agency.
- 3-9 **Maintenance and Replacements:** All service connections and meters shall be maintained, repaired, and replaced by the Agency when rendered unserviceable through normal wear and tear; provided that where replacements, repairs, and adjustments of any service and/or meter are rendered necessary by the act, negligence, or carelessness of the customer, the customer shall bear the expense.

SECTION 4 – RECYCLED WATER SERVICE CONNECTIONS

- 4-1 **Application:** An applicant who desires recycled water service must complete an application form supplied by the Agency. Each applicant for recycled water service may be required to establish credit in accordance with Section 8.
- 4-2 **Premises To Be Served:** The applicant shall describe the premises to be served, and only the premises so specified will be connected to the Agency's recycled water system.
- 4-3 **Division of Property:** Whenever property having a service connection is divided into two or more parcels, the existing service connection shall serve the parcel which it directly enters, and new service connections shall be required for each of the remaining parcels.
- 4-4 **Approval of Drawings:** Service connections made to the Agency's existing recycled water mains for any premises shall be installed only by the Agency. A developer may be allowed to install service connections to those mains installed by the developer prior to acceptance by the Agency. All proposed service connections shall require recycled water improvement drawings and shall depict the proposed facilities. All drawings and specifications shall substantially conform to the Agency's Standard Specifications and shall be submitted to the Agency in advance of construction for prior approval by the Agency.
- 4-5 **Licensed Contractors:** Only duly authorized and licensed contractors, or employees or agents of the Agency shall be permitted to install recycled water facilities.
- 4-6 **Service Size:** The Agency reserves the right to determine the size of the service connection.
- 4-7 **Service Connection Location:** Where practicable, the Agency will install the service connection at a location selected by the applicant, but the Agency reserves the right to determine the location in relation to boundaries of the premises to be served. Customarily, a service connection will terminate at a point behind and adjacent to the curb in streets or adjacent to the property line where no curb exists. In locations where the applicant's premises do not directly abut on a public thoroughfare, the Agency, at its option, may provide a service connection of conventional length terminating at some practicable location on public property or on Agency-owned easement, and the applicant has the responsibility of connecting thereto. The applicant's private plumbing connecting to the Agency's service connection should not be installed until the service connection is installed. In the event the applicant's private plumbing is installed prior to the time the service connection is installed, and its location does not correspond with that of the service

connection, then the applicant must bear the additional cost of connecting the applicant's private plumbing to the Agency's service connection.

- 4-8 **Cost of Installation:** The Agency will permit the installation of recycled water service connections to the applicant's premises at the applicant's expense in accordance with Section 6-1.
- 4-9 **Appurtenances:**
- 4-9.1 **Valves:** Each service connection shall have a meter isolation valve on the inlet side of the meter for exclusive use by the Agency in controlling the use of the recycled water through the service connection, meter, flow control valve, and a meter isolation valve on the outlet side of the meter. If Agency facilities are damaged by the customer, the Agency shall provide for all repairs and the customer shall be responsible for all replacement and/or repair costs.
- 4-9.2 **Meters:** All recycled service connections shall be metered. Customarily, meters will be installed in public property adjacent to the curb or property line, but, at the option of the Agency, meters may be installed on the customer's premises in an appropriate housing. No rent or other charge will be paid by the Agency for a meter located on the customer's property. Meters will be sealed by the Agency at the time of installation, and no seal shall be altered or broken except by authorized employees or agents of the Agency. If a meter seal is altered or a meter is damaged by a customer, the Agency shall have the right to charge the customer for the replacement of the meter, and may triple the charges when authorized by law.
- 4-9.3 **Cost of Installation:** The cost of installing the meter and all appurtenances shall be borne by the customer and shall be in accordance with Section 6-1.
- 4-10 **Plan Checking:** The Agency will review and check the drawings for service connections where main extensions are not required at the applicant's expense as provided in Section 6-8.
- 4-11 **Inspection of Connections:** Every recycled water service connection installed by other than the Agency shall be subject to inspection in accordance with Section 6-9. The Agency may have an inspector in attendance at all times during the actual work.

SECTION 5 – MAIN EXTENSIONS

5-1 **General Provisions:**

- 5-1.1 **Individual Extensions:** The Agency will permit extension of its recycled water mains and service connections to individual's premises at the individual's expense, subject to the Agency's requirements and conditions.
- 5-1.2 **Agency Ownership:** Any such facilities which do not constitute private plumbing will be the sole property of the Agency upon acceptance by the Agency. Before service is provided for permanent use, the applicant shall execute any and all documents required by the Agency to vest title to those facilities in the Agency.
- 5-1.3 **Specifications:** The size, type, quality of materials, and the actual construction will be done in accordance with the Agency's Standard Specifications and approved drawings. Construction shall be performed by a contractor acceptable to the Agency, or by the Agency itself with its own forces. The installation of the main extension will be under the inspection by and subject to the approval of the Agency.
- 5-1.4 **Costs:** Adjustment of any difference between the estimated cost and the actual cost of any main extension constructed hereunder will be made as provided for in Section 6-2.
- 5-1.5 **Feasibility:** The right is reserved, as the Agency may require, to determine the economic and/or engineering feasibility of any main extension and the Agency will not approve extensions for which feasibility is negative or uncertain as determined by the Agency in its sole discretion.
- 5-1.6 **Location:** Main extensions are to be installed in conjunction with proposed street improvements to the premises whenever possible. Main extensions will be located in streets, in easements provided to the Agency by the applicant or in easements obtained by the Agency, or in property deeded to the Agency. Prior to installing a main extension, the applicant shall provide the Agency with such easements or deeds as may be necessary or reasonably appropriate to the operation thereof. The Agency will not be required to make extensions where street grades have not been brought to those established by public authority.
- 5-1.7 **Agency Right to Allow Connections:** The Agency shall have the right at any time to allow other users to connect to the Agency's recycled water system at any location, whether built by the Agency or by another party and transferred to the Agency, subject to payment of such fees as may be required by agreement or by resolution of the Board.

- 5-1.8 **Minimum Sizing:** The Agency will not permit a main extension of less than eight inches in diameter unless approved in advance by the Agency.
- 5-1.9 **Agency Right to Design and Construct:** The Agency reserves the right to design and construct any recycled water facilities which will become part of the Agency's system. The cost of said facilities shall be borne by the applicant including, but not limited to design, materials and installation.
- 5-2 **Types of Extensions:**
- 5-2.1 **General:**
- 5-2.1.1 **Offtract Improvements:** If offtract improvements are required to serve the applicant's intract improvements, the cost of all required facilities shall be borne by the applicant including, but not limited to, design, materials and installation.
- 5-2.2 **By Agency:** The Agency, at its option, may extend its recycled water system to the applicant's premises at the applicant's expense. The applicant shall pay the Agency a deposit equal to the estimated cost of the main extension, as determined by the Agency. Said deposit shall be used to compensate the Agency and/or any contractors and suppliers engaged by the Agency in the installation of the main extension. Within 60 days after the cost of the main extension has been determined, any difference between the cost and the deposit shall be paid by or refunded to the applicant. The Agency will not be required to pay interest on the deposit. Where two or more applicants apply for service from the same main extension, the Agency may allocate the costs proportionately.
- 5-2.3 **By Applicant:** The applicant shall furnish security bond to the Local Agency to guarantee the installation of the main extension in the amount equal to the estimated cost thereof as determined by the Agency. The applicant will be required to enter into a written agreement with the Agency for the construction and installation of required facilities and deposit with the Agency a sum of money equal to twenty percent of the estimated construction costs as determined by the Agency for the purpose of covering the cost of inspection and incidentals. The mains and appurtenances shall be installed by a contractor holding a valid California Contractor's license in accordance with the provisions of Division 3, Chapter 9, of the Business and Professions Code of the State of California, or any amendments thereto. As used in this Section, the word "applicant" shall be deemed to include the word "subdivider."
- 5-3 **Inspection:** The Agency will provide inspection of the main extension at the applicant's expense as provided in Section 6-9.
- 5-4 **Plan Checking:** The Agency will review and check the drawings for the main extension prior to approval at the applicant's expense as provided in Section 6-8.

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Design Review: The Agency will perform design review for tentative projects on an actual cost basis. An estimate will be prepared by the Agency prior to performing said review in accordance with Section 6-10.

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SECTION 6 – FEES AND CHARGES

- 6-1 **Service Connections and Meter Installations:** Each applicant shall pay to the Agency charges for the installation of metered recycled water service connections then in effect as established by resolution of the Board.
- 6-1.1 **Time of Payment:** Recycled Water Service Connection and Meter Installation Charges shall be paid to the Agency prior to the provision of recycled water service.
- 6-1.2 **Meter Installations:** Charges for meter installations shall be based on the size and location of the meter and the actual installation cost plus any applicable overheads required to provide adequate service.
- 6-1.3 **Backup Facility Charges:** Every applicant for a recycled water service connection shall, in addition to all other charges, pay a Backup Facility Charge based on the size of the applicant's metered connection.
- The purpose of the Backup Facility Charge is to raise a portion of the funds required by the Agency to develop recycled water supplies and construct storage and distribution facilities. The Backup Facility Charge shall also apply to existing metered service connections for which increased delivery capability is requested and larger service connections and meters are installed. In such event, the charge shall apply to the difference in service and delivery capacity between the new meter and the old meter which is being replaced.
- 6-1.3.1 **Exemption:** The Backup Facility Charge may be reduced or eliminated where certain recycled water improvement facilities constructed will be required of an applicant. The reduction or elimination will be no greater than the value of the constructed facilities as determined by the Agency's General Manager, whose decision will be final.
- 6-1.4 **Flow Control Valve Installation:** Charges will be collected for the installation of flow control valves and all appurtenances. The charge will be determined in accordance with the size of the flow control valve required and actual installation cost and any applicable overheads required to provide adequate service.
- 6-1.5 **Outlet Valve:** Charges will be collected for installation of an outlet valve. The charge shall be based on the size and actual installation cost and any applicable overheads required to provide adequate service.
- 6-1.6 **Service Connection Installations:** Charges will be collected for the installation of service connections. Charge shall be based on the size and actual installation cost and any applicable overheads required to provide adequate service.

- 6-1.6.1 **Exemption:** A developer who installs recycled water facilities in accordance with Section 5-2.3 shall not be charged a Service Connection Charge for those service connections that developer installs.
- 6-2 **Adjustable Funds for Meter Installation:** A charge will be collected for installation of service connections. An estimate shall be prepared by the Agency, and upon payment of the amount of said estimate by the applicant, the work shall be scheduled. Adjustable funds are estimates only, subject to any price change and open to final accounting. Any monies remaining above actual costs will be returned to the applicant within 60 days in accordance with Section 5-2.2 and any difference above estimates will be billed to applicant. Any amounts billed to applicants are due and payable within ten days thereafter. Should the same not be paid within ten days, the Agency shall discontinue recycled water service to the premises where the work was done and shall not furnish recycled water thereto until said bill, together with additional charge for restoration of service, is paid.
- 6-3 **Service Relocations:** A charge will be collected for the relocation of activated service connections and shall consist of the actual cost including labor, material, and equipment plus applicable overheads. Payment and necessary refund shall be in accordance with Section 6-2.
- 6-4 **Service Abandonments:** A charge will be collected for the abandonment of service connections and shall consist of the actual cost including labor, material, and equipment plus applicable overheads. Payment and necessary refund shall be in accordance with Section 6-2.
- 6-5 **Change in Meter Sizes:** A charge will be collected for the installation of a larger meter at the request of the customer and upon Agency approval. The charge will consist of the cumulative difference in meter charges between the smaller meter and the larger meter in accordance with Section 6-1.2, 6-1.3, and 6-1.4. If, however, the installation of a larger meter requires a larger service connection installation, the charge to the customer shall include the full cost of the service connection in accordance with Section 6-2.
- 6-6 **Meter Test Deposits:** A deposit will be required to cover the reasonable cost of a meter test and set by resolution of the Board.
- 6-7 **Replacements:** A charge will be collected for the replacement of service connections or portions thereof including, but not limited to, meter boxes, valve covers, extensions, and valve lids. The specific amounts of such charges and the time of payment by the customer shall be determined by the Agency and may include a reasonable minimum.
- 6-8 **Plan Check Fees:** Plan Check Fees are established by resolution of the Board and shall be charged for the Agency's services in checking the plans for required recycled water facilities.

- 6-9 **Inspection Fees:** The Agency shall provide inspection at the applicant's expense at the applicable hourly rate paid by the Agency for an inspector plus approved administrative and general charges.
- 6-10 **Design Review Fees:** Design Review Fees are established by resolution of the Board and shall be charged for the Agency's services in analyzing the recycled water system requirements for proposed developments.
- 6-11 **Restoration of Services:** A charge to be set by resolution of the Board will be collected for restoring service that has been discontinued.
- 6-12 **Development Review Charge:** Development Review Charges are established by resolution of the Board and shall be charged for the Agency's service in the preparation of will serve letters, developer bond amounts, and response to initial studies.

SECTION 7 – MONTHLY CHARGES

- 7-1 **Metered Services:** For all metered service, the charges for service shall consist of “Monthly Service Charge,” “Quantitative Charge,” and “Zone Pumping Charge” for recycled water delivered.
- 7-1.1 **Monthly Service Charges:** The monthly charge for all types or classes of service shall be determined by the size of the meter and shall be set by resolution of the Board or by mutual agreement.
- 7-1.2 **Quantitative Charges:** The quantitative charge for all metered recycled water used for all purposes shall be set by resolution of the Board or by mutual agreement.
- 7-1.3 **Flow Control Valves:** Monthly Service Charges as set by resolution of the Board will be collected for testing and necessary minor repairs of each valve.

SECTION 8 – CREDIT POLICY

- 8-1 **Establishing Credit:** Recycled water service, in all cases, will be kept in the name of the property owner. Each applicant for recycled water service will be required to establish credit to the satisfaction of the Agency before service will be rendered. Owner's credit will be deemed established with no deposit required, if the new owner can provide proof of ownership for the property to be serviced, and/or the owner has had previous service within the Agency service area during the past two years and maintained an account history where service has not been discontinued for nonpayment for 12 consecutive months.
- 8-2 **Amount of Deposit:** Where credit cannot be established pursuant to Sections 8-1, a deposit shall be required and shall be determined based on meter size. The minimum deposit shall be set by resolution of the Board.
- 8-3 **Application of Deposit:** Deposits shall be held for one year. Upon the completion of one year's continuous service, during which time service had not been discontinued for nonpayment, the deposit shall be applied to the recycled water account. If service is discontinued for nonpayment, the deposit shall remain with the Agency for 2 years from the date of reconnection of service after being disconnected for non-payment or until service is ordered discontinued by the applicant.

The deposit, less the amount of any unpaid recycled water bills, will be refunded without interest upon discontinuance of service by request of the applicant.

Refundable deposits may be forfeited to the Agency, as provided by law, if unclaimed by the depositor within three years from the date service is discontinued.

SECTION 9 – DISCONTINUANCE AND RESTORATION OF SERVICE

9-1 **Discontinuance of Service:**

- 9-1.1 **Agency Initiated:** The Agency has the right to discontinue service if a customer fails to comply with these Regulations or any other rule, regulation, ordinance, or resolution of the Agency. Under such circumstances, the Agency will make a reasonable effort to notify the customer prior to discontinuance of service. However, such notice shall not be required when the noncompliance, violation, or infraction by the customer results, or is likely to result, in a dangerous or unsanitary condition on the premises, or in the recycled water system, or elsewhere.

Except as otherwise provided above, prior to discontinuing service for reasons other than non-payment (delinquency), the Agency will give the customer a notice in writing specifying the reason or reasons why service may be discontinued and granting an opportunity to be heard within five days of receipt of said notice. A copy of the notice will also be sent to the service address if different from the billing address. If the customer or occupant fails or refuses to comply with the notice or fails to request an opportunity to be heard within a period of five days after presentation of the notice, then the Agency may discontinue service to the customer. If the person requests the opportunity to be heard and is heard, the Agency will thereafter determine if service shall be continued.

- 9-1.2 **At Customer's Request:** A customer may have service discontinued by notifying the Agency at least 2 business days in advance of the desired date of discontinuance. Service will only be discontinued on the Agency's normal working days and during normal working hours unless approved by the Agency in advance.

9-2 **Restoration of Service:**

- 9-2.1 **General Provisions:** A customer whose service has been discontinued may have it restored by making application and by paying applicable restoration of service charges in accordance with Section 6-11.
- 9-2.2 **Unauthorized Restoration:** It shall be a violation of these Regulations, and a crime, for any person to make an unauthorized reconnection to the Agency's recycled water system once service to the premises has been discontinued in accordance with Section 3-3.1.3.

SECTION 10 – METER READING, BILLING AND COLLECTION

10-1 **Meter Reading, and Billing:**

10-1.1 **Rendering of Bills:** Bills for recycled water service shall be based upon monthly meter reading and monthly billings.

10-1.2 **Proration of Bills:** The charges applicable to opening periods, closing bills, and bills rendered for periods corresponding to less than one month will be computed as follows:

The amount of the minimum charge and the quantity allowed therefore, in each of several quantity rate blocks, will be prorated on the basis of the ratio of the number of days in the period that service is provided to the number of days in an average billing period. The measured quantity of usage will be applied to such prorated amounts and quantities.

10-1.3 **Payment of Bills:** During each month, the Agency shall mail a statement covering charges for all recycled water received by the customer during the preceding month. Charges shall be due and payable upon receipt of the statement. If it is necessary for the Agency to visit the premises to collect payment, a collection fee to be determined by the General Manager will be added to the amount owing. Any check or electronic form of payment submitted for payment of recycled water service which is not honored and has been returned by the bank shall be subject to a return payment fee. Such checks/payments shall be replaced by the customer with cash or money order, including the returned payment fee as determined by the Agency, in order to avoid a discontinuance of recycled water service.

10-1.4 **Delinquent Accounts:** The bill for recycled water service shall be delinquent if not paid within 30 days after billing. When delinquency occurs, a final notice will be mailed to the billing address. If payment has not been received 15 days after a final notice has been issued, the service address, if different from the billing address, will be tagged 48 hours in advance of scheduled turn off to give the customer opportunity to pay the outstanding account. If customer does not pay the outstanding account or make arrangements for payment by the date of scheduled turn off, then service may be discontinued without further notice.

Service shall not be restored to the premises until all charges outstanding must be paid including fees, if any, have been paid in full. An owner whose service has been discontinued for nonpayment of bills, or whose deposit shall have been applied in whole or in part to the payment of any bills, will be required to reestablish credit by a cash deposit in accordance with Section 8-1.

A customer who has a delinquency for any premises served by the Agency may not receive recycled water service, water service, or sewer service on another premise

until all delinquencies, including fees, are paid in full. Additionally, when a service has been terminated for nonpayment, all charges may be transferred to another account held in the sole name of the same owner. This account will become delinquent if payment is not made within 15 days from the date of delinquency transfer, and will be subject to turnoff without further notice. The Agency may file liens against the property or any other properties owned by the delinquent customer within the State of California to enforce collection of delinquent accounts.

10-2 **Meter Test at Customer's Request:**

10-2.1 **General Provisions:** A customer may request the Agency test the meter serving the premises. The Agency will require the customer to deposit an amount for such test in accordance with Section 6-6. The deposit will be returned if the meter is found to register more than two percent fast. The Agency shall require the customer's presence when the test is conducted. A written report of the test will be available to the customer.

10-3 **Adjustment of Bills for Meter Error:**

10-3.1 **General Provisions:** When a meter is found to be out of order, the charge for recycled water will be based, at the option of the Agency, on one of the following:

The average monthly consumption for the three preceding months during which the meter is known to have registered correctly, or;

An estimate of consumption based either upon the customer's prior use during the same season of the year or upon a reasonable comparison with the use of other customers receiving the same class of service during the same period and under similar circumstances and conditions, or;

The consumption as registered by a substitute meter, or;

In accordance with Section 10-3.3.

10-3.2 **Meter Reading Inaccessibility:** When a meter is covered or otherwise inaccessible so that it cannot be read, an average bill will be rendered and accumulated errors, if any, will be adjusted when the meter is first thereafter read.

10-3.3 **Adjustment Based on Meter Test:** If a meter tested in accordance with Section 10-2 is found to be registering more than five percent fast, another meter will be installed and the Agency will refund to the customer the meter test deposit plus the amount of the overcharge based on corrected meter readings for the period the meter was in use, but not to exceed a period of four months immediately proceeding the request for the meter test.

When, upon testing, a meter is found to be registering more than 5 percent slow, the Agency may bill the customer for the amount of the undercharge based on corrected meter readings for the period the meter was in service but not to exceed a period of two months immediately preceding the request for the meter test. The meter test deposit will be retained by the Agency to cover the testing of the meter.

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SECTION 11 – CROSS CONNECTIONS

- 11-1 **General Provisions:** There shall be no connections installed, located, maintained, or operated between the recycled water supply system of the Agency, including its appurtenant mains, pipes, fixtures and equipment, and any other water supply system which might cause contamination or pollution of the water and physical parts of the Agency's water system. The Agency shall have the right to discontinue the supply of recycled water to the premises where this condition exists.
- 11-2 **Protection from Cross Connections and Backflow:** Water service connections shall be protected from the hazards of cross connection and backflow in accordance with the regulations of the California State Department of Public Health, the County of Riverside, this Agency, or any other provision of law.
- 11-3 **Installation and Maintenance of Devices:** Flow control devices of an approved type shall be installed and maintained at the expense of the customer in accordance with Sections 6-1.4 for installation and 7-1.3 for monthly charges.
- 11-4 **Discontinuance of Service:** The service of recycled water to any premises may be discontinued by the Agency without notice if unprotected cross connections exist on the premises, or if a defect is found in an installed backflow protection device, or if a backflow protection device has been removed or bypassed, and service will not be restored until such conditions or defects are corrected. Discontinuance of service may be summary, immediate, and without notice whenever, in the judgment of the General Manager, such action is necessary to protect the potable water supply or the safety of the potable water system, and the Agency's determination shall be final and conclusive.
- 11-5 **Testing Charges:** All flow control devices shall be tested at least once a year, or more often in those instances where successive inspections indicate repeated failure. The defective devices shall be repaired, overhauled or replaced at the expense of the customer. A charge shall be added to the recycled water bill for testing and minor repairs. Charges for repairs amounting to \$100 or more, including applicable overheads, will be billed to the customer separately.

SECTION 12 – ENFORCEMENT

- 12-1 **General Provisions:** The following procedures are established for enforcement of these Regulations, not for penalty. All customers shall be held strictly responsible for any and all acts of tenants, agents, or employees, and those customers shall be liable for any expense, loss, or damage incurred by the Agency, all pursuant to these Regulations.
- 12-2 **Violations:**
- 12-2.1 **Written Notice:** Any person found in violation of these Regulations will be notified pursuant to Section 9-1.1, except when immediate discontinuance of service is required as provided for in that Section.
- 12-2.2 **Corrective Action:** Upon notification by the Agency of any violation of these Regulations, the customer shall immediately take whatever corrective action may be necessary.
- 12-3 **Discontinuance of Service:** The Agency may discontinue service for any violation of the Regulations as provided in Section 9-1 and 11-4.

SECTION 13 – SEVERABILITY

- 13-1 **Severability of Regulations:** These Regulations and the various sections, parts and clauses thereof, are hereby declared to be separable. If any part, section, subsection, paragraph, sentence, clause, or phrase of these Regulations is for any reason held to be unconstitutional or unlawful, such provision shall not affect the validity of the remaining portions of these Regulations.

SECTION 14 – WASTEWATER RECLAMATION MEMORANDUM OF UNDERSTANDING

- 14-1 **General Provisions:** Nothing in this ordinance should be interpreted or construed to modify, alter, or supersede any portion or terms of the Wastewater Reclamation Memorandum of Understanding between the City of Palm Springs and the Desert Water Agency dated June 12, 1985.

SECTION 15 - ADOPTION

- 15-1 **Effective Date:** Except as otherwise provided herein, this Ordinance becomes effective on July 1, 2017.
- 15-2 **Previous Ordinance Repealed:** Ordinance No. 60 is hereby repealed.

ADOPTED this 20th day of June 2017.

James Cioffi, President
Board of Directors

ATTEST:

Kristin Bloomer, Secretary-Treasurer
Board of Directors

**ORDINANCE NO. 68
DESERT WATER AGENCY**

**REGULATIONS GOVERNING
SEWER SERVICE**

EFFECTIVE DATE: July 1, 2017

REGULATIONS GOVERNING SEWER SERVICE

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REGULATIONS GOVERNING SEWER SERVICE

SECTION 1 - DEFINITION OF TERMS

- 1-1 **AGENCY DEFINITIONS:** Whenever the words defined in this section, or pronouns used in their stead, occur in these Rules and Regulations, they shall have the meanings here given:
- 1-1.1 **AGENCY** shall mean the Desert Water Agency organized and operated pursuant to the provisions of the Desert Water Agency Law, Stats.1961, Ch. 1069.
- 1-1.2 **APARTMENT** shall mean any dwelling unit within a building containing three or more dwelling units with separate plumbing facilities, but shall not include any building commonly known as a hotel, motel, or condominium.
- 1-1.3 **APPLICANT** shall mean an individual, partnership, corporation or agency which is the owner of the premises for which sewer service is being applied.
- 1-1.4 **BOARD** shall mean the Board of Directors of the Desert Water Agency.
- 1-1.5 **BUILDING SEWER** shall mean the customer's pipeline extending from the customer's house, building or structure, which receives waste discharge from the house, building, or structure and conveys it to the street lateral.
- 1-1.6 **CAPACITY CHARGE** shall mean a charge levied on a premises for the purpose of providing treatment capacity in a waste water reclamation plant and for conveyance capacity in the sewer system.
- 1-1.7 **CITY** shall mean the City of Palm Springs.
- 1-1.8 **CONDOMINIUM** shall mean a unit of a development as defined in Section 1350 of the Civil Code.
- 1-1.9 **CONNECTION CHARGE (Front Footage Charge)** shall mean a charge levied by the Agency on any premises for the purpose of providing sewer service.
- 1-1.10 **CONTRACTOR** shall mean any individual, firm, corporation, partnership, or association duly licensed to perform work by the State of California in connection with the installation of sewer facilities.
- 1-1.11 **CUSTOMER** shall mean the owner of the premises receiving sewer service.
- 1-1.12 **DEVELOPER** shall mean a person, firm, corporation, partnership, or association who proposes to develop real property, or who subdivides real property for purposes of development.

- 1-1.13 **DISTRICT** shall mean the Coachella Valley Water District.
- 1-1.14 **DUPLEX** shall mean any building containing two dwelling units, excluding any building commonly known as a hotel, motel, apartment, or condominium.
- 1-1.15 **DWELLING UNIT** shall mean a single family residence; each unit of a duplex, triplex or greater number of similar units; each unit of an apartment, condominium, motel, hotel, and each mobile home.
- 1-1.16 **EFFLUENT** shall mean waste water or other liquid, partially or completely treated, or in its natural state, flowing out of a treatment plant, or associated basin or reservoir.
- 1-1.17 **EQUIVALENT DWELLING UNIT (EDU)** shall mean a single family residence; each unit of a duplex, triplex, or a greater number of similar units; each unit of an apartment complex, condominium complex, and each mobile home. Each recreational vehicle or travel trailer park space, and motel or hotel, shall constitute 0.5 equivalent dwelling units. Equivalent dwelling unit (EDU) for commercial use shall be based on actual water consumption or as determined by Agency.
- 1-1.18 **FIXTURE UNIT (FU)** shall mean a unit value determined by the plumbing and fixture design for both the water supply and wastewater for each building.
- 1-1.19 **GENERAL MANAGER** shall mean the General Manager of the Desert Water Agency.
- 1-1.20 **INDUSTRIAL WASTES** shall mean industrial process wastes, including wastes from any producing, manufacturing, processing, or treatment process.
- 1-1.21 **INSTALLATION CHARGE** shall mean a charge levied on any premises covering material, labor, and equipment for installing sewer system facilities.
- 1-1.22 **INTERCEPTOR / SEPARATOR SURCHARGE** shall mean the charge established to provide inspection of an interceptor / separator as determined necessary.
- 1-1.23 **INTRACT** or **ONSITE** shall mean that area which lies inside the peripheral boundary of a subdivided area and/or a developed area.
- 1-1.24 **LOCAL AGENCY** shall mean a city, county, or city and county.
- 1-1.25 **LOT** shall mean a parcel or that portion of a parcel of land which is delineated or described as a single integral unit of a subdivision or parcel map.
- 1-1.26 **MONTHLY SERVICE CHARGE** shall mean a charge levied on any premises for the purpose of covering costs for operating, maintaining and replacing the facilities, providing sewer service, and for billing, collection, and administrative costs.

- 1-1.27 **OFFTRACT** or **OFFSITE** shall mean that area which lies outside the peripheral boundary of a subdivided area and/or a developed area.
- 1-1.28 **PERSON** shall mean any individual, firm, corporation, company, political subdivision, city, county, district, the State of California, or the United States of America, or any department or agency thereof. The singular shall in each case include the plural.
- 1-1.29 **PREMISES** shall mean any lot, or property, or any building or other structure.
- 1-1.30 **PRIVATE PLUMBING** shall mean the customer's pipeline and appurtenances extending from a point designated by the Agency or at the point of connection to the Agency's lateral to the customer's house, building, or structure.
- 1-1.31 **REGULATIONS** shall mean the current edition of, and any amendments or revisions to, the Agency's Regulations Governing Sewer Service.
- 1-1.32 **SERVICE AREA** shall mean that area for which the Agency provides sewer service.
- 1-1.33 **SERVICE CONNECTION** shall mean the same as **STREET LATERAL**.
- 1-1.34 **SEWAGE** shall mean any untreated residential, commercial, or industrial wastewater or liquid introduced into the sewer system.
- 1-1.35 **SEWER SERVICE** or **SERVICE** shall mean the furnishing of facilities for the collection, treatment and disposal of sewage, and all the administrative functions auxiliary thereto.
- 1-1.36 **SEWER SYSTEM** shall mean the facilities for collection, treatment and disposal of sewage constructed by the Agency, maintained and operated by the Agency for the purpose of providing sewage service.
- 1-1.37 **SEWER MAIN** or **SEWER** shall mean any sanitary sewage or treated industrial waste, or both, consisting of pipe and appurtenances including cleanouts and manholes for the collection of sewage and conveyance thereof.
- 1-1.38 **SEWER EXTENSION** shall mean the installation of any sewer and appurtenances, either intract or offtract beyond the existing sewer system.
- 1-1.39 **STANDARD SPECIFICATIONS** shall mean the current edition of the Standard Specifications for the Construction of Sewer Systems of the Agency.
- 1-1.40 **STREET LATERAL** shall mean that service piping between a sewer main and the customer's private plumbing.

- 1-1.41 **STREET SEWER** shall mean that portion of any sewer main controlled by the Agency, located in a street, alley, easement, thoroughfare or right of way which is used for connections to serve individuals, premises, customers, and the general public.
- 1-1.42 **SUBDIVISION** shall mean the division of any improved or unimproved land shown on the latest equalized county assessment roll as a unit or as contiguous units, for the purpose of sale, lease, or financing, whether immediate or future, except for leases of agricultural land for agricultural purposes. SUBDIVISION includes a condominium project or an apartment project.
- 1-1.43 **WASTE WATER RECLAMATION PLANT** shall mean any arrangement of devices and structures used for treating sewage.
- 1-2 **Other Definitions:** Words or terms not defined above shall be defined in accordance with the **Glossary - Water and Waste Water Control Engineering** prepared by the American Public Health Association and the Water Pollution Control Federation.

SECTION 2 - AUTHORITY

- 2-1 **General Authority:** The General Manager may prescribe and enforce rules and procedures not in conflict or inconsistent with existing regulations to implement the application, administration, interpretation, and enforcement of these Regulations.
- 2-2 **Revision of Fees and Charges:** The Board may from time to time, by motion, resolution, or ordinance, add, fix, alter, change, amend or revise any fees or charges for facilities and services.
- 2-3 **Authority of Inspectors:** The General Manager or his duly authorized representatives and/or employees of the Agency shall be permitted to enter upon all premises to which sewer service is being provided for the purpose of determining the size, depth, grade, location, and condition of any sewer facility, and to determine the location and discharge connections of plumbing fixtures; and inspection, observation, measurement, sampling, and testing of the quantity and nature of sewage being discharged to any sewer in accordance with the provisions of these Regulations.

SECTION 3 – SEWER SERVICE

- 3-1 **Required Service Connection:** Upon providing a sewer in any area within the Agency's service area, the Agency may declare the further maintenance or use of septic tanks or any other local means of sewage disposal in such area to be a public nuisance and may require all buildings to be connected with the sewer within 90 days from the completion of such sewer or within 90 days after written notice. In any event, the prevailing monthly sewer charge shall be imposed to all such developed properties at the expiration of the 90 day notice period. A sewer will be deemed available if the main sewer has been constructed and is available for use in any public street, alley, or right of way within 100 feet of the building to be served.
- 3-2 **Changes in Customer's Equipment:** Customers making any material change in the size, character or extent of the equipment or operations utilizing sewer service, or whose change in operation results in an increase in the discharge of wastewater, shall immediately give the Agency a written notice of the nature of the change.
- 3-3 **Changes in Collection System:** Any person making improvements or changes which will result in cutting, refitting, relocating, raising or lowering of street laterals, sewer mains or other parts of the sewer system by the Agency will be required to agree in writing to indemnify the Agency for all costs incurred by the Agency in making such changes. When the location of a street lateral is changed at the customer's request, the cost of making such change will be at the customer's expense.
- 3-4 **Agency Consent:** No premises shall receive sewer service without prior consent of the Agency. No consent shall be given unless proper application has been made as provided in Section 4, and applicable charges have been paid in accordance with these Regulations. The applicant is responsible for paying all costs and expenses incidental to the installation and maintenance of the customer's own private plumbing facilities.
- 3-5 **Damage to Agency Facilities:** When damage is due to a line break or other system impairment, the person causing the break or impairment shall pay all costs incurred by the Agency in repairing such damage, including staff and overhead costs. In situations which in the discretion of the General Manager are emergencies, an additional charge in the amount of 100% of the above figure shall be imposed to attempt to recoup in behalf of the Agency and its sewer service customers all direct and indirect costs of such damage, including the threat to the public health and safety caused thereby. In such emergency situations, the minimum billing shall be \$500 because of the necessary, intangible and indirect costs of all such emergencies to the Agency and its sewer customers.

- 3-6 **Unauthorized Connections:** It shall be a violation of these Regulations to alter, disturb, uncover, use, make any connections to, or openings into any street sewer or appurtenances thereto without first obtaining permission in writing from the Agency. No person shall make a connection of roof downspouts, exterior foundation drains, areaway drains, air conditioning drains, swimming pool drains, or other sources of surface runoff or ground water to a street lateral which is connected directly or indirectly to a street sewer.
- 3-7 **Responsibility for Private Plumbing Facilities:** The Agency has no responsibility in the maintenance and operation of a customer's sewer system beyond the point of ownership by the Agency. The customer shall be responsible and liable for his own private plumbing facilities. The customer shall, at his own risk and expense, furnish, install, and keep in good and safe condition all the equipment that may be required for discharging sewage. The Agency shall not be responsible for any loss or damage caused by the improper care or wrongful act of the customer or of any of his tenants, agents, employees, contractors, licensees, or permittees in installing or maintaining, using, operating, or interfering with such equipment. The Agency shall be kept whole and harmless at all times of any claims resulting from matters involving quantities, quality, time or occasion of service, or any other phase of the maintenance, operation, and service of a customer's sewer system.
- 3-8 **Notification of Change of Ownership:** It shall be the duty of every owner signing an application for sewer service to notify the Agency of any change in the ownership of said premises at least two (2) business days prior to such change. Every applicant shall be liable for the sewer service furnished pursuant to such application until the Agency receives written notice to cancel such service. Upon discovery of ownership change, sewer service will be discontinued unless the subsequent owner makes arrangements with the Agency to continue the service. Discontinuance of sewer service may require discontinuance of water service from the Agency.
- 3-9 **Access to Premises:** The Agency's duly authorized agents shall at all reasonable times have the right to enter the customer's premises for any purpose properly connected with its operations.
- 3-10 **Responsibility:** The Agency's responsibility ends at the customer connection to Agency facilities located within Agency or public right-of-way.
- 3-11 **Ownership:** All street laterals shall remain at all times the property of the Agency.
- 3-12 **Maintenance:** Street laterals located within an Agency or public right-of-way shall be maintained and repaired by the Agency. Any expense caused to the Agency shall be charged to the customer whenever the act, negligence or carelessness of the customer results in the need for repair by the Agency. If determined by Agency that customer's responsibility begins at the wye connection of the lateral, maintenance and repairs to said lateral shall be performed by the customer.

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Replacement: Street laterals within an Agency or public right-of-way shall be replaced by the Agency when rendered unserviceable through normal wear and tear, at the Agency's expense. Whenever the act, negligence, or carelessness of the customer results in the need for replacement of street laterals by the Agency, the expense of replacement will be charged to the customer. In locations where the applicant's premises do not directly abut on a public thoroughfare, the Agency shall not be responsible for replacement of that portion of the lateral that extends beyond the Agency or public right-of-way which shall be a portion of the customer's private plumbing.

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SECTION 4 – SEWER SERVICE CONNECTIONS

- 4-1 **Application:** An applicant who desires sewer service must complete an application form supplied by the Agency. Each applicant for sewer service may be required to establish credit in accordance with Section 8.
- 4-2 **Premises To Be Served:** The applicant shall describe the premises to be served, and only the premises so specified will be connected to the sewer. The Agency reserves the right to make separate connections to each and every unit, or to make a single connection to the entire premises.
- 4-3 **Division of Property:** Whenever property having a street lateral is divided into two or more parcels, the existing street lateral shall serve only the parcel which it directly enters, and new street laterals shall be required for each of the remaining parcels.
- 4-4 **Separate Service Connections:** A street lateral of size and material specified by the Agency shall be required for service to each lot or parcel of a subdivision.
- 4-5 **Approval of Drawings:** Every connection made to any sewer main from any premises shall be installed in accordance with the Agency's Standard Specifications. Sewer drawings will be required and they shall depict plan and profile views of proposed facilities. All drawings and specifications shall substantially conform to the Agency's Standard Specifications and shall be submitted to the Agency in advance of construction for prior approval by the Agency.
- 4-6 **Licensed Contractors:** Only duly authorized and licensed contractors, or employees or agents of the Agency shall be permitted to install sewer facilities.
- 4-7 **Street Lateral Size:** The Agency reserves the right to determine the size of the street lateral.
- 4-8 **Street Lateral Location:** Where practicable, the street lateral may be installed at a location selected by the applicant, but the Agency reserves the right to determine the location in relation to boundaries of the premises to be served. Customarily, a street lateral will terminate at a point behind and adjacent to the curb in streets or adjacent to the property line where no curb exists. In locations where the applicant's premises do not directly abut on a public thoroughfare, the Agency, at its option, may approve the installation of a street lateral of conventional length terminating at some practicable location on public property or on an Agency-owned easement, and the applicant has the responsibility of connecting thereto. In the event the applicant's building sewer is installed prior to the time the street lateral is installed, and its location does not correspond with that of the street lateral, then the applicant must bear the additional cost of connecting the street lateral piping with the applicant's building sewer.

- 4-9 **Installation:** All street laterals to be installed by a developer shall be plugged. Connection to the building sewer is prohibited unless otherwise approved in writing by the Agency.
- 4-10 **Cost of Installation:** The Agency will permit the installation of street laterals to the applicant's premises at the applicant's expense.
- 4-11 **Interceptors / Separators:** All interceptors/separators (i.e. grease, oil, sand and lint traps) shall be installed in accordance with the applicable governmental and/or Agency requirements. The applicant shall pay the cost of installation and maintenance. The Agency may at any time inspect the installation and the operation of the facility and require the applicant to perform any maintenance necessary. In all cases, the Agency shall be the final authority in determining the requirements of the installation and inspection of all interceptors/separators.
- 4-11.1 **Interceptor / Separator Surcharge:** The prevailing Interceptor/Separator Surcharge as provided for in Section 7-2 will be imposed on all premises required to install interceptors/separators.
- 4-11.2 **Interceptor / Separator Installation:** No interceptor/separator shall be installed without prior approval from the Agency. Applicant shall notify the Agency two (2) business days prior to the start of installation and all installations shall be inspected by the Agency at the applicable hourly rate paid for an inspector by the Agency.
- 4-12 **Plan Checking:** The Agency will review and check the drawings for sewer service connections, where sewer main extensions are not required, at the applicant's expense as provided in Section 6-3. Plan Check Fees, as provided in Section 6-3, shall not apply to applicants for sewer service connections to single family residences (classified as R-1).
- 4-13 **Inspection and Connection:** Every connection made to any sewer main shall be subject to inspection in accordance with Section 6-4. The Agency may have an inspector in attendance at all times during the actual work of connection.

SECTION 5 – SEWER EXTENSIONS

5-1 **General Provisions:**

5-1.1 **Individual Extensions:** The Agency will permit extension of its sewer mains and street laterals to individual's premises at the individual's expense subject to the Agency's requirements and conditions.

5-1.2 **Agency Ownership:** Any such facilities which do not constitute private plumbing will be the sole property of the Agency upon acceptance by the Agency. Before service is provided for permanent or temporary use, the applicant shall execute any and all documents required by the Agency to vest title to those facilities in the Agency.

5-1.3 **Specifications:** The size, type, quality of materials, and their actual construction will be done in accordance with the Agency's Standard Specifications and the approved drawings. Construction shall be performed by a contractor acceptable to the Agency or by the Agency itself with its own forces. The installation of the sewer extension will be under the inspection of and subject to the approval of the Agency.

5-1.4 **Costs:** Adjustment of any difference between the estimated cost and the actual cost of any sewer extension constructed hereunder will be made as provided in Section 5-2.2.

5-1.5 **Feasibility:** The right is reserved, as the interests of the Agency may require, to determine the economic and/or engineering feasibility of any sewer extension and the Agency will not approve extensions for which the feasibility is uncertain as determined by the Agency in its sole discretion.

5-1.6 **Location:** Sewer extensions will be required in all streets fronting the premises and to be installed in conjunction with proposed street improvements to the premises. Sewer extensions will be located in streets, in easements provided to the Agency by the applicant, in easements obtained by the Agency, or in property deeded to the Agency. Prior to installing a sewer extension, the applicant shall provide the Agency with such easements or deeds as may be necessary or reasonably appropriate to the operation thereof. The Agency will not be required to make extensions where street grades have not been brought to those established by public authority.

5-1.7 **Parallel Mains:** Where the premises are located adjacent to a street exceeding 70 feet in width, or a freeway, waterway, or railroad right of way, the Agency may elect to install a sewer main extension on the same side thereof as the premises in lieu of extending a service connection across said street, freeway, waterway, or railroad right of way from an existing or proposed unit. Parallel mains may also be required to eliminate island or median crossings of sewer laterals.

- 5-1.8 **Agency Right to Allow Connections:** The Agency shall have the right at any time to allow other users to connect to the Agency's sewer system at any location, whether built by the Agency or by another party and transferred to the Agency, subject to payment of such fees as may be required by agreement or by resolution of the Board.
- 5-1.9 **Minimum Sizing:** The Agency will not permit a sewer main extension of less than eight inches in diameter unless approved in advance by the Agency.
- 5-1.10 **Agency Right to Design and Construct:** The Agency reserves the right to design and construct sewer facilities at its discretion. The cost of said facilities shall be borne by the applicant including but not limited to design, materials, and installation.
- 5-2 **Types of Extensions:**
- 5-2.1 **General:**
- 5-2.1.1 **Oversizing:** If the Agency requires a size or type of sewer extension in excess of the requirements of the applicant, the applicant will be reimbursed for the additional incremental cost of the material for the oversized requirement only, pursuant to the terms and conditions fixed by the Agency's General Manager.
- 5-2.1.2 **Offtract Improvements:** If offtract improvements are required to serve the applicant's intract improvements, the cost of required facilities shall be borne by the applicant, including but not limited to design, materials and installation.
- 5-2.1.2.1 **Main Extension Refund Agreement:** The Agency may elect to enter into a refunding agreement with the applicant. The refunding agreement shall contain such terms and conditions as the Board shall from time to time deem appropriate. Any refund shall be based on a front footage charge.
- 5-2.2 **By Agency:** The Agency, at its option, may extend its sewer system to the applicant's premises at the applicant's expense. The applicant shall pay the Agency a deposit equal to the estimated cost of the sewer extension, as determined by the Agency. Said deposit shall be used to compensate the Agency and/or any contractors and suppliers engaged by the Agency in the installation of the sewer extension. Within 60 days after the cost of the sewer extension has been determined, any difference between the cost and the deposit shall be paid by or refunded to the applicant. The Agency will not be required to pay interest on the deposit. Where two or more applicants apply for service from the same sewer extension, the Agency may allocate the costs proportionately.

- 5-2.3 **By Applicant:** The applicant shall furnish security to the Local Agency to guarantee the installation of the sewer extension in the amount equal to the estimated cost thereof as determined by the Agency. The applicant will be required to deposit with the Agency a sum of money equal to twenty percent of the estimated construction costs as determined by the Agency for the purpose of covering the cost of inspection and incidentals. The sewers and appurtenances shall be installed by a contractor holding a valid California Contractor's license in accordance with the provisions of Division 3, Chapter 9, of the Business and Professions Code of the State of California, or any amendments thereto. As used in this Section, the word "applicant" shall be deemed to include the word "subdivider."
- 5-3 **Inspection:** The Agency will provide inspection of the sewer extension at the applicant's expense as provided in Section 6-4.
- 5-4 **Plan Checking:** The Agency will review and check the drawings for the sewer extension prior to approval at the applicant's expense as provided in Section 6-3.
- 5-5 **Design Review:** The Agency will perform design review for tentative projects on an actual cost basis. An estimate will be prepared by the Agency prior to performing said review in accordance with Section 6-5.

SECTION 6 – FEES AND CHARGES

- 6-1 **Capacity Charges:** Each applicant shall pay to the Agency a sewer capacity charge, then in effect, as established by resolution of the Board. Capacity charges are based on equivalent dwelling units (EDU) and/or fixture units (FU) as determined by the Agency, and are subject to revision from time to time.
- 6-1.1 **Time of Payment:** The Capacity Charge shall be paid to the Agency prior to issuance of a financial arrangement letter from the Agency to the appropriate governmental entity or prior to the provision of water or sewer service, whichever occurs first.
- 6-2 **Connection Charges (Front Footage Charge):** Every applicant who wishes to connect to the Agency's sewer system shall execute the Agency's standard sewer service application and pay the Connection Charge where applicable in an amount established by resolution of the Board.
- 6-2.1 **Time of Payment:** The Connection Charge shall be paid to the Agency prior to issuance of a financial arrangement letter from the Agency to the appropriate governmental entity or prior to the provision of water or sewer service, whichever occurs first.
- 6-2.2 **Exemption:** A developer who installs sewer facilities in accordance with Section 5-2.3 shall not be charged a Connection Charge for those sewer facilities that developer installs.
- 6-3 **Plan Check Fees:** Plan Check Fees are established by resolution of the Board and shall be charged for the Agency's services in checking the drawings for required sewer facilities.
- 6-4 **Inspection Fees:** The Agency shall provide inspection at the applicant's expense at the applicable hourly rate paid by the Agency for an inspector plus approved administrative and general charges.
- 6-5 **Design Review Fees:** Design Review Fees are established by resolution of the Board and shall be charged for the Agency's services in analyzing the sewer requirements for proposed developments.
- 6-6 **Development Review Charge:** Development Review Charges are established by resolution of the Board and shall be charged for the Agency's service in the preparation of will-serve letters, developer bond amounts, and response to initial studies.

SECTION 7 – MONTHLY CHARGES

- 7-1 **Monthly Service Charges**: The monthly charge for all types or classes of service shall be set by Resolution of the Board. Service Charges are based on equivalent dwelling units (EDU) and/or fixture units (FU) as determined by the Agency and are subject to revision as deemed necessary.
- 7-1.1 **Quantitative Charges**: A Quantitative Charge for other than residential use and irrigation purposes shall be charged for metered water use as established by resolution of the Board.
- 7-1.2 **Treatment By Other Entities**: Charges include those payments the Agency is required to make to other entities to cover operation and maintenance and “in lieu of” taxes.
- 7-2 **Interceptor / Separator Surcharge**: The monthly charge for those premises with interceptors/separators shall be set by resolution of the Board.

SECTION 8 – CREDIT POLICY

- 8-1 **Establishing Credit:** Sewer service, in all cases, will be kept in the name of the owner for water service. Each application for sewer service will be required to establish credit to the satisfaction of the General Manager before service will be rendered. Owner credit for sewer service will be deemed established with no additional deposit required, provided the requirements for establishing credit for water service has been approved

SECTION 9 – DISCONTINUANCE AND RESTORATION OF SERVICE

9-1 **Discontinuance of Service:**

- 9-1.1 **Agency Initiated:** The Agency has the right to discontinue water or sewer service, or both, if a customer fails to comply with these Regulations. Under such circumstances, the Agency will make a reasonable effort to notify the customer. Prior to discontinuance of service, notice is not necessary when the noncompliance, violation or infraction of these Regulations by the customer results in a dangerous or unsanitary condition on the premises, or in the sewer system, or elsewhere. In such case, the Agency may order immediate discontinuance of service.

Before discontinuing service, subject to the exception as otherwise provided above, the Agency will give the customer a notice in writing specifying the reason or reasons why service may be discontinued and granting an opportunity to be heard within five days of receipt of said notice. If the customer fails or refuses to comply with the notice or fails to require an opportunity to be heard within a period of five days after presentation of the notice, then the Agency may discontinue service to the customer. If the person requests the opportunity to be heard and is heard, the Agency will thereafter determine if service shall be continued.

- 9-1.2 **At Customer's Request:** A customer may have service discontinued by notifying the Agency at least two (2) business days in advance of the desired date of discontinuance. Service will only be discontinued on the Agency's normal working days and during normal working hours unless approved by the Agency in advance.

9-2 **Restoration of Service:**

- 9-2.1 **General Provisions:** A customer whose service has been discontinued may have it restored by making application.
- 9-2.2 **Unauthorized Restoration:** It shall be a violation of these Regulations, and a crime, for any person to make an unauthorized reconnection to the Agency's sewer system once service has been discontinued, in accordance with Section 3-6.

SECTION 10 – BILLING AND COLLECTION

10-1 **Rendering of Bills:** The charges fixed for any premises served shall be billed and collected with the charges for water service furnished by the Agency. Bills for sewer service shall be rendered monthly and are due and payable upon receipt. Any check or electronic payment submitted for payment of sewer service which is not honored and returned by the bank shall be subject to a return payment fee. Such checks not paid in cash, money order or cashier's check by the customer shall result in a discontinuance of sewer or water service.

10-2 **Proration of Bills:** The charges applicable to opening periods, closing bills and bills rendered for periods corresponding to less than one month will be computed as follows:

The amount of the minimum charge and the quantity allowed therefore will be prorated on the basis of the ratio of the number of days in the period that service is provided to the number of days in an average billing period. The measured quantity of usage will be applied to such prorated amounts and quantities.

10-3 **Payment of Bills:** During each month, the Agency shall mail a statement covering charges for all sewer service received by the customer during the preceding month. Charges shall be due and payable upon receipt of the statement. If it is necessary for the Agency to visit the premises to collect payment, a collection charge to be determined by the General Manager will be added to the amount owing. Any check or electronic payment submitted for payment of sewer service which is not honored and has been returned by the bank shall be subject to a return payment fee. Such payments shall be replaced by the customer with cash, money order or cashier's check including a returned payment fee as determined by the Agency in order to avoid discontinuance of sewer and water service.

10-4 **Delinquent Accounts:** The bill for sewer service shall be delinquent if not paid within 30 days after billing. When delinquency occurs, a final notice will be mailed to the billing address. If payment has not been received 15 days after a final notice has been issued, the service address, if different from the billing address, will be tagged 48 hours in advance of scheduled turn off to give the occupant opportunity to pay the outstanding account. If occupant does not pay the outstanding account or make arrangements for payment by the date of scheduled turn off, then water or sewer service, or both, may be discontinued without further notice.

Service shall not be restored to the premises until all charges which are delinquent, including fees, if any, have been paid in full. An owner whose service has been discontinued for nonpayment of bills, or whose deposit shall have been applied in whole or in part to the payment of any bills, will be required to reestablish credit by a cash deposit in accordance with Section 8-1.

A customer who has a delinquency for any premise(s) served by the Agency may not receive sewer service, water service, or recycled water service on another premise until all delinquencies, including fees, are paid in full. Additionally, when

a service has been terminated for nonpayment, all charges may be transferred to another account held in the sole name of the same owner. This account will become delinquent if payment is not made within 15 days from the date of delinquency transfer, and will be subject to turnoff without further notice. The Agency may file liens against the property or any other properties owned within the State of California by the delinquent customer to enforce collection of delinquent accounts.

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SECTION 11 – REGULATIONS OF WASTE AND WATER

- 11-1 **Discharges:** Except as hereafter provided, no person or customer shall discharge or cause to be discharged any of the following described wastes or waters into any sewer of the Agency:
- 11-1.1 Any liquid or vapor having a temperature higher than 150°F.
- 11-1.2 Any waters or wastes which contain more than 150 milligrams per liter (mg/L) of fat, oil or grease.
- 11-1.3 Any gasoline, benzine, naphtha, fuel oil, or other flammable or explosive liquid, solid or gas.
- 11-1.4 Any waste products resulting from the handling, storage and sale of fruits and vegetables in wholesale or retail produce establishments, and wastes from plants engaged in the preparation, processing, or preserving of foods not intended primarily for immediate consumption.
- 11-1.5 Any ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, coal tar, asphalt, cement, plastics, wood, paunch manure, or any other solid or viscous substance capable of causing obstruction to the flow in sewers or other interference with the proper operation of the sewer system.
- 11-1.6 Any waters or wastes having a pH lower than 5.0 or higher than 9.5 having any other corrosive property capable of causing damage or hazard to structures, equipment, or personnel engaged in the operation or maintenance of the sewer system.
- 11-1.7 Any waters or wastes having corrosive property capable of causing damage to or hazard to, or containing a toxic or poisonous substance in sufficient quantity to injure or interfere with the operation of a waste water reclamation plant, or to constitute a hazard to humans or animals.
- 11-1.8 Any waters or wastes containing dissolved, suspended, or settleable solids of such character and quantity that abnormal attention or expense is required to handle such materials in the sewer system.
- 11-1.9 Any noxious or malodorous gas or substance in a quantity capable of creating a public nuisance.
- 11-1.10 Any water or wastes having a biological oxygen demand (BOD) greater than 400 mg/L by weight.
- 11-1.11 Any water or wastes containing more than 500 mg/L by weight of suspended solids (SS).

- 11-1.12 Any waters or wastes containing wax, whether emulsified or not, in excess of 100 mg/L or containing substances which may solidify or become viscous at temperatures between 32°F and 150°F.
- 11-1.13 Any garbage that has not been properly shredded.
- 11-1.14 Any radioactive wastes or isotopes of such half-life or concentration as may exceed limits established by the Agency in compliance with applicable State or Federal regulations.
- 11-1.15 Unusual volume of flow or concentration of wastes constituting slugs.
- 11-1.16 Waters or wastes containing substances which are not amenable to treatment or reduction by the treatment processes employed, or are amenable to treatment only to such degree that the waste water reclamation plant effluent cannot meet the requirements of other agencies having jurisdiction.
- 11-1.17 Any storm water, surface water, ground water, roof runoff, subsurface drainage, cooling water, or industrial waste.
- 11-1.18 Any brines or dissolved salts in excess of 1000 mg/L to the sewer system including discharge of salts from regeneration of water softening units in industrial, commercial establishments and private residences and homes.
- 11-2 **Admission of Prohibited Discharges:** If any waters or wastes are discharged, or are proposed to be discharged to the sewer system, which waters or wastes contain the substances or possess the characteristics enumerated in Section 11-1, and which in the judgment of the Agency may have a deleterious effect upon the sewer system, or which otherwise create a hazard to life or constitute a public nuisance, the Agency may:
- 11-2.1 Reject the wastes.
- 11-2.2 Require pretreatment to an acceptable condition for discharge to the sewer system.
- 11-2.3 Require control over the quantities and rates of discharge to the sewer system.
- 11-2.4 Require payment to cover the added cost of handling the treatment of waters or wastes not covered by existing sewer charges under the provisions of these Regulations.
- 11-3 **Pretreatment:** Where required, in the opinion of the Agency, the customer shall provide at his own expense such pretreatment or handling as may be necessary to meet the Agency's requirements and any plans, specifications, and any other pertinent information relating to proposed preliminary treatment, interceptors/separators, or handling facilities shall be submitted for the approval of the Agency and no construction of such facilities shall be commenced until approval is obtained and standards set forth in this Section are met.

- 11-4 **Industrial Wastes:** Pretreatment of industrial wastes shall be in accordance with the Environmental Protection Agency pretreatment standards which have been promulgated for specific industrial classes.
- 11-5 **Maintenance of Pretreatment Facilities:** When pretreatment facilities are provided for any waters or wastes to meet the requirements of this Section, they shall be maintained in satisfactory and effective operation by the customer at its expense.
- 11-6 **Monitoring:**
- 11-6.1 **Control Manhole:** When required by the Agency, the customer discharging industrial wastes shall install a suitable control manhole together with such necessary meters and other appurtenances in the building sewer to facilitate observation, sampling, and measurement of the wastes. Such manhole shall be accessible and safely located, and shall be constructed in accordance with plans approved by the General Manager. The manhole shall be installed by the customer at customer's expense, and shall be maintained by the customer so as to be safe and accessible at all times.
- 11-6.2 **Sampling:** All measurements, tests, and analyses of the characteristics of water and wastes to which reference is made in these Regulations shall be determined in accordance with the latest edition of Standard Methods for the Examination of Water and Wastewater, published by the American Public Health Association, and shall be determined at the control manhole provided or upon suitable samples taken at said control manhole. In the event that no special manhole has been required, the control manhole shall be considered to be the nearest downstream manhole in the sewer system from the point where the building sewer is connected. Sampling shall be carried out by customarily accepted methods to reflect the effect of constituents upon the waste water reclamation plant and to determine the existence of hazards to life, limb and property.
- 11-6.3 **Interceptors / Separators:** (i.e. grease, oil, sand and lint) Interceptors / Separators shall be provided when, in the opinion of the Agency, they are necessary for the proper handling of liquid wastes containing grease in excessive amounts, or any flammable wastes, sand or other harmful ingredients; except that such interceptors / separators shall not be required for dwelling units. All interceptors / separators shall be of a type and capacity approved by the Agency, and shall be located as to be readily and easily accessible for cleaning and inspection. Interceptors / separators shall be maintained in continuously efficient operation at all times by the customer and at the customer's expense.

SECTION 12 – ENFORCEMENT

- 12-1 **General Provisions:** The following procedures are established for enforcement of these Regulations, not for penalty. All customers shall be held strictly responsible for any and all acts of tenants, agents or employees, and those customers shall be liable for any expense, loss, or damage incurred by the Agency, all pursuant to these Regulations.
- 12-2 **Violations:**
- 12-2.1 **Written Notice:** Any person found in violation of these Regulations will be notified pursuant to Section 9-1.1, except when immediate discontinuance of service is required as provided in that Section.
- 12-2.2 **Corrective Action:** Upon notification by the Agency of any violation of these Regulations, the customer shall immediately take whatever corrective action may be necessary.
- 12-3 **Discontinuance of Service:** The Agency may discontinue service for any violation of these Regulations as provided in Section 9-1.
- 12-4 **Abatements:** During any period of discontinuance of service, occupancy of such premises shall constitute a public nuisance, whereupon the Agency may cause abatement proceedings to be brought against said premises. In such event, and as a condition of restoration of service, the customer shall reimburse the Agency for reasonable attorney's fee and the cost of suit arising in said action, in addition to the charges provided for in Section 8 and Section 9.

SECTION 13 – SEVERABILITY

- 13-1 **Severability of Regulations:** These Regulations and the various sections, parts and clauses thereof, are hereby declared to be separable. If any part, section, subsection, paragraph, sentence, clause, or phrase of these Regulations is for any reason held to be unconstitutional or unlawful, such provision shall not affect the validity of the remaining portions of these Regulations.

SECTION 14 – EFFLUENT TO COACHELLA VALLEY WATER DISTRICT

- 14-1 **Provisions:** The provisions of this Section shall apply to all facilities constructed for the purpose of transporting effluent to the Coachella Valley Water District (“District”) for treatment or disposal.
- 14-2 **Plan Checks and Inspection:** Plans and specifications for construction of sewer facilities shall be subject to approval by the Agency, as well as by the District, at District’s request. Construction of the facilities will be subject to inspection by the Agency, as well as by the District, at District’s request. The developer of property requiring such construction shall pay to the Agency the prevailing charges for plan checking and inspection services, as determined by the Agency and District.
- 14-3 **Connections:** Agency shall notify and obtain District’s approval before connecting into District’s sewer system.
- 14-4 **Bonds:** The developer of any property shall provide such bonds or other security as the Agency and the District may require to ensure construction of sewer facilities. Neither the Agency nor the District shall be required to give assurances to any governmental agency that sewer service will be provided to the property until such security has been provided or the facilities have been accepted by the Agency and District.
- 14-5 **Transfer of Title:** Upon satisfactory completion of construction, a developer shall convey to District the title of those facilities lying within District’s boundaries. The developer shall convey to the Agency the title to those facilities lying within the Agency’s boundaries and within the boundaries of the Whitewater River Stormwater Channel. Title shall be free and clear of all mechanic’s liens, or other liens or encumbrances of any kind. The developer shall provide such evidence of clear title as may be required by the Agency or District. The developer shall also convey to the Agency and District all appropriate rights of way for such facilities. All instruments of conveyance shall be in a form approved by the Agency and District.
- 14-6 **Sewer Capacity Charge:** Each developer whose property is provided with sewer service shall pay to the Agency the Capacity Charge established by the Agency and in effect at the time application for service is made, but in no event shall such charge be less than that established by District.
- 14-7 **Operations and Maintenance:** The Agency shall operate and maintain all sewer facilities constructed pursuant to this Section, including such facilities as may be constructed within District’s boundaries.
- 14-8 **Monthly Charges:** Users shall pay a monthly charge for services provided by the Agency and District in an amount determined by resolution of the Board.
- 14-8.1 **District Charges:** The amount of the charge attributable to services provided by District shall consist of two components:

- 14-8.1.1 **Monthly Service Charge:** A monthly service charge equal to that charged by District within its Improvement District No. 80, less customer account expense.
- 14-8.1.2 **“In Lieu of Taxes” Charge:** An amount, as determined by District, to compensate District for the use of its sewer system, and to provide funds equal to taxes or other charges for sewer service collected from landowners and customers within District which are not applicable to customer outside of its boundaries.
- 14-8.2 **Agency Charges:**
- 14-8.2.1 **Monthly Service Charge:** The amount of the monthly charge attributable to the Agency shall include the amount necessary as determined by the Agency, to cover its costs for upgrading and maintaining the facilities, for billing, collections, and administrative costs. The monthly charges are subject to change at any time by resolution of the Board.
- 14-9 **Termination:** The Agency shall have the right at any time to terminate the flow of effluent to District and to provide for the treatment or disposal of such effluent entirely within the Agency’s boundaries.

SECTION 15 – EFFLUENT TO CITY OF PALM SPRINGS

- 15-1 **Provisions:** The provisions of this Section shall apply to all facilities constructed for the purpose of transporting effluent to the City of Palm Springs (“City”) for treatment or disposal.
- 15-2 **Plan Checks and Inspection:** Plans and specifications for construction of sewer facilities shall be subject to approval by the Agency, as well as by the City, at City’s request. Construction of the facilities will be subject to inspection by the Agency, as well as by the City, at City’s request. The developer of property requiring such construction shall pay to the Agency the prevailing charges for plan checking and inspection services, as determined by the Agency and City.
- 15-3 **Connections:** Agency shall notify and obtain City’s approval before connecting into City’s sewer system.
- 15-4 **Bonds:** The developer of any property shall provide such bonds or other security as the Agency and the City may require to ensure construction of sewer facilities. Neither the Agency nor the City shall be required to give assurances to any governmental agency that sewer service will be provided to the property until such security has been provided or the facilities have been accepted by the Agency and City.
- 15-5 **Transfer of Title:** Upon satisfactory completion of construction, a developer shall convey to City the title of those facilities lying within City’s boundaries. The developer shall convey to the Agency the title to those facilities lying within the Agency’s boundaries. Title shall be free and clear of all mechanic’s liens, or other liens or encumbrances of any kind. The developer shall provide such evidence of clear title as may be required by the Agency or City. The developer shall also convey to the Agency and City all appropriate rights of way for such facilities. All instruments of conveyance shall be in a form approved by the Agency and City.
- 15-6 **Sewer Capacity Charge:** Each developer whose property is provided with sewer service shall pay to the Agency the Capacity Charge established by the Agency and in effect at the time application for service is made, but in no event shall such charge be less than that established by City in the City’s fee resolution.
- 15-7 **Operations and Maintenance:** The Agency shall operate and maintain all sewer facilities constructed pursuant to this Section, including such facilities as may be constructed within City’s boundaries.
- 15-8 **Monthly Charges:** Users shall pay a monthly charge for services provided by the Agency and City in an amount determined by resolution of the Board.
- 15-8.1 **City Charges:** The amount of the charge attributable to services provided by City be as established by the City in the City’s fee resolution. Monthly charges are subject to change at any time by resolution of the City.

- 15-8.2 **Agency Charges:** The amount of the monthly charge attributable to the Agency shall include the amount necessary as determined by the Agency to cover its cost for upgrading and maintaining the facilities, for billing, collections, and administrative costs. The monthly charges are subject to change at any time by resolution of the Board.
- 15.9 **Termination:** The Agency shall have the right at any time to terminate the flow of effluent to City and to provide for the treatment or disposal of such effluent entirely within the Agency's boundaries.

DRAFT

SECTION 16 - ADOPTION

- 16-1 **Effective Date:** Except as otherwise provided herein, this Ordinance becomes effective on July 1, 2017.
- 16-2 **Previous Ordinance Repealed:** Ordinance No. 59 is hereby repealed.

ADOPTED this 20th day of June 2017.

James Cioffi, President
Board of Directors

ATTEST:

Kristin Bloomer, Secretary-Treasurer
Board of Directors

STAFF REPORT TO DESERT WATER AGENCY BOARD OF DIRECTORS

JUNE 20, 2017

RE: REQUEST FOR ADOPTION OF RESOLUTION NOS. 1167, 1168 & 1169 ESTABLISHING RATES & FEES FOR DOMESTIC WATER SERVICE, RECYCLED WATER SERVICE & SEWER SERVICE

Overview

After a comprehensive rate study process with financial expert NBS, the Board of Directors implemented water, sewer and recycled water rates effective on January 1, 2017. As part of the adoption of the multi-year rate plan developed by NBS and approved at the 2016 Prop 218 hearing, the Board decided to assess future rate adjustments close to the proposed implementation date.

July 1, 2017 is the next planned step within the rate plan. Given the agency's current financial needs, staff recommends implementing the increases as planned. Though the drought is officially over, water use levels have remained low and even further unexpected costs have been incurred due to new requirements (example: City of Palm Springs street work requiring DWA to raise valve lids).

Resolution No. 1167 Establishing Rates, Fees and Charges for Domestic Water Service

The resolution **increases the volumetric rate for water from \$1.57 to \$1.72 per hundred cubic feet** and updates the water service charges for domestic water customers in accordance with what NBS proposed in their final rate study report.

Meter size	Current	Proposed July 1, 2017
5/8"-3/4"	\$14.41	\$18.12
1"	\$14.41	\$18.12
1 1/2"	\$27.52	\$34.59
2"	\$43.24	\$54.35
3"	\$85.18	\$107.06
4"	\$132.35	\$166.36
6"	\$263.40	\$331.08
8"	\$420.66	\$528.74
10"	-	\$1,385.28
12"	-	\$1,747.66

Resolution No. 1167 also updates the drought rate surcharge. Though we are not currently in a drought, staff recommends keeping the surcharge up to date and in line with the current water rates so that it is effective if needed. The drought rate surcharge would be implemented if later enacted by the Board of Directors in the case of extreme shortage. The baseline for the reduction is April 2015 to March 2016, which is a very low water use period. The Board would vote to enact the surcharge, which would only remain in place for six months unless increased or renewed by the Board. Staff will monitor consumption levels and revenues to alert the Board to consider action.

Additional use reduction required	Current per HCF	Proposed July 1, 2017 per HCF
10%	\$0.09	\$0.10
20%	\$0.21	\$0.22
30%	\$0.36	\$0.38
40%	\$0.56	\$0.59
50%	\$0.85	\$0.88
60%	\$1.27	\$1.31

Resolution No. 1167 adjusts the zone charges necessary to cover the costs associated with pumping water to higher elevations. This charge applies to a small portion of Desert Water Agency customers. The zone charges are as follows:

ZONE	Current per HCF	Proposed July 1, 2017 per HCF
A	\$0.16	\$0.18
B	\$0.22	\$0.24
C	\$0.53	\$0.56
D	\$2.30	\$2.43

Resolution No. 1168 Updating Fees for Recycled Water Customers

Staff recommends updating the fees to match the fees for domestic and sewer service. The fees are based on staff time. Staff time requirements are similar for recycled water customers.

Resolution No. 1169 Establishing Rates, Fees and Charges for Sewer Service

In its multi-year rate plan, NBS also studied the sewer charges that DWA imposes on its customers in the Cathedral City and Palm Springs area. NBS determined that the charges being imposed are not sufficient to cover DWA's costs. In addition to the rate listed below, DWA also passes through the charges for conveyance and collection from either CVWD (Cathedral City) or City of Palm Springs (Palm Oasis and Dream Homes). This is the only change proposed to the current resolution.

Sewer rate	Current	Proposed July 1, 2017
per EDU	\$5.36	\$5.55

Staff recommendation

Staff recommends that the Board of Directors adopt Resolution No. 1167 for domestic water rates, fees and charges; Resolution No. 1168 for recycled water rates, fees and charges; and Resolution No. 1169 on sewer rates, fees and charges.

RESOLUTION NO. 1167

RESOLUTION OF THE BOARD OF DIRECTORS OF DESERT WATER AGENCY ESTABLISHING RATES, FEES & CHARGES FOR DOMESTIC WATER SERVICE, BACKUP FACILITY, SUPPLEMENTAL IMPORTED WATER CAPACITY AND SERVICE CONNECTION CHARGES

WHEREAS, by previous action this Board has approved various rates, fees and charges for water service, as provided by law; and

WHEREAS, it is appropriate at this time to revise the Agency's monthly charges for water service and for several other water related services, while restating all other rates, fees and charges which remain unchanged; and

WHEREAS, on December 15, 2016, this Board conducted a majority protest hearing for proposed revisions to the Agency's monthly charges for water service over the next subsequent five years, as required by law, and determined that a majority protest did not exist; and

WHEREAS, having completed the public hearing, this Board wishes to take action to revise the Agency's monthly charges for water service in the manner proposed at the hearing while restating other fees and charges that shall remain unchanged at this time;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Desert Water Agency that the Agency's rates, fees and charges for water service shall be as follows:

1. Backup Facility Charges. Every applicant for a regular service connection shall, in addition to other charges, pay a Backup Facility Charge based on the size and location of the applicant's service and meter connection as follows:

<u>Meter</u>	<u>Charge</u>
5/8 x 3/4 inch	\$2,550
1 inch	\$6,375
1-1/2 inch	\$12,750
2 inch	\$20,405

Backup Facility Charges (Cont.)

<u>Zone A</u>	<u>Charge</u>
5/8 x 3/4 inch	\$4,225
1 inch	\$10,570
1-1/2 inch	\$21,145
2 inch	\$33,835

<u>Zone B</u>	<u>Charge</u>
5/8 x 3/4 inch	\$5,760
1 inch	\$14,405
1-1/2 inch	\$28,815
2 inch	\$46,105

<u>Zone C</u>	<u>Charge</u>
5/8 x 3/4 inch	\$6,245
1 inch	\$15,610
1-1/2 inch	\$31,225
2 inch	\$49,960

2. Supplemental Imported Water Capacity Charges. Every applicant for a regular service connection shall, in addition to other charges, pay a Supplemental Imported Water Capacity Charge based on the size of the applicant's service and meter connection as follows:

Meter Size

<u>Residential</u>	<u>Charge</u>
5/8 x 3/4 inch	\$1,370.00
1 inch	\$2,250.00
1-1/2 inch	\$4,440.00
2 inch	\$10,960.00
3 inch	\$72,070.00

<u>Commercial</u>	<u>Charge</u>
5/8 x 3/4 inch	\$1,250.00
1 inch	\$2,740.00
1-1/2 inch	\$8,830.00
2 inch	\$15,090.00
3 inch	\$21,350.00
6 inch	\$677,430.00

<u>Irrigation</u>	<u>Charge</u>
5/8 x 3/4 inch	\$1,720.00
1 inch	\$6,530.00
1-1/2 inch	\$25,210.00
2 inch	\$23,970.00

3. Backup Facility Charges and Supplemental Imported Water Capacity Charges for Increased Service. A Backup Facility Charge and a Supplemental Imported Water Capacity Charge shall be required for all existing regular service connections for which increased capacity is requested and larger service connections and meters are installed. Said charges shall apply to the difference in service capacity between the new meter and service, and the meter and service which is being replaced.

4. Exemption. The Backup Facility Charge shall apply to all applications for regular service, regardless of the type of use, but shall not apply to applications for temporary service. The Backup Facility Charge may be exempted, or partially exempted for private commercial fire protection service, and where certain water supply, storage, treatment and transmission facilities are required of an applicant. The exemption will be determined by the Agency, whose decision will be final.

5. Accounting of Funds. All revenues collected from backup facility charges shall be deposited with other such fees in a separate capital facilities account or fund in a manner to avoid any commingling of the charges with other revenues and funds of the Agency, except for temporary investments, and such revenues may be expended solely for the purpose for which the backup facility charges are collected. Any interest income earned by moneys in said account or fund shall also be deposited in that account or fund and may be expended only for the purpose for which the backup facility charges are imposed. The Agency shall make findings once each fiscal year with respect to any portion of the backup facility charges remaining unexpended or uncommitted in the account five or more years after deposit of the charges. The findings shall identify the purpose to which the backup facility charges are to be put, and will demonstrate a reasonable relationship between the charges and the purpose for which the charges were imposed.

6. Meter Installation Charge. The charge for meter installation shall be as follows:

<u>Size</u>	<u>Charge</u>
5/8 x 3/4 inch	\$255.00
1 inch	\$355.00
1-1/2 inch	\$530.00
2 inch	\$705.00

7. Customer Control Valve Charge. The customer control valve charge shall be as follows:

<u>Size</u>	<u>Charge</u>
1 inch	\$360.00
1-1/2 inch	\$370.00
2 inch	\$435.00

8. Service Connection Charge. The charge for service connection shall be as follows:

	<u>Size</u>	<u>Charge</u>
a.)	1 inch	\$1,800.00
	2 inch	\$3,230.00
b.)	Pavement Patch	\$1,380.00
	Concrete Patch	\$664.00

9. Connection Charge. A charge for all new connections based on the front footage served thereby shall be levied and collected at the rate of \$70.00 per lineal foot of frontage, or the actual rate in accordance with a valid main extension refund agreement, whichever is greater.

10. Meter Test Deposit. The required deposit for testing a water meter shall be as follows:

<u>Size</u>	<u>Deposit</u>
5/8 & 3/4 inch to 2 inches	\$70.00
3 inch or larger	\$140.00

11. Plan Check Fees. The plan check fees for Agency installed water facilities with no mains shall be \$140. For developer installed facilities with mains, the fee shall be \$140, plus \$0.10 per lineal foot of main installed. There is no charge for single residences not falling within the above categories.

12. Design Review Fees. Fees charged for design review for water facilities shall be as follows:

- | | |
|-----------------------------------|----------------------|
| a.) Agency Engineering Department | \$140.00 per hour |
| b.) Engineering Consultants | Actual cost plus 15% |
| c.) Legal Consultants | Actual cost plus 15% |

13. Temporary Service Connection Charge. The following deposits and charges shall be imposed for a temporary service connection:

- | | |
|---------------------------------------|-----------------|
| a.) <u>Deposits</u> | |
| Meter | \$964.00 |
| Backflow Device | <u>\$500.00</u> |
| Total | \$1,464.00 |
| b.) <u>Meter Installation Charges</u> | |
| Meter | \$70.00 |
| Backflow Device | <u>\$70.00</u> |
| Total | \$140.00 |
| c.) <u>Meter Relocation Charges</u> | |
| Each Occurrence | \$70.00 |

14. Restoration of Service. The charge for service restored on Agency's normal working days and during normal working hours will be \$70. The charge for service restored other than that on Agency's normal working days and after normal working hours will be \$150. To have service restored the same day, during working hours, payment must be received between 8:00 a.m. and 4:00 p.m. Payments received after 4:00 p.m. will be at the after hours rate for restoration of service the same day.

If service is discontinued or turned off by customer request for any reason, other than repairs, the restoration charges will be enforced if restoration of service is requested within 90 days of the initial request of discontinuance.

15. Backflow Protection Device Installation Charges. The following charges shall be imposed for the installation of a backflow protection device:

a.)	<u>Double Check Device</u>	
	<u>Size</u>	<u>Charge</u>
	3/4 inch	\$647.00
	1 inch	\$812.00
	1-1/2 inch	\$1,480.00
	2 inch	\$1,870.00
b.)	<u>Reduced Pressure Principal Device Assemblies</u>	
	<u>Size</u>	<u>Charge</u>
	3/4 inch	\$843.00
	1 inch	\$1,005.00
	1-1/2 inch	\$1,689.00
	2 inch	\$2,053.00
c.)	<u>Double Check Device with Fire Service Outlet</u>	
	<u>Size</u>	<u>Charge</u>
	1 inch	\$1,000.00
	1-1/2 inch	\$1,668.00
	2 inch	\$2,149.00
d.)	<u>Reduced Pressure Device with Fire Service Outlet</u>	
	<u>Size</u>	<u>Charge</u>
	1 inch	\$1,193.00
	1-1/2 inch	\$1,877.00
	2 inch	\$2,333.00

16. Metered Service Charge. Service charges for water service include a monthly service charge, a quantitative rate charge, and a zone charge if applicable, as follows:

a.)	<u>Monthly Service Charge</u>	
	<u>Size</u>	<u>Charge</u>
	5/8 x 3/4 inch	\$18.12
	1 inch	\$18.12
	1-1/2 inch	\$34.59
	2 inch	\$54.35
	3 inch	\$107.06
	4 inch	\$166.36
	6 inch	\$331.08
	8 inch	\$528.74
	10 inch	\$1,385.28
	12 inch	\$1,747.66

Metered Service Charge. (Cont.)

b.) Quantitative Rate Charge

The base rate charge for all metered and unmetered water used for all purposes other than through temporary service facilities shall be \$1.72 per 100 cubic feet.

c.) Temporary Service Quantitative Rate Charge

The base rate charged for all metered and unmetered water used for construction and temporary service shall be \$854.36 (\$1.96 per 100 cubic feet) per acre foot.

d.) Zone Charges

<u>Zone</u>	<u>Charge per 100 Cubic Feet</u>
"Base"	\$0.00
"A"	\$0.18
"B"	\$0.24
"C"	\$0.56
"D" (Tramway)	\$2.43

e.) Drought Rate Surcharge

The surcharge is in addition to the Quantitative Rate Charge. It may be applied in times of mandatory restrictions or extreme water supply shortage.

<u>Use Reduction Required</u>	<u>Addition to Quantitative Rate Charge</u>
10%	\$0.10
20%	\$0.22
30%	\$0.38
40%	\$0.59
50%	\$0.88
60%	\$1.31

17. Private Fire Protection Monthly Service Charges. The monthly service charge for private fire protection shall be as follows:

<u>Service Size</u>	<u>Charge</u>
4 inch	\$20.41
6 inch	\$44.54
8 inch	\$76.71
10 inch	\$119.60
12 inch	\$143.73

18. Backflow Protection Device Repair Charge. The monthly charge for backflow protection device repair shall be as follows:

<u>Size</u>	<u>Charge</u>
3/4 inch	\$3.00
1 inch	3.50
1-1/4 inch	3.50
1-1/2 inch	3.50
2 inch	3.50
2-1/2 inch	3.50
3 inch	3.50
4 inch	5.80
6 inch	5.80
8 inch	7.00
10 x 12 inch	7.00

19. Construction and Temporary Service Monthly Charges. The construction and temporary service monthly charge shall include the following and be set as follows:

- a. Monthly Service Charges
To be in accordance with Item 16-a of this Resolution
- b. Quantitative Charges
To be in accordance with Item 16-c of this Resolution
- c. Zone Pumping Charges
To be in accordance with Item 16-d of this Resolution
- d. Backflow Protection Device Charge: \$34.15

20. Deposit to Establish Credit. The minimum deposit to establish credit will be two (2) times the average monthly bill. If this cannot be determined, the minimum deposit shall be as follows:

<u>Size</u>	<u>Deposit</u>
5/8 x 3/4 inch	\$ 100.00
1 inch	100.00
1-1/2 inch	150.00
2 inch	200.00

21. Development Review. A charge for Agency provided Administrative Services shall be collected at the rate of \$140 for each of the following:

- a.) Will Serve Letter
- b.) Development Bond Amount Letter
- c.) Response to Initial Study

22. Water Quality Sampling. The charge for Agency collection and analysis of development bacteriological samples shall be at the rate of \$75.00 per sample.

23. Account Establishment Fee Charge. An administrative charge for Agency services to establish account in the new owner's name shall be \$30.00 per account.

24. Late Fee. An administrative late fee charge of \$25.00 per account will be assessed on accounts that are delinquent (30 days past due).

25. Effective Date: The charges set forth herein shall become effective on July 1, 2017 and as of that date shall replace the charges set forth in Resolution Nos. 1144 & 1154.

ADOPTED this 20th day of June 2017.

James Cioffi, President
Board of Directors

ATTEST:

Kristin Bloomer, Secretary-Treasurer
Board of Directors

**BACKUP FACILITY CHARGES
FOR WATER SERVICE
MARCH 7, 2017**

New development creates an additional demand for water. In order to meet the new demand, new wells must be constructed to provide more water, new storage tanks must be constructed to store water for emergency use, equalizing, and fire storage, and new transmission pipelines must be constructed to transport water from wells to storage tanks and throughout the distribution system. New development in hillside areas and service areas above the Base Zone places demand upon facilities, such as booster pumping plants, water storage tanks and transmission pipelines, whose basic function is to lift the water up to and store in these higher zones.

For the past eight years, new development has added an annual average of about 400 service connections to the Desert Water Agency water system. At this growth rate, every three years new connections will create a demand for water equivalent to the production capacity of one well. The increased demand will also burden storage, transmission, and booster pumping facilities in all Zones. These facilities must be in place ahead of new connections. Therefore, in most cases, the facilities are constructed in anticipation of demand, and costs of the facilities are recovered through the Backup Facility Charge.

Staff has reviewed the costs that make up the Backup Facility Charge and find that a tiered rate is justified to recover cost of the well plants, booster plants, treatment plants, surface water facilities, storage reservoirs, and transmission mains required by each zone.

All new development requiring water service will be charged for Backup Facilities. The charge is based upon the capacity/service size ratio of the service provided and the proportional potential demand placed upon the available water production, transmission, treatment, pressure boosting and storage facilities. The charge is not based upon the type of service connection (i.e., residential, commercial, and industrial). The amount of the charge for any particular development is based on the number of services, service size, meter size and the assigned number of capacity units per service as determined by the Agency. The capacity unit (C.U.) is based on the capacity/service size ratio of the service connection.

Service capacity ratios have historically been based on the relationship between capacity and pipe diameter. Originally established in 1973, the service capacity/diameter relationship for the Agency was based on a 1" service size capacity ratio of $Q=KD^{2.54}$. Depending on the specific hydraulic formula selected the service size relationship can range from $D^{2.5}$ to $D^{2.667}$. These hydraulic formula and capacity/diameter relationships are empirical and therefore approximate. The selected relationship of $D^{2.54}$ is reasonable in that it is slightly less than the median relationship of $D^{2.58}$.

However, capacity is ultimately limited by the maximum continuous operation flow rate of the meter installed on each service connection. To account for this, the Agency has opted to utilize the AWWA meter factors in lieu of the abovementioned $D^{2.54}$ formula. AWWA meter factors are an industry standard and, therefore, a reasonable method to use in determining equivalent capacity units within the system.

To determine the standard capacity for the Agency's entire water system all active services smaller and larger than the standard one-inch service are converted to one-inch equivalent capacity units using the AWWA meter factors discussed above.

Calculation of the C.U. for each service size in the Agency's system is shown in the table below.

SYSTEM CAPACITY UNITS

<u>SERVICE SIZE</u>	<u>SERVICES</u>	<u>AWWA METER FACTORS</u>	<u>CAPACITY UNITS</u>
5/8" X 3/4"	210	0.40	84
1"	18,565	1.00	18,565
1-1/2"	862	2.00	1,724
2"	2,975	3.20	9,520
Total	22,612		29,893

The charge per capacity unit is obtained by determining the cost of water production, pressure boosting, treatment, storage and transmission facilities and dividing it by the total capacity units served by the facilities. The method for determining facility cost and total capacity units is discussed below.

The total number of current capacity units of each zone is obtained from the Desert Water Agency Information Systems Department.

<u>ZONES</u>	<u>EXISTING CAPACITY UNITS WITHIN ZONE</u>
BASE	28,125
A	1,282
B	468
C	18
TOTAL	29,893

To determine the total capacity units for each zone, we must first calculate the max demand day (MDD) value utilizing the current General Plan formula:

- $MDD = 1.85 \times \text{Average Day Annual Demand (ADD)}$

Using annual production data from 2010 to 2013 (years that were not affected by State mandated drought conservation requirements), the ADD calculated equals 32.6 MGD, therefore, the MDD is equal to 60.3 MGD. If the MDD is equal to 60.3 MGD, the current gal/C.U./day is equal to 2,017 gal/C.U./day ($60.3\text{MGD} \div 29,893$).

Since all service capacity must be met by the Base system pumping capacity, the current max demand on the Base system is equal to the MDD, or 60.3 MGD. The current pumping capacity for the Base system is 76.7 MGD, therefore, all of the existing units are using 78.6% of the total capacity of the Base system ($60.3\text{MGD} \div 76.7\text{MGD}$). The total maximum capacity units for the entire system are then equal to 38,031 ($29,893 \div 0.786$).

The current demand on Zone A is 2.58 MGD ($2,017 \times 1,282$). The current pumping capacity for Zone A is 7.70 MGD, therefore, the existing Zone A units are using 33.5% of the total pumping capacity of Zone A ($2.58\text{MGD} \div 7.70\text{MGD}$). The total Zone A capacity units are then equal to 3,826 ($1,282 \div 0.335$).

The current demand on Zone B is 0.94 MGD ($2,017 \times 468$). The current pumping capacity for Zone B is 0.79 MGD, therefore, the existing Zone B units are using 118% of the total pumping capacity of Zone B ($0.94\text{MGD} \div 0.79\text{MGD}$). The total Zone B capacity units are then equal to 396

($468 \div 1.18$), which is 72 units less than the existing amount of 468 units; therefore, Zone B requires additional pumping capacity to accommodate the additional 72 units. The amount of pumping capacity required is equal to 100 gpm ($72 \text{ CU} \times 2,017 \text{ gal/CU/Day} \div 1,440 \text{ min/day}$). The additional pumping capacity can be achieved by a 20 HP pump. Using the current cost of \$3,869/HP for Zone B, this additional 20 HP will cost \$77,380 and will be added to the Zone B total pumping costs.

The current demand on Zone C is 0.036 MGD ($2,017 \times 18$). The current pumping capacity for Zone C is 0.43 MGD, therefore, the existing Zone C units are using 8.3% of the total pumping capacity of Zone C ($0.036 \text{ MGD} \div 0.43 \text{ MGD}$). The total Zone C capacity units are then equal to 216 ($18 \div 0.083$).

<u>ZONES</u>	<u>TOTAL CAPACITY UNITS WITHIN ZONE</u>	<u>TOTAL CAPACITY UNITS SERVED PER ZONE</u>
BASE	33,719	38,031
A	3,826	4,294
B	468	684
C	216	216
TOTAL	<hr/> 38,031	

Facility costs per zone were determined by analyzing facility cost valuation from Agency Annual Operating Statistics Reports, cost estimates prepared in conjunction with the currently proposed budget and rate study, and by assessing the current facilities inventory by zone using the 2008 General Plan Update. The facilities cost valuation per capacity unit was determined from the total number of capacity units and the facilities costs per zone.

The proposed Backup Facility Charge consists of a Base-Zone Charge and successively higher tiered charges for each pumped zone supplied from the Base-Zone and any additional zone supplying water to a higher zone. The A-Zone receives all of its water supply from facilities in the Base-Zone, the B-Zone receives all of its water supply from facilities in the A-Zone, and the C-Zone receives all of its water supply from facilities in the B-Zone. Water is booster-pumped through each successive zone to get to its final destination.

The Base Zone charge is composed of costs per capacity unit for production (wells and surface water supply), storage, pressure boosting, treatment and transmission facilities assignable to Base-Zone service.

PUMPING/WATER PRODUCTION COST

In order to calculate the cost of pumping water per capacity unit we first determine the cost of those facilities from approved capital improvement budgets. The ratio of plant cost to horsepower is determined.

<u>DESCRIPTION</u>	<u>YEAR CONSTRUCTED</u>	<u>PUMPING PLANT HORSEPOWER</u>	<u>PUMPING PLANT COST*</u>
Well 39	2010	450 HP Pumping Plant	\$1,320,156.59
Well 40	2009	450 HP Pumping Plant	\$1,498,356.82
Well 41	2006	450 HP Pumping Plant	\$1,561,858.76
Well 42	2006	200 HP Pumping Plant	\$1,175,156.15
TOTAL		1,550 HP	\$5,555,528.32

* Current Capital Improvement Budget Amounts for Pumping Plants.

The most current pumping plant estimated costs are used to determine the ratio of pumping plant cost to unit of horsepower from the table above. The unit cost of pumping per horsepower is $\$5,555,528.32 / 1,550 \text{ hp} = \$3,584/\text{hp}$. By applying this ratio to each active pumping plant the cost of each plant and the entire system pumping cost is determined by zone.

Similarly, the cost of pressure boosting facilities is determined.

<u>DESCRIPTION</u>	<u>YEAR CONSTRUCTED</u>	<u>BOOSTER PLANT HORSEPOWER</u>	<u>BOOSTER PLANT COST*</u>
Zone 1240 Booster	2016	80 HP Booster Plant	\$950,000
Janis Tuscany Booster Upgrades	2016	225 HP Booster Pumping Plant	\$230,000
TOTAL		305 HP	\$1,180,000

* Actual project costs, unadjusted for present value.

The most current pumping plant costs are used to determine the ratio of booster pumping plant cost to unit of horsepower from the table above. The unit cost of booster pumping per horsepower is \$1,180,000/305 hp= \$3,869/hp. By applying this ratio to each active pumping plant the cost of each plant and the entire system booster pumping cost is determined by zone. However, when available the actual cost of the plant is used below in lieu of the unit costs.

BASE-ZONE PUMPING COSTS

WELL/BOOSTER BASE ZONES	<u>DESCRIPTION</u>	<u>PLANT HORSEPOWER</u>	<u>ZONE PUMPING COST (\$3,584/HP)</u>
Palm Springs	Well Pumping Plants	7,670	\$27,489,280
Chino	Well Pumping Plants	1,100	\$3,942,400
Chino	Booster Pumping Plants	475	\$1,837,775*
East	Well Pumping Plants	2,750	\$9,856,000
TOTAL			\$43,125,455

*\$3,869/HP Unit Cost of Booster Pumping Per Horsepower.

A-ZONE PUMPING COSTS

WELL/BOOSTER A-ZONE	<u>DESCRIPTION</u>	<u>PLANT HORSEPOWER</u>	<u>ZONE PUMPING COST (\$3,869/HP)</u>
Andreas Hills	Acanto Booster	300	\$1,160,700
Janis Tuscany	Janis Tuscany Booster	150	\$580,350
Terrace	Terrace Booster	45	\$174,105
Palm Oasis	Well 17 Pumping Plant	150	\$537,600*
Palm Oasis	Well 17 Booster	80	\$309,520
TOTAL			\$2,762,275

*\$3,584/HP Unit Cost of Well Pumping Per Horsepower.

B-ZONE PUMPING COSTS

WELL/BOOSTER B-ZONE	<u>DESCRIPTION</u>	<u>PLANT HORSEPOWER</u>	<u>ZONE PUMPING COST (\$3,869/HP)</u>
Lower Southridge	Araby Booster	50	\$193,450
Foothill	Foothill Booster	60	\$232,140
Chino West	Zone 1240 Booster	50	\$193,450
Additional	Capacity Needs	20	\$77,380
TOTAL			\$696,420

C-ZONE PUMPING COSTS

WELL/BOOSTER C-ZONE	<u>DESCRIPTION</u>	<u>PLANT HORSEPOWER</u>	<u>ZONE PUMPING COST (ACTUAL)</u>
Upper Southridge	Southridge-2 Booster	90	*\$260,477
TOTAL			\$260,477

*Actual cost of contract (\$2,894/HP Unit Cost)

PUMPING COST PER ZONE SUMMARY

<u>ZONE</u>	<u>PUMPING COSTS WITHIN ZONE</u>	<u>CAPACITY UNITS SERVED BY ZONE</u>	<u>CAPACITY UNIT COSTS WITHIN ZONE</u>	<u>CUMULATIVE CAPACITY UNIT PUMPING COST PER ZONE</u>
BASE	\$43,125,455	38,031	\$1,133	\$1,133
A	\$2,762,275	4,294	\$643	\$1,776
B	\$696,420	684	\$1,018	\$2,794
C	\$260,477	216	\$1,205	\$3,999

The cumulative capacity unit pumping cost in the Base-Zone is the cost of pumping in the base zone divided by the total system capacity unit because the entire system including the upper zones benefit from the pumping done in the Base-Zone. This unit cost is passed onto all zones. The cumulative cost pumping in the elevated Zones is the accumulated cost from each zone the water was pumped through.

WATER TREATMENT COSTS

In order to calculate the cost of water treatment per capacity unit we first determine the cost of those facilities from actual project costs. Only water in the Base-Zone is treated. However, this water is used in the Base-Zone and all elevated zones.

FOREBAY TREATMENT

<u>DESCRIPTION</u>	<u>YEAR CONSTRUCTED</u>	<u>*FOREBAY COST</u>
Well 14 Forebay	1993	\$376,750
Well 16 Forebay	1993	\$376,750
TOTAL		\$753,500

*Based on \$2.75/gallon input value.

The cost of forebay treatment per capacity unit is therefore, $\$753,500/38,031 \text{ C.U.} = \$20/\text{C.U.}$

UV TREATMENT

<u>DESCRIPTION</u>	<u>YEAR CONSTRUCTED</u>	<u>*FOREBAY COST</u>
UV Treatment (Snow Creek/Falls Creek)	2014	\$317,142
TOTAL		\$317,142

*Actual project costs.

The cost of UV treatment per capacity unit is therefore, $\$317,142/38,031 \text{ C.U.} = \$8/\text{C.U.}$

CHLORINE INJECTION TREATMENT

<u>DESCRIPTION</u>	<u>NUMBER OF ACTIVE SITES</u>	<u>AVG. COST PER SITE</u>	<u>ZONE PUMPING COST (ACTUAL)</u>
Chlorine storage building and pad, injection vault	9	\$30,440	\$273,960
TOTAL			\$273,960

*Based on average construction cost per site to install chlorine injection facilities.

The cost of chlorine injection treatment per capacity unit is therefore, $\$273,960/38,031 \text{ C.U.} = \$7/\text{C.U.}$

TREATMENT COST PER ZONE SUMMARY

<u>ZONE</u>	<u>FOREBAY TREATMENT COST PER ZONE</u>	<u>UV TREATMENT COST PER ZONE</u>	<u>CHLORINE INJECTION TREATMENT COST PER ZONE</u>	<u>TOTAL TREATMENT COST PER ZONE</u>
BASE	\$20	\$8	\$7	\$35
A	\$20	\$8	\$7	\$35
B	\$20	\$8	\$7	\$35
C	\$20	\$8	\$7	\$35

SURFACE WATER (STREAM) COSTS

In order to calculate the cost of surface water per capacity unit we first determine the cost of those facilities from actual project costs. Surface water is transmitted from the diversions into the Base-Zones where it is transmitted to all elevated zones.

<u>DESCRIPTION</u>	<u>YEAR CONSTRUCTED</u>	<u>*SURFACE WATER FACILITY COST</u>
Snow Creek Diversion	1990	\$2,000,000
Falls Creek Diversion	1990	\$1,300,000
Chino North Diversion	1991	\$458,000
TOTAL		\$3,758,000

* Actual project costs, unadjusted for present value.

The cost of treatment per capacity unit is therefore, $\$3,758,000 / 38,031 \text{ C.U.} = \$98/\text{C.U.}$

The surface water capacity unit cost per zone is as follows:

<u>ZONE</u>	<u>COST OF TREATMENT PER CAPACITY UNIT</u>
BASE ZONE	\$98
A-ZONE	\$98
B-ZONE	\$98
C-ZONE	\$98

WATER STORAGE COSTS

In order to calculate the cost of water storage per capacity unit we first determine the cost of those facilities from actual project costs and approved capital improvement budgets. The ratio of storage cost to volume is determined.

<u>DESCRIPTION</u>	<u>YEAR CONSTRUCTED</u>	<u>RESERVOIR STORAGE CAPACITY</u>	<u>RESERVOIR COST*</u>
Tahquitz Reservoir II Zone 1060	2004	5,000,000 gallons	\$2,299,785**
	2016	500,000 gallons	\$1,544,800*
TOTAL		5,500,000 gallons	\$3,844,585

*Revised Budget Amount for project.

** Actual project costs, unadjusted for present value.

The most current water storage estimated costs are used to determine the ratio of water storage cost to unit of storage volume from the table above. The unit cost of water storage per gallon is $\$3,844,585 / 5,500,000 \text{ GAL} = \$0.70/\text{GAL}$. By applying this ratio to each water storage reservoir, the cost of each reservoir and the entire system water storage costs are determined by zone.

FUTURE STORAGE CAPACITY REQUIREMENTS

The General Plan requires that the Agency have 18 hours ADD emergency storage, along with fire flow and equalization storage during energy Time of Use (T.O.U.) periods. The 18 hour ADD during T.O.U periods is 28 MG. The fire flow requirement for the system is 6.48 MG and the equalization, or operational storage is 40% of the MDD and is therefore equal to 24.1 MG. Adding all of these components equates to 58.58 MG of storage. The current storage capacity for the system is 58.85 MG, therefore, additional storage must be constructed.

The existing pumping capacity of the system will accommodate an additional 8,138 capacity units (38,031 – 29,893). These additional units will add 16.4 MGD to the MDD. This additional demand will increase the storage requirement to 73 MG, requiring 14 MG of additional storage (73-58.85). The cost for the additional storage will be \$9,800,000 ($\$0.70/\text{gal} \times 14 \text{ MG}$). This additional storage cost will be added to the Base Zone.

BASE-ZONE WATER STORAGE COSTS

<u>DESCRIPTION</u>	<u>WATER STORAGE CAPACITY (GAL.)</u>	<u>UNIT COST PER UNIT STORAGE (\$/GAL.)</u>	<u>ZONE STORAGE COST</u>
Palm Springs Main	34,650,000	0.70	\$24,255,000
Palm Springs Chino	7,300,000	0.70	\$5,110,000
Palm Springs East	10,000,000	0.70	\$7,000,000
Additional Storage	14,000,000	0.70	\$9,800,000
TOTAL			\$46,165,000

A-ZONE WATER STORAGE COSTS

<u>DESCRIPTION</u>	<u>WATER STORAGE CAPACITY (GAL.)</u>	<u>UNIT COST PER UNIT STORAGE (\$/GAL.)</u>	<u>ZONE STORAGE COST</u>
Andreas Hills	3,000,000	0.70	\$2,100,000
Janis Tuscany	0.00	0.70	\$0.00
Terrace	725,000	0.70	\$507,500
Palm Oasis	2,050,000	0.70	\$1,435,000
Chino West	500,000	3.00*	\$1,500,000*
TOTAL			\$5,542,500

*Actual project costs.

B-ZONE WATER STORAGE COSTS

<u>DESCRIPTION</u>	<u>WATER STORAGE CAPACITY (GAL.)</u>	<u>UNIT COST PER UNIT STORAGE (\$/GAL.)</u>	<u>ZONE STORAGE COST</u>
Lower Southridge	400,000	0.70	\$280,000
Foothill	600,000	0.70	\$420,000
TOTAL			\$700,000

C-ZONE WATER STORAGE COSTS

<u>DESCRIPTION</u>	<u>WATER STORAGE CAPACITY (GAL.)</u>	<u>UNIT COST PER UNIT STORAGE (\$/GAL.)</u>	<u>ZONE STORAGE COST</u>
Upper Southridge	0.00	0.70	\$0.00
TOTAL			\$0.00

STORAGE COST PER ZONE SUMMARY

<u>ZONE</u>	<u>STORAGE COSTS WITHIN ZONE</u>	<u>CAPACITY UNITS SERVED BY ZONE</u>	<u>CAPACITY UNIT COSTS WITHIN ZONE</u>	<u>CUMULATIVE CAPACITY UNIT STORAGE COST PER ZONE</u>
BASE	\$46,165,000	38,031	\$1,213	\$1,213
A-ZONE	\$5,542,500	4,294	\$1,290	\$2,503
B-ZONE	\$700,000	684	\$1,023	\$3,526
C-ZONE	\$0.00	216	\$0.00	\$3,526

The cumulative capacity unit storage cost in the Base-Zone is the cost of storage in the Base-Zone divided by the total system capacity unit because the entire system including the upper zones benefit from the storage in the Base-Zone. This unit cost is passed onto all zones. The cumulative cost storage in the elevated zones is the accumulated cost from each zone the water was stored in, and then pumped out from.

WATER TRANSMISSION MAIN COSTS

Historically, the Agency has calculated the cost of water transmission mains per capacity unit by determining the cost of those facilities from actual project costs and approved capital improvement budgets. The ratio of cost per lineal foot to diameter is determined.

<u>DESCRIPTION</u>	<u>YEAR CONSTRUCTED</u>	<u>PIPELINE LENGTH (L.F.)</u>	<u>*PIPELINE COST</u>	<u>PIPELINE UNIT COST (\$/L.F.)</u>
12" Alejo/Tamarisk/ Indian Canyon	2012/2014/2015	4,958	\$1,290,176	\$260/L.F.
14"	-	-	-	-
15"	-	-	-	-
16" Sunny Dunes	2013	1,100	\$301,462	\$274/L.F.
18"	-	-	-	-
20" E. Well Field	-	-	-	-
24" E. Well Field	-	-	-	-
26"	-	-	-	-
30" N. Well Field	-	-	-	-
36" Avenida Caballeros	2014/2015	2,659	\$2,509,219	\$944/L.F.
42"	-	-	-	-

* Actual project cost, unadjusted for present value.

Due to the lack of current data available for the varying sizes of transmission mains in our system, the Agency has opted to utilize a "unit construction cost for pipelines" equation used by Eastern Municipal Water District (EMWD) in their 2015 rate study (study conducted by Kennedy/Jenks Consultants). Said equation assumes that unit cost (\$/linear foot) = Diameter (inch) x 40.47 x [Diameter (inch)^{-0.309}]. Utilization of said equation allows the Agency to determine uniform unit construction estimates for all sizes of transmission mains in our system.

*ESTIMATED WATER TRANSMISSION MAIN UNIT CONSTRUCTION COSTS	
TRANSMISSION MAIN DIAMETER (INCHES)	TRANSMISSION MAIN LENGTH (\$/L.F.)
12"	225
14"	250
15"	265
16"	275
18"	300
20"	320
24"	365
26"	385
30"	425
36"	480
42"	535

*Based on the following EMWD assumption: cost \$/L.F. = Diameter (inch) x 40.47 x [Diameter (inch)^{-0.309}].

The most current water transmission main estimated costs are used to determine the ratio of water main cost to diameter as shown in the table on the previous page. By applying these ratios to system transmission mains, the cost of all size mains for the entire system is determined by zone.

FUTURE TRANSMISSION MAIN COSTS

It is anticipated that the additional storage facilities will require approximately 1 mile of new 24" diameter transmission main. The cost of future transmission main is equal to \$365/L.F. x 5,280 L.F. = \$1,927,000, to be added to the Base Zone total.

BASE-ZONE WATER TRANSMISSION MAIN COSTS

TRANSMISSION MAIN DIAMETER (INCHES)	TRANSMISSION MAIN LENGTH (L.F.)	UNIT COST PER UNIT LENGTH (\$/L.F.)	ZONE TRANSMISSION MAIN COST
12"	*222,839	225	\$50,138,775
14"	2,430	250	\$607,500
15"	940	265	\$249,100
16"	34,359	275	\$9,448,725
18"	5,252	300	\$1,575,600
20"	24,228	320	\$7,752,960
24"	99,712	365	\$36,394,880
24" future	5,280	365	\$1,927,000
26"	2,620	385	\$1,008,700
30"	57,433	425	\$24,409,025
36"	30,618	480	\$14,696,640
42"	70	535	\$37,450
TOTAL			\$148,246,355

*Approximately 60% of all 12" mains in the system are transmission mains with the remaining 40% being distribution mains. Therefore, only 60% of the total 12" mains are included in the above table.

A-ZONE WATER TRANSMISSION MAIN COSTS

TRANSMISSION MAIN	TRANSMISSION MAIN DIAMETER (INCHES)	TRANSMISSION MAIN LENGTH (L.F.)	UNIT COST PER UNIT LENGTH (\$/L.F.)	ZONE TRANSMISSION MAIN COST
Andreas Hills	12"	*5,323	225	\$1,197,675
Andreas Hills	16"	6,832	275	\$1,878,800
Janis Tuscany	12"	4,626	225	\$1,040,850
Janis Tuscany	16"	3,782	275	\$1,040,050
Janis Tuscany	24"	1,450	365	\$529,250
Terrace	12"	*2,526	225	\$568,350
Palm Oasis	12"	*10,280	225	\$2,313,000
Palm Oasis	16"	4,200	275	\$1,155,000
TOTAL				\$9,722,975

*Approximately 60% of all 12" mains in the system are transmission mains with the remaining 40% being distribution mains. Therefore, only 60% of the total 12" mains are included in the above table.

B-ZONE WATER TRANSMISSION MAIN COSTS

TRANSMISSION MAIN	TRANSMISSION MAIN DIAMETER (INCHES)	TRANSMISSION MAIN LENGTH (L.F.)	UNIT COST PER UNIT LENGTH (\$/L.F.)	ZONE TRANSMISSION MAIN COST
Foothill	*12"	2,690	225	\$605,250
Chino West	*12"	2,762	225	\$621,450
TOTAL				\$1,226,700

*Approximately 60% of all 12" mains in the system are transmission mains with the remaining 40% being distribution mains. Therefore, only 60% of the total 12" mains are included in the above table.

C-ZONE WATER TRANSMISSION MAIN COSTS

TRANSMISSION MAIN	TRANSMISSION MAIN DIAMETER (INCHES)	TRANSMISSION MAIN LENGTH (L.F.)	UNIT COST PER UNIT LENGTH (\$/L.F.)	ZONE TRANSMISSION MAIN COST
None	0	0	\$0	\$0
TOTAL				\$0

TRANSMISSION MAIN COST PER ZONE SUMMARY

<u>ZONE</u>	<u>TRANSMISSION MAIN COSTS WITHIN ZONE</u>	<u>CAPACITY UNITS SERVED BY ZONE</u>	<u>CAPACITY UNIT COSTS WITHIN ZONE</u>	<u>CUMULATIVE CAPACITY UNIT STORAGE COST PER ZONE</u>
Base	\$148,246,355	38,031	\$3,898	\$3,898
A-Zone	\$9,722,975	4,294	\$2,264	\$6,162
B-Zone	\$1,226,700	684	\$1,793	\$7,955
C-Zone	\$0	216	\$0	\$7,955

The cumulative capacity unit water transmission main cost in the Base-Zone is the cost of water transmission in the Base-Zone divided by the total system capacity unit because the entire system including the upper zones benefit from water transmission in the Base-Zone. This unit cost is passed onto all zones. The cumulative cost water transmission in the elevated zones is the accumulated cost from each zone the water was transmitted to and then pumped out from that zone.

The cost of a 1-inch service in each of the Agency zones are comprised of the cumulative capacity unit costs for water production (wells), pressure boosting (boosters), treatment, storage and transmission facilities.

COST PER ZONE SUMMARY

<u>ZONES</u>	<u>PUMPING COST</u>	<u>TREATMENT COST</u>	<u>STORAGE COST</u>	<u>TRANSMISSION COST</u>	<u>SURFACE WATER COST</u>	<u>TOTAL CAPACITY UNIT COST</u>
BASE	\$1,133	\$35	\$1,213	\$3,898	\$98	\$6,377
A	\$1,776	\$35	\$2,503	\$6,162	\$98	\$10,574
B	\$2,794	\$35	\$3,526	\$7,955	\$98	\$14,408
C	\$3,999	\$35	\$3,526	\$7,955	\$98	\$15,613

In order to determine the capacity unit cost for each meter size the AWWA meter factors are used. The table below shows the capacity unit charge (Backup Facility Charge) per meter size.

<u>METER SIZE</u>	<u>AWWA METER FACTOR</u>	<u>BASE-ZONE</u>	<u>A-ZONE</u>	<u>B-ZONE</u>	<u>C-ZONE</u>
3/4 X 5/8	0.4	\$2,550	\$4,229	\$5,763	\$6,245
1	1.0	\$6,377	\$10,574	\$14,408	\$15,613
1.5	2.0	\$12,754	\$21,148	\$28,816	\$31,226
2	3.2	\$20,406	\$33,836	\$46,105	\$49,961

FINAL BACKUP FACILITY CHARGE COST SUMMARY

<u>METER SIZE</u>	<u>AWWA METER FACTOR</u>	<u>BASE-ZONE</u>	<u>A-ZONE</u>	<u>B-ZONE</u>	<u>C-ZONE</u>
3/4 X 5/8	0.4	\$2,550	\$4,225	\$5,760	\$6,245
1	1.0	\$6,375	\$10,570	\$14,405	\$15,610
1.5	2.0	\$12,750	\$21,145	\$28,815	\$31,225
2	3.2	\$20,405	\$33,835	\$46,105	\$49,960

RESOLUTION NO. 1168

RESOLUTION OF THE BOARD OF DIRECTORS OF DESERT WATER AGENCY ESTABLISHING RATES, FEES AND CHARGES FOR RECYCLED WATER SERVICE

WHEREAS, by previous action this Board has approved various rates, fees and charges for recycled water service, as provided by law; and

WHEREAS, it is appropriate at this time to revise the Agency's charges for recycled water service and for other related services, while restating all other rates, fees and charges which remain unchanged; and

WHEREAS, in December 2016 this Board conducted a majority protest hearing for the proposed revision of the Agency's monthly charges for recycled water service over the next subsequent five years, as required by law, and has determined that a majority protest does not exist;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Desert Water Agency as follows:

1. Backup Facility Charges. Every applicant for recycled water service shall, in addition to other charges and as a condition of receiving such service, pay a Backup Facility Charge based on the size of the applicant's meter connection as follows:

<u>Meter Size</u>	<u>Charge</u>
2 inch	\$ 8,300.00
4 inch	33,300.00
6 inch	75,000.00
8 inch	125,000.00
10 inch	166,700.00
12 inch	250,000.00

2. Backup Facility Charges for Increased Service. Backup Facility Charges for recycled water service shall be imposed for all existing recycled water service connections for which increased capacity is requested and larger meters are installed. The charges shall apply to the difference in service capacity between (a) the new meter and (b) the meter which is being replaced.
3. Accounting of Funds. All revenues collected from Backup Facility Charges for recycled water service shall be deposited with other such fees in a separate capital facilities account or fund in a manner to avoid any commingling of the charges with other revenues and funds of the Agency, except for temporary investments, and such revenues may be expended solely for the purpose for which the Backup Facility Charges are collected. Any interest income earned by moneys in said account or fund shall also be deposited in that account or fund and may be expended only for the purpose for which the Backup Facility Charges are imposed. The Agency shall make findings once each fiscal year with respect to any portion of the Backup Facility Charges remaining unexpended or uncommitted in the account five or more years after deposit of the charges. The findings shall identify the purpose to which the Backup Facility Charges are to be put, and will demonstrate a reasonable relationship between the charges and the purpose for which the charges are imposed.
4. Meter Installation Charge. The charge for meter installation for recycled water service shall be the actual cost plus any applicable overhead charges.
5. Flow Control Valve Charge. The charge for installation of a flow control valve for any recycled water service connection shall be the actual cost of the device, its installation and any applicable overhead charges.
6. Service Connection Charge. The charge for the recycled water service connection shall be the actual cost of connection to an existing main plus any applicable overhead charges.

7. Meter Test Deposit. The required deposit for testing a recycled water service meter shall vary according to the size of the meter, as follows:

<u>Meter Size</u>	<u>Charge</u>
5/8 x 3/4 to 2 inch	\$ 70.00
3 inch or larger	\$140.00

8. Plan Check Fees. Plan check fees for Agency-installed recycled water facilities with no mains shall be \$140. For developer-installed facilities with main, the fees shall be \$140 plus \$0.10 per lineal foot of main installed.

9. Design Review Fees. Fees charged for design review for recycled water facilities shall be as follows:

- | | |
|-----------------------------------|----------------------|
| a.) Agency Engineering Department | \$140 per hour |
| b.) Engineering Consultants | Actual cost plus 15% |
| c.) Legal Consultants | Actual cost plus 15% |

10. Restoration of Service. For restoring recycled water service during Agency's normal working hours, on normal working days, the charge shall be \$140. After normal working hours, or on days other than normal working days, the charge shall be \$280.

11. Metered Service Charges. Service charges for recycled water service shall include a monthly service charge and a quantitative charge as follows:

- a.) Monthly Service Charge.

<u>Meter Size</u>	<u>Charge</u>
2 inch	\$15.00
3 inch	\$26.97
4 inch	\$40.43

a.) Monthly Service Charge. (Cont.)

<u>Meter Size</u>	<u>Charge</u>
6 inch	\$77.83
8 inch	\$122.71
10 inch	\$317.19
12 inch	\$399.47

b.) Quantitative Charge. The base rate charge for all metered and unmetered recycled water used for all purposes shall be \$0.79 per 100 cubic feet.

12. Monthly Flow Control Valve Charges (8" – 12"). A charge of \$35.00 per flow control valve per month will be added to the billing for testing and annual maintenance.

13. Deposit to Establish Credit. The minimum deposit amount to establish credit will be two (2) times the average monthly bill. If this cannot be determined, the minimum deposit shall be charged as follows:

<u>Meter Size</u>	<u>Deposit</u>
5/8 x 3/4 inch	\$ 100.00
1 inch	100.00
1-1/2 inch	150.00
2 inch	200.00
3 inch	250.00
4 inch	300.00
6 inch	350.00
8 inch	400.00
10 inch	450.00
12 inch	500.00

14. Development Review. A charge for Agency provided Administrative Services shall be collected at the rate of \$140 for each of the following:

- a) Will Serve Letter
- b) Development Bond Amount Letter
- c) Response to Initial Study

15. Effective Date. The charges set forth herein shall become effective July 1, 2017, and as of that date shall replace the charges set forth in Resolution No. 1146.

ADOPTED this 20th day of June 2017.

James Cioffi, President
Board of Directors

ATTEST:

Kristin Bloomer, Secretary-Treasurer
Board of Directors

RESOLUTION NO. 1169

RESOLUTION OF THE BOARD OF DIRECTORS OF DESERT WATER AGENCY ESTABLISHING RATES, FEES AND CHARGES FOR SEWER SERVICE

WHEREAS, by previous action this Board has approved various rates, fees and charges for sewer service, as provided by law; and

WHEREAS, it is appropriate at this time to revise the Agency's monthly charge for sewer service, while restating all other rates, fees and charges which remain unchanged; and

WHEREAS, on December 15, 2016, this Board conducted a majority protest hearing for the proposed revision of the Agency's monthly charge for sewer service, over the next subsequent five years, as required by law, and has determined that a majority protest does not exist; and

WHEREAS, in addition to the Agency's charges for sewer services, charges imposed by Coachella Valley Water District (CVWD) must also be collected by the Agency, as CVWD's collection agent, for sewer service and treatment in Cathedral City; and

WHEREAS, in addition to the charges collected for CVWD in the Cathedral City area, the Agency has also entered into an agreement with the City of Palm Springs (City) to provide wastewater treatment and disposal service to the Agency's customers receiving sewage collection service from the Agency in the Dream Homes and Palm Oasis areas; and

WHEREAS, said agreement requires the Agency to collect from those customers the City's sewer capacity and customer service charges for wastewater treatment and disposal provided by the City, in addition to collecting the Agency's charges for sewer services; and

WHEREAS, this resolution reflects the current City and CVWD rates for sewage treatment and disposal services, which are subject to change by those entities, while adjusting the Agency's monthly sewer service charge and restating other Agency charges already in effect;

NOW, THEREFORE, be it resolved by the Board of Directors of Desert Water Agency that the rates, fees and charges assessed by the Agency for sewer services by the Agency shall be, and that those currently charged by CVWD and the City for sewer service within the Agency's sewer service areas are, as follows:

1. Capacity Charges

	<u>CVWD Treatment</u> Cathedral City (Effective 07/01/14)	<u>City Treatment</u> Palm Oasis / Dream Homes (Effective 07/01/15)
A.) Residential (including single family, apartments, condos and mobile home park spaces (1 EDU=1 Unit or Space)	1. Total Charge: \$5,240.00 per EDU a. \$4,190.00/EDU (CVWD) b. \$1,050.00/EDU (DWA)	2. Charge: \$ 3,000.00/Unit/Space a. \$3,000.00/Unit/Space (CPS)
B.) Commercial, Industrial, Institutional	1. Total Charge: \$5,240.00 per EDU a. \$4,190.00/EDU (CVWD) b. \$1,050.00/EDU (DWA)	2. Charge: \$306.00/FU (Fixture Unit) a. \$306.00/FU (CPS)
C.) Hotel /Motel (1/2 EDU = 1 Room)	1. Total Charge: \$5,240.00 per EDU a. \$4,190.00/EDU (CVWD) b. \$1,050.00/EDU (DWA)	2. Charge: \$1,500.00/Room (with kitchen) a. \$1,500.00/Room (CPS) 3. Charge: \$1,290.00/Room (without kitchen) a. \$1,290.00/Room (CPS)
D.) R.V. Park (1/2 EDU = 1Space)	1. Total Charge: \$5,240.00 per EDU a. \$4,190.00/EDU (CVWD) b. \$1,050.00/EDU (DWA)	2. Charge: \$2,340.00/Space a. \$2,340.00/Space (CPS)

2. Accounting of Funds. All revenues collected from capacity charges shall be deposited with other such fees in a separate capital facilities account or fund in a manner to avoid any commingling of the charges with other revenues and funds of the Agency, except for the temporary investments, and such revenues may be expended solely for the purpose for

which the capacity charges are collected. Any interest income earned by moneys in said account or fund shall also be deposited in that account or fund and may be expended only for the purpose for which the capacity charges are imposed. The Agency shall make findings once each fiscal year with respect to any portion of the capacity charges remaining unexpended or uncommitted in the account five or more years after deposit of the charges. The findings shall identify the purpose to which the capacity charges are to be put, and will demonstrate a reasonable relationship between the charges and the purpose for which the charges were imposed.

3. Connection Fee.

- a.) Single Family Residence - \$1,700
- b.) Other than Single Family Residence:
A charge for all new connections based on the front footage served thereby shall be levied and collected at the rate of \$70 per lineal foot of frontage, or the actual rate in accordance with a valid main extension refund agreement, whichever is greater.

4. Plan Check Fees.

- a.) Existing Main Available (lateral installation only)
 - 1) Single Family Residence (1-4" Lateral) - no fee
 - 2) Single Family Residence (other than above) and all other types of development - \$140
- b.) The Plan Check fee for Agency-installed sewer facilities with no mains shall be \$140. For developer-installed facilities with mains, the fee shall be \$140 plus \$0.10 per lineal foot of main installed.

5. Design Review Fees.

- a.) Desert Water Agency Engineering Department - \$140/Hour
- b.) Engineering Consultants - Actual Cost plus 15%
- c.) Legal Consultants - Actual Cost plus 15%

6. Monthly Service Charges

	<u>CVWD Treatment</u> Cathedral City (Effective 07/01/17)	<u>City Treatment</u> Palm Oasis / Dream Homes (Effective 07/01/17)
A. Residential		
Single Family, Condo (1 EDU = 1 Unit)	1. Total Charge: \$35.13/EDU a. \$29.58/EDU (CVWD) b. \$5.55/EDU (DWA) Rate (1)	2. Total Charge: \$26.55/Unit a. \$21.00/Unit (CPS) b. \$5.55/Unit (DWA) Rate (5)
Mobile Home Park (1 EDU = 1 Space)	1. Total Charge: \$35.13/EDU a. \$29.58/EDU (CVWD) b. \$5.55/EDU (DWA) Rate (1)	2. Total Charge: \$26.55/Space plus \$1.98/FU a. \$21.00/Space (CPS) b. \$5.55/Space (DWA) c. \$1.98/FU (CPS) Rate (6)
Apartments (1 EDU = 1 Unit)	1. Total Charge: \$5.55/EDU plus \$1.07/100CF of water consumption through any meters used all or partially for domestic use. a. \$1.07/100 CF (CVWD) b. \$5.55/EDU (DWA) (minimum charge shall be \$29.58 plus \$5.55/EDU) Rate (4)	2. Total Charge: \$26.55/Unit a. \$21.00/Unit (CPS) b. \$5.55/Unit (DWA) Rate (7)
B. Hotel / Motel (1/2 EDU = 1 Room)	1. Total Charge: \$5.55/EDU plus \$1.07/100 CF of water consumption through any meters used all or partially for domestic use a. \$1.07/100 CF (CVWD) b. \$5.55/EDU (DWA) (minimum charge shall be \$29.58 plus \$5.55/EDU) Rate (4)	N/A
C. R.V. Park (1/2 EDU = 1 Space)	1. Total Charge: \$5.55/EDU plus \$1.07/100 CF of water consumption through any meters used all or partially for domestic use a. \$1.07/100 CF (CVWD) b. \$5.55/EDU (DWA) (minimum charge shall be \$29.58 plus \$5.55/EDU) Rate (4)	N/A

6. Monthly Service Charges (Cont.)

	<u>CVWD Treatment</u> Cathedral City (Effective 07/01/17)	<u>City Treatment</u> Palm Oasis / Dream Homes (Effective 07/01/17)
D. Commercial, Industrial, or Institutional (Other than schools)	1. Total Charge: \$5.55/EDU plus \$1.07/100 CF of water consumption through any meters used all or partially for domestic use a. \$1.07/100 CF (CVWD) b. \$5.55/EDU (DWA) (minimum charge shall be \$29.58 plus \$5.55/EDU) Rate (4)	2. Total Charge: \$1.98/FU (Minimum \$21.00) plus \$5.55/EDU a. \$1.98/FU (CPS) (minimum \$21.00) b. \$5.55/EDU (DWA) Rate (8)
E. Schools and Colleges Kindergarten Elementary Schools & Colleges	1. Total Charge: \$5.55/EDU plus \$0.12/Student a. \$0.12/Student (CVWD) b. \$5.55/EDU (DWA) Rate (3)	2. (See Commercial) Rate (8)
All Other Schools	1. Total Charge: \$5.55/EDU plus \$0.17/Student a. \$0.17/Student (CVWD) b. \$5.55/EDU (DWA) Rate (2)	N/A
*The number of students to be used in calculating the monthly sewer charges shall be based on the previous year's average monthly attendance.		
F. Interceptor/Separator Surcharge	\$14.00 Rate (4)	N/A

7. Sewer Lateral Inspection. The charge for inspection of all new sewer laterals installed on existing mains shall be \$140 per lateral.

8. Development Review. A charge for Agency provided Administrative Services shall be collected at the rate of \$140 for each of the following:

- a.) Will Serve Letter
- b.) Development Bond Amount Letter
- c.) Response to Initial Study

9. Effective Date: The charges set forth herein shall become effective July 1, 2017 and as of that date this Resolution shall replace Resolution No. 1145.

ADOPTED this 20th day of June 2017.

James Cioffi, President
Board of Directors

ATTEST:

Kristin Bloomer
Secretary-Treasurer

**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

JUNE 20, 2017

**RE: REQUEST ADOPTION OF FISCAL YEAR 2017/2018 OPERATING,
GENERAL AND WASTEWATER BUDGETS**

Attached for your review is the final draft of the proposed Operating, General and Wastewater Fund Budgets for Fiscal Year 2017/2018.

The Finance Committee met on June 9, 2017 and adjustments were made to the General Fund Capital Expenditures and General Fund Reserves.

Staff is available to answer any questions the Board may have with regard to the budgets, and requests adoption of the budgets for Fiscal Year 2017/2018.

**COPIES OF THE
FINAL DRAFT
2017-2018 BUDGET
ARE AVAILABLE
FOR REVIEW
UPON REQUEST**

June 20, 2017

**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

JUNE 20, 2017

**RE: REQUEST ADOPTION OF RESOLUTION NO. 1170
ESTABLISHING TAX RATE FOR FISCAL YEAR 2017-2018**

Attached for the Board's review is a copy of Resolution No.1170 which certifies to the Riverside County Board of Supervisors the Desert Water Agency tax rate for the 2017-2018 Fiscal Year. The taxes collected are used to meet our financial contractual obligations relating to the State Water Project.

Resolution No. 1170 has been reviewed by our attorney, and through the adoption of this resolution, the Desert Water Agency Board of Directors will fix the tax rate of \$0.10 per \$100 of assessed valuation, as adopted in the 2017-2018 General Fund Budget (Same tax rate as 2016-2017). The resolution further directs the County Board of Supervisors to levy such tax rate for the 2017-2018 Fiscal Year on all taxable property within the Agency boundaries.

Staff requests the Board adopt Resolution No. 1170 establishing the tax rate for the 2017-2018 Fiscal Year of \$0.10 per \$100 of assessed valuation. Following adoption of this resolution, Staff will submit a copy to the County Board of Supervisors to be included on their upcoming agenda for adoption.

RESOLUTION NO. 1170

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DESERT WATER AGENCY DETERMINING, CERTIFYING, AND DIRECTING 2017-2018 LEVIES PURSUANT TO SECTION 27 OF THE AGENCY ACT AS AMENDED

WHEREAS, Section 27 of the Agency's enabling act provides that the Board of Directors shall determine the amounts of money necessary to be raised by taxation during the fiscal year, and shall fix the rate or rates to be levied which will raise the amounts of money required by the Agency, and within a reasonable time previous to the time when the Board of Supervisors of Riverside County is required by law to fix its tax rate, the Board of Directors shall certify to the Board of Supervisors the rates so fixed and shall furnish a statement in writing containing: (a) an estimate of the minimum amount of money required to be raised by taxation for the payment of principal and interest on any bonded debt of the Agency; and (b) an estimate of the minimum amount of money to be raised by taxation for all other purposes of the Agency; and

WHEREAS, these general provisions of law have been amended in part by the statutes enacted in response to the passage of Proposition 13 in June, 1978, (Article XIII A of the California Constitution); and

WHEREAS, Section 93(a) of the Revenue and Taxation Code now limits the ability of the Agency to levy ad valorem property taxes, except for that amount which is equal to the amount needed to make annual payments for the interest and principal on general obligation bonds or other indebtedness approved by the voters prior to July 1, 1978; and

WHEREAS, Section 93(b) of the Revenue and Taxation Code further provides that for other purposes of local government, the County shall levy an ad valorem property tax equal to \$1.00 per \$100 of assessed valuation, and the revenues from such tax are to be distributed to local agencies in accordance with the provisions of Sections 95 et seq. of the Revenue and Taxation Code; and

WHEREAS, this Agency has a contractual obligation to make annual payments to the State of California pursuant to its Water Supply Contract dated October 17, 1962; and

WHEREAS, such contractual obligation was approved by the voters of the State and existed prior to July 1, 1978 within the meaning of Article XIII A of the California Constitution and Section 93(a) of the Revenue and Taxation Code; and

WHEREAS, this Agency has been advised by the Assessor of Riverside County that the assessed valuation of the property within the Agency for the fiscal year 2017-2018 is \$13,969,282,756.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Desert Water Agency as follows:

1. The Board does hereby determine that the minimum amount necessary to be raised by taxation during the fiscal year 2017-2018 for payment of the contractual obligations to the State of California pursuant to the Water Supply Contract of the Agency, dated October 17, 1962, is \$13,969,300 and does hereby fix a tax rate of \$0.10 per \$100 of assessed valuation upon all taxable property within the Agency, which will raise such required sum.

2. The Board does hereby certify to the Board of Supervisors of Riverside County that for the Fiscal Year 2017-2018 it has fixed the tax rate of \$0.10 per \$100 of assessed valuation for payments due under its State Water Contract, and does hereby direct that such Board of Supervisors, at the time and in the manner required by law for levying of taxes as may be levied by the Board of Supervisors, shall levy such tax rate for the fiscal year 2017-2018 upon all taxable property within the Agency.

3. The determination of the amount necessary to be raised by taxation which is set forth in Paragraph 1 of this resolution shall constitute the statement in writing required to be filed with the Board of Supervisors pursuant to Section 27 of the Agency's enabling act. The tax rate set herein is fixed pursuant to such Section 27, and Section 93(a) of the Revenue and Taxation Code, and shall be in addition to the allocation of the general tax levy distributed to this Agency pursuant to Section 93(b) of the Revenue and Taxation Code.

4. In meeting the obligations due under its State Water Contract, the Agency relies first and to the extent feasible upon replenishment assessments and revenues derived from rates and charges made for the sale of water delivered pursuant to such contract, and other non-tax sources of funds. However, the Board does hereby find and determine that such revenues are and will be insufficient to meet the payments due under the State Water Contract during the

fiscal year 2017-2018, and that it is necessary to levy the tax rate fixed herein in order to make such payments. This tax rate does not constitute an increase or a decrease in the Agency's reliance upon water rates or other charges in order to make its required payments to the State.

5. A certified copy of this Resolution shall be filed with the Board of Supervisors of Riverside County, and the office of Auditor-Controller of Riverside County, forthwith.

ADOPTED this 20th day of June 2017.

James Cioffi, President
Board of Directors

ATTEST:

Kristin Bloomer, Secretary-Treasurer
Board of Directors

**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

JUNE 20, 2017

**RE: REQUEST AUTHORIZATION TO EXECUTE QUITCLAIM DEED
FOR APN 687-510-002 TO CITY OF CATHEDRAL CITY**

In November 2012, the Agency received a request from the City of Cathedral City requesting the vacation of a series of DWA easements located within Parcel Map 36428, land that the City, along with three other private owners, subdivided (to include the new Volkswagen dealership on HWY 111).

The easements were acquired by DWA from the Palm Springs Water Company for the purpose of maintaining water facilities that served the area. The Agency also acquired APN 687-510-002, a 0.03 acre parcel that at one time had a small water reservoir. The facilities within the easement, along with the reservoir were abandoned several years ago.

On November 6, 2012, the Board authorized staff to Execute Quitclaim Terminating Easement Interest with Parcel Map 36428. This did not include APN 687-510-002.

With the vacation of all of the easements to the parcel, the Agency has no legal authority to access the parcel and the size of the property prohibits any beneficiary use for the Agency. Also, within the past year, the property was occupied by a homeless individual, illegally storing numerous items at the site. The City requested that the Agency remove the individual and his belongings, however, without legal access to the property, the clean-up was performed by the City of Cathedral City since they have property that is adjacent to the parcel.

When the City approached the Agency for an easement to construct a portion of the CV Link on Agency property, the Agency agreed to work with the City on an easement and in exchange asked if the City was willing to accept APN 687-510-002 through a Quitclaim Deed. The City agreed to receive said parcel, and has also agreed to replace the existing chain link fence surrounding Well 31 with a new no climb type fence, providing a more secure site for the Agency.

Attached for Board's review is a copy of the Quitclaim Deed along with supporting documentation. At this time, staff recommends Authorization to Execute Quitclaim Deed for APN 687-510-002 to the City of Cathedral City.

Order No.
Escrow No.
Loan No.

WHEN RECORDED MAIL TO:

DOCUMENTARY TRANSFER TAX \$ _____

.....Computed on the consideration or value of property conveyed; OR
.....Computed on the consideration or value less liens or encumbrances
Remaining at time of sale.

Signature of Declarant or Agent determining tax – Firm Name

QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

The DESERT WATER AGENCY, a public agency, successor in interest to Palm Springs Water Company and Palm Valley Water Company by merger, does hereby REMISE, RELEASE and FOREVER QUITCLAIM unto the CITY OF CATHEDRAL CITY, a municipal corporation, all of its right, title and interest in, against the real property in the County of Riverside, State of California, more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

Dated _____

DESERT WATER AGENCY

STATE OF CALIFORNIA

COUNTY OF _____

On _____ before me,
_____, a notary
public, personally appeared _____

By: _____

Its: _____

_____,
who proved to me on the basis of satisfactory
evidence to be the person(s) whose name(s)
is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed
the same in his/her/their authorized capacity(ies),
and that by his/her/their signature(s) on the
instrument the person(s) or the entity upon behalf
of which the person(s) acted, executed the
instrument.

I certify under PENALTY OF PERJURY under
the laws of the State of California that the
foregoing paragraph is true and correct.

Signature _____

(This area for official notarial seal)

EXHIBIT "A"

IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, THAT PORTION OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 4 SOUTH, RANGE 5 EAST, SAN BERNARDINO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION; THENCE SOUTH $89^{\circ}40'57''$ WEST ON THE NORTH LINE OF SAID SECTION, 1,327.35 FEET TO THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION; THENCE SOUTH $0^{\circ}29'03''$ EAST ON THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 1,297.49 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING SOUTH $0^{\circ}29'03''$ EAST ON THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER 50 FEET; THENCE NORTH $89^{\circ}36'42''$ EAST, 50 FEET; THENCE NORTH $0^{\circ}29'03''$ WEST, 50 FEET; THENCE SOUTH $89^{\circ}36'42''$ WEST, 50 FEET TO THE TRUE POINT OF BEGINNING;

EXCEPTING THEREFROM ANY PORTION LYING IN THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION.



Peter Aldana
Assessor-County Clerk-Recorder
County of Riverside
PO Box 751
Riverside, CA 92502-0751
Phone: (951) 955-6200
www.riversideacr.com

PRELIMINARY CHANGE OF OWNERSHIP REPORT

To be completed by the transferee (buyer) prior to a transfer of subject property, in accordance with section 480.3 of the Revenue and Taxation Code. A *Preliminary Change of Ownership Report* must be filed with each conveyance in the County Recorder's office for the county where the property is located.

NAME AND MAILING ADDRESS OF BUYER/TRANSFEREE
(Make necessary corrections to the printed name and mailing address)

ASSESSOR'S PARCEL NUMBER

SELLER/TRANSFEROR

BUYER'S DAYTIME TELEPHONE NUMBER

()

BUYER'S EMAIL ADDRESS

STREET ADDRESS OR PHYSICAL LOCATION OF REAL PROPERTY

MAIL PROPERTY TAX INFORMATION TO (NAME)

ADDRESS

CITY

STATE

ZIP CODE

☐ YES ☐ NO This property is intended as my principal residence. If YES, please indicate the date of occupancy or intended occupancy.

MO

DAY

YEAR

PART 1. TRANSFER INFORMATION

Please complete all statements.

This section contains possible exclusions from reassessment for certain types of transfers.

YES NO

- ☐ ☐ A. This transfer is solely between spouses (*addition or removal of a spouse, death of a spouse, divorce settlement, etc.*).
- ☐ ☐ B. This transfer is solely between domestic partners currently registered with the California Secretary of State (*addition or removal of a partner, death of a partner, termination settlement, etc.*).
- ☐ ☐ *C. This is a transfer: ☐ between parent(s) and child(ren) ☐ from grandparent(s) to grandchild(ren).
- ☐ ☐ *D. This transfer is the result of a cotenant's death. Date of death _____
- ☐ ☐ *E. This transaction is to replace a principal residence by a person 55 years of age or older.
Within the same county? ☐ YES ☐ NO
- ☐ ☐ *F. This transaction is to replace a principal residence by a person who is severely disabled as defined by Revenue and Taxation Code section 69.5. Within the same county? ☐ YES ☐ NO
- ☐ ☐ G. This transaction is only a correction of the name(s) of the person(s) holding title to the property (*e.g., a name change upon marriage*).
If YES, please explain: _____
- ☐ ☐ H. The recorded document creates, terminates, or reconveys a lender's interest in the property.
- ☐ ☐ I. This transaction is recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest (*e.g., cosigner*). If YES, please explain: _____
- ☐ ☐ J. The recorded document substitutes a trustee of a trust, mortgage, or other similar document.
- K. This is a transfer of property:
- ☐ ☐ 1. to/from a revocable trust that may be revoked by the transferor and is for the benefit of
☐ the transferor, and/or ☐ the transferor's spouse ☐ registered domestic partner.
- ☐ ☐ 2. to/from a trust that may be revoked by the creator/grantor/trustor who is also a joint tenant, and which
names the other joint tenant(s) as beneficiaries when the creator/grantor/trustor dies.
- ☐ ☐ 3. to/from an irrevocable trust for the benefit of the
☐ creator/grantor/trustor and/or ☐ grantor's/trustor's spouse ☐ grantor's/trustor's registered domestic partner.
- ☐ ☐ L. This property is subject to a lease with a remaining lease term of 35 years or more including written options.
- ☐ ☐ M. This is a transfer between parties in which proportional interests of the transferor(s) and transferee(s) in each and every parcel
being transferred remain exactly the same after the transfer.
- ☐ ☐ N. This is a transfer subject to subsidized low-income housing requirements with governmentally imposed restrictions.
- ☐ ☐ *O. This transfer is to the first purchaser of a new building containing an active solar energy system.

* Please refer to the instructions for Part 1.

Please provide any other information that will help the Assessor understand the nature of the transfer.

THIS DOCUMENT IS NOT SUBJECT TO PUBLIC INSPECTION



PART 2. OTHER TRANSFER INFORMATION

Check and complete as applicable.

- A. Date of transfer, if other than recording date: _____
- B. Type of transfer:
- ☐ Purchase ☐ Foreclosure ☐ Gift ☐ Trade or exchange ☐ Merger, stock, or partnership acquisition (Form BOE-100-B)
- ☐ Contract of sale. Date of contract: _____ ☐ Inheritance. Date of death: _____
- ☐ Sale/leaseback ☐ Creation of a lease ☐ Assignment of a lease ☐ Termination of a lease. Date lease began: _____
- Original term in years (including written options): _____ Remaining term in years (including written options): _____
- ☐ Other. Please explain: _____
- C. Only a partial interest in the property was transferred. ☐ YES ☐ NO If YES, indicate the percentage transferred: _____ %

PART 3. PURCHASE PRICE AND TERMS OF SALE

Check and complete as applicable.

- A. Total purchase price \$ _____
- B. Cash down payment or value of trade or exchange excluding closing costs Amount \$ _____
- C. First deed of trust @ _____ % interest for _____ years. Monthly payment \$ _____ Amount \$ _____
- ☐ FHA (____ Discount Points) ☐ Cal-Vet ☐ VA (____ Discount Points) ☐ Fixed rate ☐ Variable rate
- ☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller
- ☐ Balloon payment \$ _____ Due date: _____
- D. Second deed of trust @ _____ % interest for _____ years. Monthly payment \$ _____ Amount \$ _____
- ☐ Fixed rate ☐ Variable rate ☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller
- ☐ Balloon payment \$ _____ Due date: _____
- E. Was an Improvement Bond or other public financing assumed by the buyer? ☐ YES ☐ NO Outstanding balance \$ _____
- F. Amount, if any, of real estate commission fees paid by the buyer which are not included in the purchase price \$ _____
- G. The property was purchased: ☐ Through real estate broker. Broker name: _____ Phone number: (____) _____
- ☐ Direct from seller ☐ From a family member-Relationship _____
- ☐ Other. Please explain: _____
- H. Please explain any special terms, seller concessions, broker/agent fees waived, financing, and any other information (e.g., buyer assumed the existing loan balance) that would assist the Assessor in the valuation of your property.

PART 4. PROPERTY INFORMATION

Check and complete as applicable.

- A. Type of property transferred
- ☐ Single-family residence ☐ Co-op/Own-your-own ☐ Manufactured home
- ☐ Multiple-family residence. Number of units: _____ ☐ Condominium ☐ Unimproved lot
- ☐ Other. Description: (i.e., timber, mineral, water rights, etc.) ☐ Timeshare ☐ Commercial/Industrial
- B. ☐ YES ☐ NO Personal/business property, or incentives, provided by seller to buyer are included in the purchase price. Examples of personal property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships, etc. Attach list if available.
- If YES, enter the value of the personal/business property: \$ _____ Incentives \$ _____
- C. ☐ YES ☐ NO A manufactured home is included in the purchase price.
- If YES, enter the value attributed to the manufactured home: \$ _____
- ☐ YES ☐ NO The manufactured home is subject to local property tax. If NO, enter decal number: _____
- D. ☐ YES ☐ NO The property produces rental or other income.
- If YES, the income is from: ☐ Lease/rent ☐ Contract ☐ Mineral rights ☐ Other: _____
- E. The condition of the property at the time of sale was: ☐ Good ☐ Average ☐ Fair ☐ Poor
- Please describe: _____

CERTIFICATION

I certify (or declare) that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief.

SIGNATURE OF BUYER/TRANSFeree OR CORPORATE OFFICER ▶ _____	DATE ____/____/____	TELEPHONE (____) _____
NAME OF BUYER/TRANSFeree/LEGAL REPRESENTATIVE/CORPORATE OFFICER (PLEASE PRINT)	TITLE _____	EMAIL ADDRESS _____

The Assessor's office may contact you for additional information regarding this transaction.



ADDITIONAL INFORMATION

Please answer all questions in each section, and sign and complete the certification before filing. This form may be used in all 58 California counties. If a document evidencing a change in ownership is presented to the Recorder for recordation without the concurrent filing of a *Preliminary Change of Ownership Report*, the Recorder may charge an additional recording fee of twenty dollars (\$20).

NOTICE: The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the County Assessor. Supplemental assessments are not paid by the title or escrow company at close of escrow, and are not included in lender impound accounts. **You may be responsible for the current or upcoming property taxes even if you do not receive the tax bill.**

NAME AND MAILING ADDRESS OF BUYER: Please make necessary corrections to the printed name and mailing address. Enter Assessor's Parcel Number, name of seller, buyer's daytime telephone number, buyer's email address, and street address or physical location of the real property.

NOTE: Your telephone number and/or email address is very important. If there is a question or a problem, the Assessor needs to be able to contact you.

MAIL PROPERTY TAX INFORMATION TO: Enter the name, address, city, state, and zip code where property tax information should be mailed. This must be a valid mailing address.

PRINCIPAL RESIDENCE: To help you determine your principal residence, consider (1) where you are registered to vote, (2) the home address on your automobile registration, and (3) where you normally return after work. If after considering these criteria you are still uncertain, choose the place at which you have spent the major portion of your time this year. Check YES if the property is intended as your principal residence, and indicate the date of occupancy or intended occupancy.

PART 1: TRANSFER INFORMATION

If you check YES to any of these statements, the Assessor may ask for supporting documentation.

C,D,E, F: If you checked YES to any of these statements, you may qualify for a property tax reassessment exclusion, which may allow you to maintain your property's previous tax base. **A claim form must be filed and all requirements met in order to obtain any of these exclusions.** Contact the Assessor for claim forms. **NOTE:** If you give someone money or property during your life, you may be subject to federal gift tax. You make a gift if you give property (including money), the use of property, or the right to receive income from property without expecting to receive something of at least equal value in return. The transferor (donor) may be required to file Form 709, Federal Gift Tax Return, with the Internal Revenue Service if they make gifts in excess of the annual exclusion amount.

G: Check YES if the reason for recording is to correct a name already on title [e.g., Mary Jones, who acquired title as Mary J. Smith, is granting to Mary Jones]. This is not for use when a name is being removed from title.

H: Check YES if the change involves a lender, who holds title for security purposes on a loan, and who has no other beneficial interest in the property.

"Beneficial interest" is the right to enjoy all the benefits of property ownership. Those benefits include the right to use, sell, mortgage, or lease the property to another. A beneficial interest can be held by the beneficiary of a trust, while legal control of the trust is held by the trustee.

I: A **"cosigner"** is a third party to a mortgage/loan who provides a guarantee that a loan will be repaid. The cosigner signs an agreement with the lender stating that if the borrower fails to repay the loan, the cosigner will assume legal liability for it.

M: This is primarily for use when the transfer is into, out of, or between legal entities such as partnerships, corporations, or limited liability companies. Check YES only if the interest held in each and every parcel being transferred remains exactly the same.

N: Check YES only if property is subject to subsidized low-income housing requirements with governmentally imposed restrictions; property may qualify for a restricted valuation method (i.e., may result in lower taxes).

O: If you checked YES, you may qualify for a new construction property tax exclusion. **A claim form must be filed and all requirements met in order to obtain the exclusion. Contact the Assessor for a claim form.**

PART 2: OTHER TRANSFER INFORMATION

A: The date of recording is rebuttably presumed to be the date of transfer. If you believe the date of transfer was a different date (e.g., the transfer was by an unrecorded contract, or a lease identifies a specific start date), put the date you believe is the correct transfer date. If it is not the date of recording, the Assessor may ask you for supporting documentation.

B: Check the box that corresponds to the type of transfer. If OTHER is checked, please provide a detailed description. Attach a separate sheet if necessary.



PART 3: PURCHASE PRICE AND TERMS OF SALE

It is important to complete this section completely and accurately. The reported purchase price and terms of sale are important factors in determining the assessed value of the property, which is used to calculate your property tax bill. Your failure to provide any required or requested information may result in an inaccurate assessment of the property and in an overpayment or underpayment of taxes.

A. Enter the total purchase price, not including closing costs or mortgage insurance.

"Mortgage insurance" is insurance protecting a lender against loss from a mortgagor's default, issued by the FHA or a private mortgage insurer.

B. Enter the amount of the down payment, whether paid in cash or by an exchange. If through an exchange, exclude the closing costs.

"Closing costs" are fees and expenses, over and above the price of the property, incurred by the buyer and/or seller, which include title searches, lawyer's fees, survey charges, and document recording fees.

C. Enter the amount of the First Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

A **"balloon payment"** is the final installment of a loan to be paid in an amount that is disproportionately larger than the regular installment.

D. Enter the amount of the Second Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

E. If there was an assumption of an improvement bond or other public financing with a remaining balance, enter the outstanding balance, and mark the applicable box.

An **"improvement bond or other public financing"** is a lien against real property due to property-specific improvement financing, such as green or solar construction financing, assessment district bonds, Mello-Roos (a form of financing that can be used by cities, counties and special districts to finance major improvements and services within the particular district) or general improvement bonds, etc. Amounts for repayment of contractual assessments are included with the annual property tax bill.

F. Enter the amount of any real estate commission fees paid by the buyer which are not included in the purchase price.

G. If the property was purchased through a real estate broker, check that box and enter the broker's name and phone number. If the property was purchased directly from the seller (who is not a family member of one of the parties purchasing the property), check the "Direct from seller" box. If the property was purchased directly from a member of your family, or a family member of one of the parties who is purchasing the property, check the "From a family member" box and indicate the relationship of the family member (e.g., father, aunt, cousin, etc.). If the property was purchased by some other means (e.g., over the Internet, at auction, etc.), check the "OTHER" box and provide a detailed description (attach a separate sheet if necessary).

H. Describe any special terms (e.g., seller retains an unrecorded life estate in a portion of the property, etc.), seller concessions (e.g., seller agrees to replace roof, seller agrees to certain interior finish work, etc.), broker/agent fees waived (e.g., fees waived by the broker/agent for either the buyer or seller), financing, buyer paid commissions, and any other information that will assist the Assessor in determining the value of the property.

PART 4: PROPERTY INFORMATION

A. Indicate the property type or property right transferred. Property rights may include water, timber, mineral rights, etc.

B. Check YES if personal, business property or incentives are included in the purchase price in Part 3. Examples of personal or business property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships (golf, health, etc.), ski lift tickets, homeowners' dues, etc. Attach a list of items and their purchase price allocation. An adjustment will not be made if a detailed list is not provided.

C. Check YES if a manufactured home or homes are included in the purchase price. Indicate the purchase price directly attributable to each of the manufactured homes. If the manufactured home is registered through the Department of Motor Vehicles in lieu of being subject to property taxes, check NO and enter the decal number.

D. Check YES if the property was purchased or acquired with the intent to rent or lease it out to generate income, and indicate the source of that anticipated income. Check NO if the property will not generate income, or was purchased with the intent of being owner-occupied.

E. Provide your opinion of the condition of the property at the time of purchase. If the property is in "fair" or "poor" condition, include a brief description of repair needed.



THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCEL MAY NOT COMPLY WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.

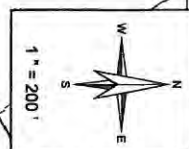
FEB 14 2014

POR. NE 1/4, SEC. 32, T.4S., R.5E.
CITY OF PALM SPRINGS, CATHEDRAL CITY

TRA. 011-003
019-041

687-51

24-84-9
687-03
687-46



- Legend**
- Lot Lines
 - Right-Of-Way
 - Old Lot Lines
 - Reference R.O.W.
 - Other Easements
 - Lease Area
 - Subdivision Tie Mark

ASSESSOR'S MAP BK687 PG. 51
Riverside County, Calif.



J. Fernandez

DATA:
NS 2868, CO SU MAP 602-Z

Bk 681	Bk 681	Bk 681
Pg 30	Pg 32	Pg 36
Pg 02	Pg 46	Pg 04

Map Reference
NS 2868
PM 3865 - 67 PARCEL MAP NO. 8635
PM 13474 - 77 PARCEL MAP NO. 20742
PM 17693 - 94 PARCEL MAP NO. 26531
PM 23569 - 71 PARCEL MAP NO. 39428

MAR 05 2014
Jan 2014

Date	Old Number	New Number
3/12/2013	PE-03	1-30
3/12/2013	035-74	31-32
3/12/2013	035-44	33-34
3/12/2013	035-15	35-37
11/25/2013	14-18, 22, 24	38
11/25/2013	17-18	39
11/25/2013	31-33	40
11/25/2013	34	41-43
11/25/2013	35	44-46
11/25/2013	40	47-50
11/25/2013	46-51	51-52

EXECUTOR'S DEED

10
TRAMVIEW RESERVOIR LOT

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, I, EUGENE E. THERIEAU, as Executor of the Will of LAWRENCE CROSSLEY, deceased, pursuant to the Order of the Superior Court of the State of California, in and for the County of Riverside, made in the matter of the Estate of LAWRENCE CROSSLEY, Proceeding No. Indio 1035, on June 14, 1963, confirming sale of real estate and personal property and directing the execution of conveyances; hereby grant to the PALM SPRINGS WATER COMPANY, a California corporation, all right, title, interest and estate of the decedent at the time of his death and all right, title and interest that the estate may have subsequently acquired by operation of law or otherwise, in and to the real property situated in the County of Riverside, State of California, described as follows:

That portion of the Northeast quarter of the Northeast quarter of Section 32, Township 4 South, Range 5 East, San Bernardino Base and Meridian, described as follows:

Commencing at the Northeast corner of said Section; thence South 89° 40' 57" West on the North line of said Section, 1327.35 feet to the Northwest corner of the Northeast quarter of the Northeast quarter of said Section; thence South 0° 29' 03" East on the West line of the Northeast quarter of the Northeast quarter of said Section 1297.49 feet to the true point of beginning; thence continuing South 0° 29' 03" East on the West line of the Northeast quarter of the Northeast quarter 50 feet; thence North 89° 36' 42" East, 50 feet; thence North 0° 29' 03" West, 50 feet; thence South 89° 36' 42" West, 50 feet to the true point of beginning;

EXCEPTING therefrom any portion lying in the Southeast quarter of the Northeast quarter of said Section.

DATED: June 14, 1963.

Eugene E. Therieau

EUGENE E. THERIEAU, Executor of the Will of LAWRENCE CROSSLEY

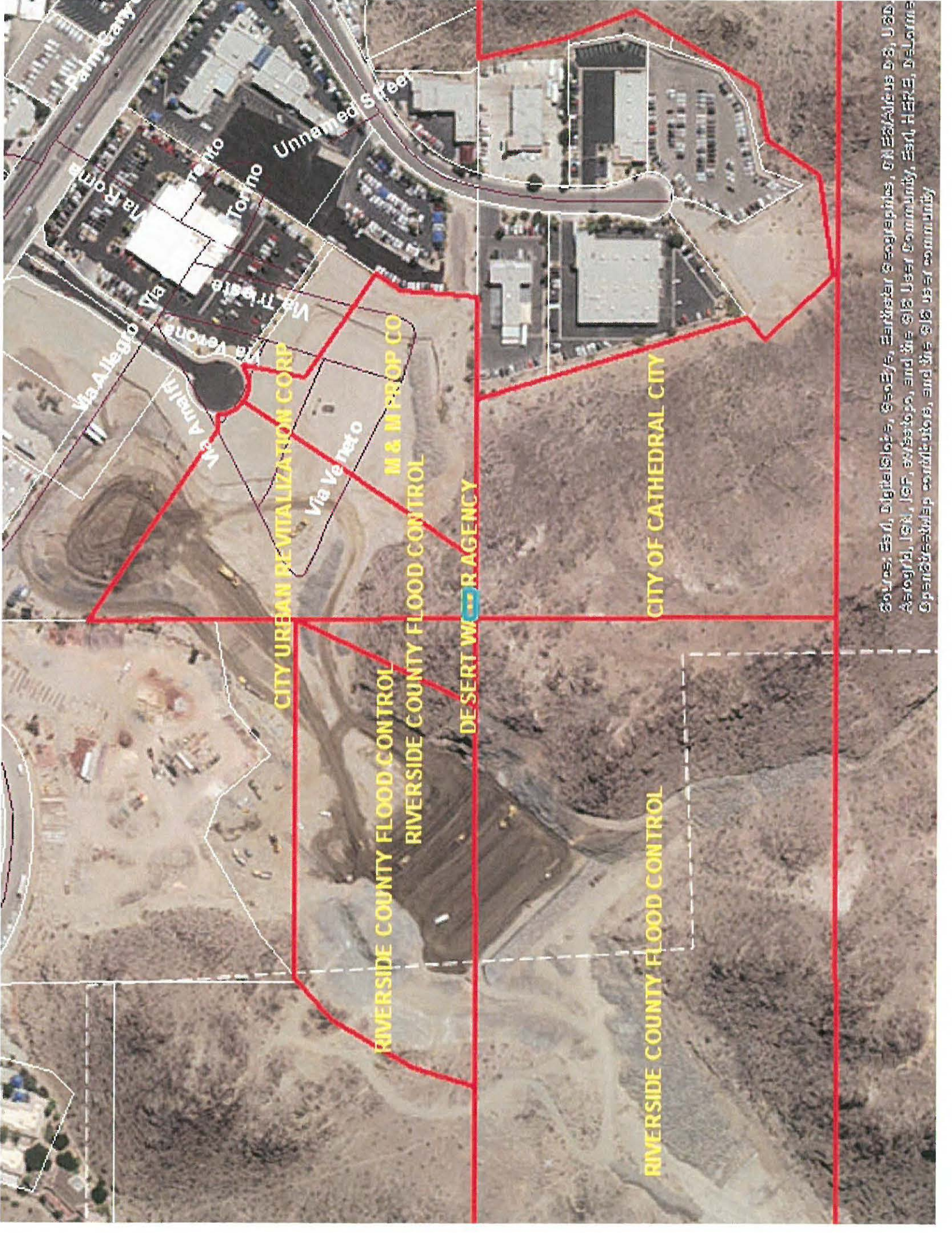
STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.

On June 14, 1963, before me, the undersigned, a Notary Public in and for said County and State, personally appeared EUGENE E. THERIEAU, Executor of the Will of LAWRENCE CROSSLEY, deceased, known to me to be the person whose name is subscribed to the within Instrument, and acknowledged to me that he executed the same.

WITNESS my hand and official seal.

Mary Dracsko

Mary Dracsko



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNR/Airbus DS, USDA, AeroGRID, IGN, JEP, ExxelGeo, and the GIS User Community, Esri, HERE, DeLorme, OpenStreetMap contributors, and the GIS user community

**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

JUNE 20, 2017

**RE: REQUEST BOARD AUTHORIZATION FOR GENERAL MANAGER
TO EXECUTE EASEMENT IN FAVOR OF CITY OF CATHEDRAL
CITY**

The City of Cathedral City is seeking an easement over a portion of Desert Water Agency's property to install, maintain, and use as a public pathway for pedestrians and bicyclists. In exchange for the easement, the City of Cathedral City has agreed to receive APN 687-510-002 through a Quitclaim Deed, and has also agreed to replace the existing chain link fence surrounding Well Site 31 with a new no climb style fence.

Attached for the Board's review is a copy of the proposed Agreement for Grant of Easement. Staff requests Board authorization for the General Manager to execute the easement document.

AGREEMENT FOR GRANT OF EASEMENT

This Agreement for Grant of Easement ("**Agreement**") is by and between the CITY OF CATHEDRAL CITY, a California municipal corporation and general law city ("**City**") and Desert Water Agency, an independent special district of the state of California, ("**Owner**"). The City and Owner may be referred to individually as a "**Party**" or collectively as the "**Parties**."

RECITALS

A. Owner owns that certain parcel of real property located within the City of Cathedral City, State of California, commonly known as Assessor's Parcel Number 677-420-024, and more particularly described as:

That portion of Section 17, Township 4 South, Range 5 East, San Bernardino Meridian, in the City of Cathedral City, County of Riverside, State of California, described in the Grant Deed recorded on June 18, 1987, as instrument No. 173244, in Official Records of Riverside County ("**Property**").

B. Owner desires to grant City a certain easement as set forth in this Agreement to accommodate the construction, maintenance and use of a paved pathway and related improvements intended for public use by pedestrians, bicycles and low speed electric vehicles, which may constitute a portion of a lengthier pathway to be known as CVLink all as more particularly described herein.

NOW, THEREFORE, in consideration of the above recitals, and the mutual covenants, terms, conditions, and restrictions contained herein, the Parties agree as follows:

OPERATIVE PROVISIONS

Grant of Easement Owner hereby grants to the City an easement ("**Pathway Easement**") over specific portions of the Property, as more particularly described and depicted on Exhibit A attached hereto and incorporated herein by reference ("**Easement Area**").

Permitted Uses City shall have the right to use the Easement Area for construction, maintenance, and use as a public pathway allowing public ingress, egress, and access on, over and along the Pathway for pedestrians and bicyclists. City may allow motorized vehicles of City and other public agencies and utilities ingress, egress and access on, over and along the Easement Area as reasonably necessary for construction and maintenance of the Pathway or for emergency and public health and safety purposes. City shall further have the right to use the Easement Area to construct, install, maintain and repair the Pathway and any ancillary structures, landscaping, irrigation, lighting, necessary utilities, and similar improvements within the Easement Area. The Pathway may, at City's sole discretion, be constructed as a paved pathway. The City may also grant access to the Easement Area to other public agencies as reasonably necessary for such agencies to fulfill their governmental function. The City shall maintain the right to determine and designate which public uses, if any, are permissible on any portion of the Easement Area. Notwithstanding the above, Owner shall retain the right at all times to enter upon the Easement Area for purposes of obtaining access to, and utilizing, its property.

Construction and Maintenance

Pathway and Easement Area - City shall be solely responsible for construction, reconstruction, installation, improvement, repair, inspection, expansion, and maintenance of the Pathway. City shall maintain or cause to be maintained the Pathway and the Easement Area, in good and safe condition, at City's sole cost and expense. Maintenance may include, but is not limited to, maintaining, repairing and reconstructing the pathway surface, ancillary structures, landscaping, irrigation, lighting, necessary utilities, and similar improvements. City shall have the right to abate, mitigate or otherwise remedy any conditions within the Easement Area that, in City's reasonable determination pose a safety risk to Pathway users or otherwise interfere with the use of the Pathway, provided that such actions shall not interfere with Owner's reasonable use of the property. City, in its sole discretion, has the right to close the Pathway, for any duration and at any time City determines that closure is warranted in order to protect the public health, safety or welfare, including without limitation times of high flood danger, or presence of wild animals, and at times other segments of connecting public pathways are closed. Owner and its successors and assigns will have no obligation to maintain the Pathway.

Owner Property Fencing - City at its sole expense shall construct fencing around the remaining portion of the Property not included in the Easement Area, to secure the remaining portion of the Property. The fencing location, material type and height shall be subject to approval by Owner before construction and installation. Once installed, Owner will inspect workmanship to ensure fencing satisfies Owner's requirements. Any corrections due to noncompliance with Owner's requirements shall be performed by the City at no cost to the Owner. Owner will take ownership of the fencing and will be solely responsible to maintain the fencing once it has been inspected and accepted by Owner.

Indemnification

City has the sole responsibility for liability, operation, upkeep, and maintenance of the Pathway and the Easement Area. City agrees to indemnify, defend, and hold harmless Owner, its officers, agents, and employees from any and all liabilities, claims, demands, damages, or costs whatsoever, including without limitation, claims by any person for property damage, personal injury or death of any person, whether public or private, arising from, or in any way related, to use of the Pathway or the Easement Area, or the condition, installation, construction, operation, maintenance, or lack of maintenance of the Pathway or related improvements, or the Easement Area by any person, except to the extent that any such liabilities are the result of the negligence or willful misconduct of Owner, its officers, agents, or employees. The duty of the City to indemnify and save harmless includes the duty to defend as set forth in Civil Code section 2778. Nothing in

this Easement limits the ability of Owner and the City to avail themselves of the protections offered by any applicable law affording immunity to Owner and the City.

Disputes and Remedies

Disputes between the Parties regarding nonperformance or default of the Agreement and/or the actual or threatened nonpermitted, encroachment, or damage to the Easement Area or the Pathway ("**Default**") shall be resolved in accordance with this Section.

Notice and Conference

If a dispute as contemplated above arises between the Parties, the aggrieved Party will provide, except as expressly provided for herein, written notice to the other Party of the alleged Default describing it with particularity and include a request for corrective action sufficient to cure the alleged Default and providing the Party with thirty (30) days' notice from the date of delivery of the notice to effect cure. Failure to provide written notice shall not be considered to be a waiver of the Default. The Parties shall meet and confer in good faith at least once during the thirty (30) day cure period with regard to resolving the alleged Default. In the event that physical damage to, or substantial interference with the use of, the Pathway has is imminent or has occurred, City shall have the right to take such reasonable actions to repair the damage and restore use of the Pathway as City deems reasonably necessary, provided that such actions shall not interfere with Owner's reasonable use of the property. In such event, City will provide written notice to Owner as soon as reasonably possible of the Default, the actions undertaken by City, and City's demands upon Owner for reimbursement or other corrective action to be undertaken within thirty (30) days.

Corrective Action

Corrective action may include, without limitation; (i) cessation of any nonpermitted use of the Easement Area; (ii) revocation or removal of any inconsistent easement, license, or right to use granted that impacts the rights afforded under this Agreement; (iii) removal of any actual or threatened encroachment to the Easement Area or Pathway; (iv) repair and or restoration of the Easement Area and/or Pathway; and/or (v) any other action that will reasonably correct the alleged Default, including the payment of damages and/or reimbursement of actual expended.

Relief

If the Party receiving notice under this Section fails to cure the alleged violation within 30 days after receipt of notice from the other Party, or under circumstances where the alleged violation cannot reasonably be cured within a 30-day period, fails to begin curing such alleged violation within the 30-day period and/or to continue diligently to cure such alleged violation until finally cured, the noticing Party may bring an action at law or in equity in a court of competent jurisdiction seeking to enforce the terms of this Agreement or to enjoin the continuance of the Default, by temporary or permanent injunction.

Forbearance

Enforcement of the terms of this Agreement are at the discretion of the noticing Party, and any forbearance by the noticing Party to exercise its rights under this Agreement in the

event of any breach of any term of this Agreement by the other Party will not be deemed or construed to be a waiver by the noticing Party of such term or of any subsequent breach of the same or any other term of the Agreement or of any of the noticing Party's rights under the Agreement. No delay or omission by the noticing Party in the exercise of any right or remedy upon any breach by the other Party will impair such right or remedy or be construed as a waiver.

Acts Beyond a Party's Control

Nothing contained in this Agreement may be construed to entitle a Party to bring any action against the other Party for any injury to or change in the Easement Area hereunder resulting from causes not involving any affirmative acts or negligence by such Party, or causes beyond such Party's reasonable control, including without limitation, trespassers, fire, flood, storm, and earth movement or other Acts of God, or from any prudent action taken by such Party under emergency conditions to prevent, abate, or mitigate significant injury to the Easement Area resulting from such causes.

Entire Agreement The Parties agree that this Agreement contains all of the agreements, promises and understandings between them related to the subject matter of this Agreement. No verbal or oral agreements, promises or understandings will be binding upon either Party in any dispute, controversy or proceeding at law. Any addition, variation or modification to this Agreement will be void and ineffective unless made in writing and signed by the Parties hereto.

Construction of Document The Parties acknowledge that this document may not be construed in favor of or against the drafter.

Applicable Law This Agreement is to be liberally construed in order to effectuate its purposes. This Agreement and the performance thereof will be governed, interpreted, construed and regulated by the laws of the State of California. The Parties agree that the venue for any litigation regarding this Agreement will be in Riverside County.

Partial Invalidity If any term of this Agreement is found to be void or invalid, then such invalidity will not affect the remaining terms of this Agreement, which will continue in full force and effect.

Successors and Assigns This Agreement is binding on the successors and assigns of the Parties and constitutes a covenant running with the land that binds the heirs, personal representatives, successors and assigns of the Parties. Owner acknowledges and agrees that City may assign the maintenance obligations for the Pathway; provided, however, that City will remain responsible for ensuring the overall condition and maintenance of the Pathway.

Construction of Agreement The captions preceding the Sections of this Agreement are intended only for convenience of reference and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof. Whenever the singular is used, the same includes the plural and vice versa and words of any gender include the other gender. As used herein, "including" means "including, without limitation."

Further Assurances Each Party agrees to execute any documents and instruments which any Party deems reasonably necessary or appropriate to carry out the purposes of this Agreement.

Notices Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid, addressed as follows:

To Owner: _____
Desert Water Agency
P.O. Box 1710
Palm Springs, California 92263
Attn: General Manager

To City: City of Cathedral City
68-700 Avenida Lalo Guerrero
Cathedral City, California 92234
Attn: City Engineer

or to such other address as either Party from time to time designate by written notice to the other Party.

Recordation

This instrument will be recorded by City in the Official Records of the County of Riverside, California. Either Party may re-record this Agreement whenever re-recording is required to preserve such Party's rights hereunder.

No Third-Party Rights

This instrument is made and entered into for the sole benefit and protection of Owner and City and their respective heirs, grantees, successors, and assigns. No person or entity other than the Parties hereto and their respective heirs, grantees, successors, and assigns will have any right of action under the Agreement or any right to enforce the terms and provisions of this Agreement.

Authority to Sign

Each of the Parties executing this Agreement represent that they have authority and power to sign this Agreement on behalf of Owner and City, respectively.

Incorporation of Recitals

Each of the Parties acknowledges that the statements contained in the Recitals are true and correct as of the date of this Agreement. The Recitals are hereby incorporated into this Agreement as if set forth fully herein.

EXHIBIT "A"

LEGAL DESCRIPTION OF EASEMENT FROM DESERT WATER AGENCY

That portion of Section 17, Township 4 South, Range 5 East, San Bernardino Meridian, in the City of Cathedral City, County of Riverside, State of California, described in the Grant Deed recorded on June 18, 1987, as Instrument No. 173244, in Official Records of Riverside County, more particularly described as follows:

Beginning at the intersection of the North right of way line of Ramon Road, being a line parallel with the South line of said Section 17, and distant Northerly 40 feet, measured at right angles, from said Section line, and the Easterly line of the parcel described in the above Grant Deed, said Easterly line being a curve, concave Westerly and having a radius of 30,030 feet, said curve being concentric with the Westerly line of said parcel, said Westerly line being a curve, concave Westerly and having a radius of 30,000 feet, said Westerly line also being the Westerly line of the Whitewater River storm channel, as described in the Deed of Easement recorded on September 1, 1960, in Book 2760, at Page 34, as Instrument No. 77268, in said Official Records, Official Records, a radial of said 30,030 foot radius curve through said Beginning Point bears North 69° 15' 44" East;

Thence, Northerly along said 30,030 foot radius curve, through a central angle of 00° 42' 34", an arc length of 371.84 feet to the beginning of a non-tangent curve, concave Westerly and having a radius of 19,988 feet, a radial of said 19,988 foot radius curve bears North 71° 06' 28" East;

Thence, Southerly along said 19,988 foot radius curve, through a central angle of 00° 14' 59" an arc length of 87.12 feet;

Thence, South 18° 38' 33" East, 207.08 feet;

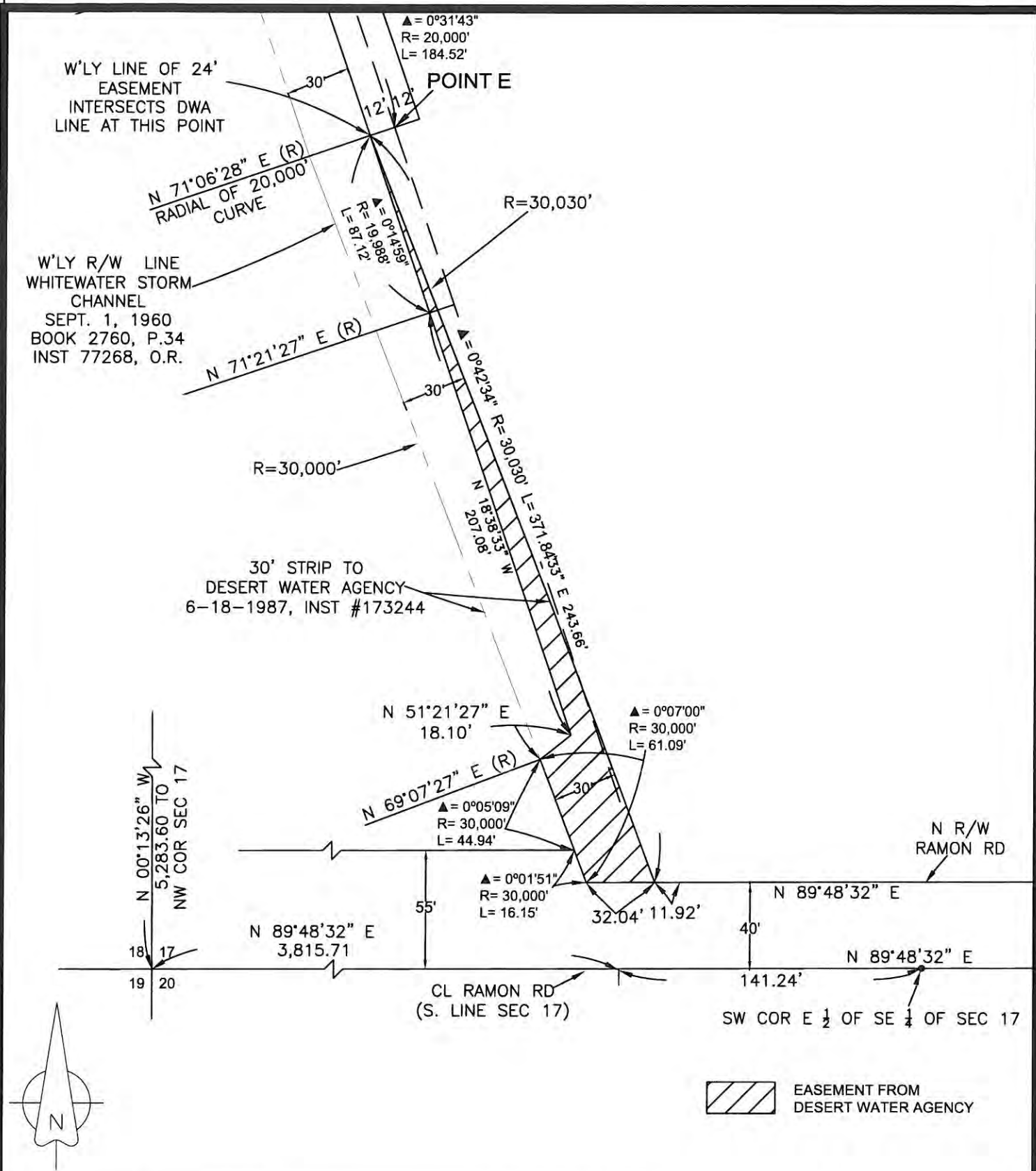

Thence, South 51° 21' 27" West, 18.10 feet to a point on the above described 30,000 foot radius curve Westerly line of the Whitewater River storm channel, said point also being the Northernmost point of that portion of Lot "A" of Parcel Map No. 14820, as shown on the map filed in Book 91, at Pages 7 and 8 of Parcel Maps, Records of Riverside County, accepted for highway dedication by Riverside County Board of Supervisors Resolution No. 81-173, recorded on June 8, 1981, as Instrument No. 105065, in said Official Records, a radial of said 30,000 foot radius curve through said point bears North 69° 07' 27" East;

Thence, Southerly along said 30,000 foot radius Westerly line, through a central angle of 00° 07' 00" an arc length of 61.09 feet to a point on the above described North right of way line of Ramon Road;

Thence, Easterly along said North right of way line, North 89° 48' 32" East, 32.04 feet to the Point of Beginning.

Containing 4045 square feet, more or less.

Prepared by: _____
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EXHIBIT B
WHITEWATER BIKE PATH
EASEMENT

GRANTOR: DESERT WATER AGENCY

Scale: 1" = 60'

Date: 5/24/2017

Sheet: 1 of 1 Sheets

Drawn By: ERP

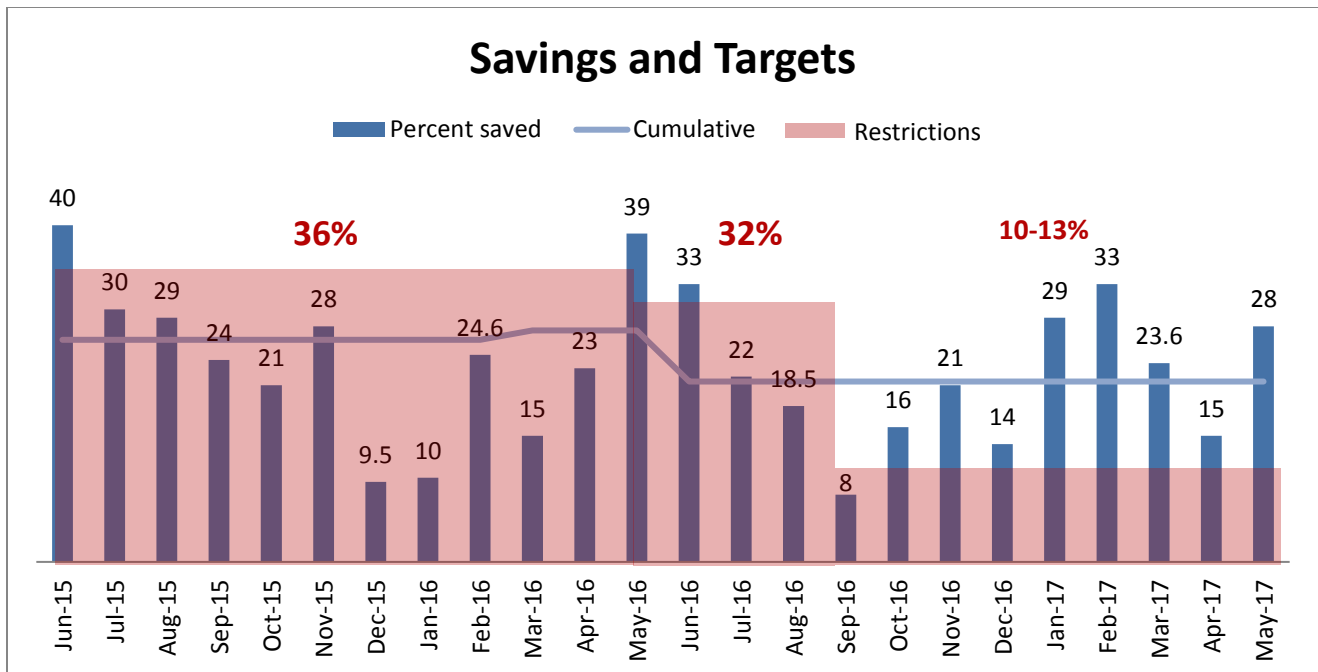
Checked By: DF

STAFF REPORT TO DESERT WATER AGENCY BOARD OF DIRECTORS

JUNE 20, 2017

RE: MAY 2017 WATER USE REDUCTION FIGURES

Desert Water Agency and its customers achieved a 27.86% percent reduction in potable water production during May 2017 compared to the same month in 2013 – the baseline year used by the State Water Resources Control Board (State Water Board) to measure statewide conservation achievements. Desert Water Agency's cumulative water savings June 2015 through current is 24% percent. DWA reports its production to the state on a monthly basis.



Staff is also tracking the water use compared to the threshold in the rate study regarding the proposed drought surcharge. The first trigger for the Board to consider action would be at use 10% below April 2015 – March 2016 levels. This trigger was not met this month and the cumulative since January is below the 10% trigger.

DWA is asking its customers to save 10-13% compared to 2013 to help achieve long-term sustainability. The cumulative savings beginning in June of 2016 when we put our 10-13% target in place is 21.4%.

Below is additional information reported to the State Board for this month.

May 2017 water production	2,393.4 AF
May 2013 water production	3,317.5 AF
Percent changed in May per drought surcharge baseline (May 2015)	1.95% reduction
Quantity of potable water delivered for all commercial, industrial, and institutional users for the reporting month	761.9 AF
The percentage of the Total Monthly Potable Water Production going to residential use only for the reporting month	68.17%
Population (inclusive of seasonal residents)	105,992
Estimated R-GPCD	161.79
How many public complaints of water waste or violation of conservation rules were received during the reporting month?	35
How many contacts (written/ verbal) were made with customers for actual/ alleged water waste or for a violation of conservation rules?	8
How many formal warning actions (e.g.: written notifications, warning letters, door hangers) were issued for water waste or for a violation of conservation rules?	0
How many penalties were issued for water waste or for a violation of conservation rules?	0
<p>Comments: The Agency's service area is highly seasonal making population analysis a complex task. The State Water Resources Control Board (State Board) analyzes data on a per capita basis. Historically, DWA has submitted data based on the permanent population of the service area; however that data does not accurately reflect water use in DWA's service area which has a highly seasonal population. Based on local data, the correct population is higher than previously reported. The Residential Gallons Per Capita Per Day (R-GPCD) is being submitted using the corrected population.</p> <p>DWA has continued to receive some notifications from customers relating to time of day and day of week, which are no longer restricted.</p> <p>DWA would like it noted that the amount of fresh water outflow to the ocean during the month of May was 4,920,054 acre feet.</p> <p>Additionally, since it began recycling water Desert Water Agency has reclaimed 91,497 acre feet. If our recycled water production for April was taken into consideration against our potable production, the conservation achieved would have been several percentage points higher.</p>	