



A STATE OF  
CALIFORNIA  
PUBLIC AGENCY

# QUAIL VALLEY WATER DISTRICT

## BOARD OF DIRECTORS

Mike Biglay  
Jean Grodewald  
Rita Leonard Phillips  
Enrique Lopez  
Joan Tyer

## District Rules and Regulations

### 1. Rules Applicable to Water Service Customers:

Water service shall be provided to Customers only in accordance with the rules and regulations set forth in this policy or as otherwise approved by the Board of Directors and applicable law.

#### 1.1. Description of Service and Limits of District Responsibility:

The District does not guarantee continuous delivery of water on demand or any guarantee as to operating pressures or flows. Customer shall accept such conditions of pressure and service as are provided by the District system and hold the District harmless from any loss or damage to Customer resulting from the District's failure to meet the service goals stated within this section or due to any interruptions in service or any change in pressure or flow.

##### 1.1.1. Quantities:

The District will use its best efforts to supply water dependably and safely in adequate quantities and pressures to meet the reasonable needs and requirements of Customers.

##### 1.1.2. Pressures:

The District will use its best efforts to maintain operating pressure of not less than 40 pounds per square inch nor more than 125 pounds per square inch at the service connection. However, there exist some isolated areas where pressure may normally be below 40 pounds per square inch or exceed 125 pounds per square inch. Regulation of water pressure within Customer's facilities shall be the sole responsibility of the Customer.

##### 1.1.3. Quality:

Whenever provided for human consumption or for domestic uses, the District will endeavor to provide water that is wholesome, potable, in no way harmful or dangerous to health and, insofar as practicable, free from objectionable odor, color, taste and turbidity.

##### 1.1.4. Notices:

###### 1.1.4.1. Notice to Customers:

Notice to a Customer will normally be in writing and will be delivered to the Customer's last known address. In emergencies or when other circumstances warrant, the

District may provide notice orally, either in person or by telephone.

1.1.4.2. Notice from Customers:

Customer shall make notifications to District in writing delivered or mailed to District at: 24750 Sand Canyon Road, Tehachapi, CA 93561. Unless notice in writing is specifically required by law, rule, regulation or ordinance, Customer may alternatively make notice in person or by telephone to District at its office during normal business hours or by email to: customerservice@qvw.org.

1.1.5. Change in Customer's Equipment, Operations or Land Use:

Customer making any material change in the size, character, or extent of the equipment, operations, or nature of land use such as using water for commercial activities where water has been previously used for residential purposes only, shall immediately give written notice to District of the nature and extent of the change.

1.1.6. Resale of Water:

No Customer, except for a permitted water purveyor by written agreement with the District, shall resale water received from the District, nor shall such water be delivered to a property other than that specified in the application for service. When property with a service connection is divided, the service connection shall be considered as belonging to the lot or parcel of land which it directly enters. Except for contiguous parcels under singular ownership to which service is supplied exclusively for landscape or irrigation purposes, a service connection shall not be used to supply water to any parcel of land other than the parcel on which the service connection is located and for which all relevant connection fees have been paid.

1.1.7. Continuity of Service:

The District expressly reserves the right to restrict, curtail, allocate or apportion District water supplies as necessary, in the sole discretion of the District.

1.1.7.1. Emergency Interruptions:

The District will make all reasonable efforts to prevent interruptions to service and, when such interruptions occur, will endeavor to re-establish service with the shortest possible delay consistent with the safety of the District's customers, employees and the general public.

1.1.7.2. Scheduled Interruptions:

Whenever the District finds it necessary to schedule an interruption to its service, it will, where feasible, notify affected Customers, stating the approximate time and anticipated duration of the interruption.

1.1.7.3. Apportionment of Supply During Times of Shortage:

During times of threatened or actual water shortage, the District will apportion its available water supply among its

Customers as directed by the appropriate state and local authorities. In the absence of direction from such authorities, the District will apportion the supply in a manner appearing most equitable under circumstances then known with due regard to public health and safety.

1.2. District Facilities:

1.2.1. Control and Operation of Facilities:

All District facilities and appurtenances thereto shall be under the management and control of the General Manager. No person, other than an employee or agent of District, shall have any right to operate any part of a District water distribution system or any other District facility. Except as otherwise specifically authorized by the General Manager, only District employees or authorized agents shall be permitted to operate any valve or device, including any valve or device installed on system side of any service meter.

1.2.2. Damage to District Property:

When any person, company, agency, or other legal entity is determined to be the responsible party that has caused damage to District property or facilities, the District may charge that party with all costs necessary to repair the damages and the cost of water loss computed on the basis of the estimated duration of flow and the estimated rate of flow.

1.2.3. Installation or Removal of Meters:

Installation or removal of water meters and connection to or disconnection from District facilities shall be made only by District employees or authorized agents.

1.2.4. Delineation of District Facilities and Customer Facilities:

The District facilities include all piping components and appurtenances, up to and including the water meter and tailpiece. Customer facilities include all piping components and appurtenances including any shut-off valve, pressure regulator, and backflow devices installed on service side of meter.

1.2.5. Ownership of District Facilities Located On Customer's Premises:

District facilities including, but not limited to, service lateral, meter, and meter pit furnished at the Customer's expense and located wholly or partially upon a Customer's premises are the property of the District. No rent or other charge will be paid by the District where the District-owned facilities are located on a Customer's premises.

1.2.6. Inspection of Customer Premises:

The District shall have unrestricted access at all reasonable hours to all premises to which the District is furnishing water in order to inspect Customer's facilities including water supply system, meters, valves and other appurtenances, and to determine compliance with rules, regulations and ordinances of the District concerning the taking, using or wasting of water.

The District shall have unrestricted access at all reasonable hours to District facilities which may be located on Customer's premises for purposes of installation, maintenance, operation, or removal of such facilities.

1.3. Service Area:

The Service Area of the District shall be all properties located within the boundaries of the District. Water service to properties outside the boundaries of the District shall only be provided with prior approval of the Board of Directors of the District. Temporary water service may be provided to property located outside District boundaries with approval of the General Manager.

1.4. Rates:

All rates charges and fees are set, from time to time, by the Board of Directors of Quail Valley Water District. Current rates and charges are set forth in attached appendices.

1.4.1. Potable Water Service Categories:

1.4.1.1. Domestic Residential Water Service:

Water service supplied to single residential and individually metered attached households as well as other domestic uses not included in other categories.

1.4.1.2. Multiple Residential Water Service:

Master metered water service for multiple residential households, such as but not limited to, duplexes, townhomes, condominiums, apartments, and manufactured home parks.

1.4.1.3. Commercial Water Service:

Potable water service supplied to commercial, industrial, and public-owned establishments.

1.4.1.4. Irrigation Water Service:

Potable water service supplied solely for landscape irrigation, commercial agriculture, or growing or raising of livestock for commerce, trade or industry. Irrigation Water Service includes temporary service for construction water.

1.4.1.5. Property Not Subject to District Taxes:

Potable water service supplied to properties not subject to District taxes such as publicly-owned properties, properties outside District boundaries.

1.4.2. Non-Potable Water Service:

Non-potable water service supplied solely for landscape irrigation, commercial agriculture, or growing or raising of livestock for commerce, trade or industry. Non-potable water service may be used to provide temporary service for construction water, if available.

1.4.3. Monthly Meter Charge:

Each water service customer shall be assessed a fixed, monthly charge for service regardless of water use. The monthly charge set



forth in Appendix A shall apply based on water service category and water meter size providing the water service.

1.4.4. Consumption Charge:

1.4.4.1. Potable Water Service:

A consumption charge as set forth in Appendix A shall be assessed monthly for all potable water metered.

Consumption charge will be billed per unit of water which is defined as 100 cubic feet or 748 gallons of water.

1.4.4.2. Non-Potable Water Service:

A consumption charge as set forth in Appendix A shall be assessed monthly for all non-potable water metered.

Consumption charge will be billed per unit of water which is defined as 100 cubic feet or 748 gallons of water.

1.5. Miscellaneous Charges:

In order to recover costs associated with providing various services such as afterhours service calls, late payments disconnections and other damages sustained by the District, various fees and charges will be assessed to the applicable customer account. These charges are set by the Board and are attached as Appendix A.

1.5.1. Account Set-up / Transfer Charge:

A set-up charge shall be assessed for each account transferred to another customer.

1.5.2. Delivery of Disconnection (48 Hour) Notice:

A charge shall be assessed for the delivery of a 48 hour disconnection notice. The charge includes delivery of a subsequent 24 hour notice, if required.

1.5.3. Damage To District Property:

A charge shall be assessed to recover cost to District for damage to District property caused by or attributable to a customer due to action, inaction, negligence, or purposeful act of customer.

1.5.4. Emergency Shutoff Charge:

An emergency shut-off charge shall be assessed for response to turn off water service outside of normal business hours due to leak, water waste or other circumstances requiring the stoppage of flow.

1.5.5. Meter Test Charge:

A customer may request that the meter serving their water service connection be tested for accuracy upon written request and making a meter testing fee deposit. If upon testing, the meter does not register more than five percent (5%) in excess of actual quantities of water passed through the meter during the test, the deposit shall be retained by the District.

1.5.6. Missing or Damaged Lock Charge:

A charge shall be assessed for any missing or damaged lock that was applied to a customer's water service.

1.5.7. Re-connection Charge:

A charge shall be assessed for resumption or continuance of service after such service has been disconnected for non-payment, unauthorized use or other violation of condition of service rules.

1.5.8. Remove Meter Charge:

A charge shall be assessed for removal of water service meter to prevent unauthorized use of water following disconnection of service and subsequent unauthorized use of water.

1.6. Billing Procedures:

1.6.1. Separate Meters:

Each meter on a Customer's premises will be considered separately and the reading of two or more meters will not be combined except where combination of meter readings is specifically provided for in a rate schedule, or where the District's operating convenience or necessity may require the use of more than one meter, or a battery of meters. In this case, the monthly minimum charge will be computed on the resultant diameter of the total combined discharge areas of such meters.

1.6.2. Rendering and Payment of Statements:

1.6.2.1. Issuance of Statements:

Statements for water service or other charges will be mailed or presented as soon as practicable after the water meter has been read and applicable charges determined.

1.6.2.2. Pro-Rata Correction:

Monthly meter charges on opening statements, closing statements, and other statements requiring proration, will be prorated on the basis of the ratio of the number of days in the period to the number of days in the average billing period, based on an average month of 30.4 days.

1.6.2.3. Statement Due Date:

Statements for water service or other charges are due and payable upon presentation.

1.6.2.4. Place of Payment:

Payments shall not be credited to a Customer's account until an acceptable form of payment (US currency or bank check drawn on US bank) has been received in the District Office at 24750 Sand Canyon Road, Tehachapi, CA 93561. Deposit of payment in the mail or at a location other than the District Office shall not be credited to a Customer's account unless and until such payment is received in the District Office.

1.6.2.5. Form of Payment:

Acceptable form of payment is US currency or bank check drawn on US bank.

1.6.2.6. Notification of Rejected Payment:

Upon receipt of a rejected payment taken as remittance of water service or other charges, the District will make a

reasonable, good faith effort to notify the Customer of the rejected payment. The District will consider the account unpaid and subject to Late Charge as specified in 1.7.4.3. and Termination for Delinquent Account as specified in 1.8.2.1. if the amount of the rejected payment, the Returned Check Charge, and a deposit if required, are not paid within 48 hours of the date of notice. The District will make a reasonable, good faith effort to notify the Customer of the rejected payment.

1.6.2.7. Returned Check Charge:

A charge as set forth in Appendix A shall be assessed for any form of payment tendered to District that is rejected by the bank or financial entity upon which it is drawn.

1.6.3. Delinquent Accounts:

1.6.3.1. Statement Delinquency Date:

Statements for water service or other charges remaining unpaid on the last day of the month of mailing or presentation, but in no event less than 20 days calendar days after mailing or presentation shall become delinquent.

1.6.3.2. Returned Payments:

Payment rejected by a bank or financial entity upon which it is drawn will no longer be credited to the statement to which it was applied and Statement Delinquency Date applies to said statement.

1.6.3.3. Late Charge:

A late payment charge as set forth in Appendix A will be assessed on the total unpaid statement balance at such time as any amount becomes delinquent. If the unpaid statement balance is \$10.00 or less, it shall be carried over and added to the next billing and no late payment charge will be assessed.

1.6.3.4. Partial Payments:

Partial payments to a customer's account may be accepted but do not preclude delinquency, late charges or disconnection for delinquency.

1.6.4. Leak Adjustment Policy:

A Customer that experiences excessive water use due to a water leak on the Customer's premises may request, in writing, a courtesy adjustment to the charges for the month in which the excessive use was first noticed.

1.6.4.1. Excessive Use: Defined as consumption, registered by water meter, two (2) times the monthly average for the previous 12 months.

1.6.4.2. Courtesy Adjustment:

Courtesy adjustment shall be limited to a reduction from the then current potable water consumption rate to the

then current non-potable water consumption rate and shall apply to the portion of water registered by water meter for the month in which the excessive use was first noticed that exceeds the monthly average consumption for the previous 12 months.

1.6.4.3. Limitations:

- (1) Adjustments shall be subject to review and approval of General Manager.
- (2) Adjustment shall be limited to once per 12-month period.

1.6.5. Disputed Bills:

A Customer has the right to initiate a complaint or request an investigation regarding any statement tendered by the District by providing such in writing and delivered to the District Office, along with all evidence and data the Customer wishes to be considered, within five (5) days of receipt of disputed statement.

1.6.5.1. Investigation of Complaint:

Following receipt of a complaint or a request for an investigation, the General Manager or any person delegated by the General Manager shall review and evaluate the evidence provided by the Customer and any other information available pertaining to the water charges in question and shall render a decision as to the accuracy of the water charges and shall also render a brief written summary of the decision.

1.6.5.1.1. Complaint Substantiated:

If water charges are determined to be incorrect, a corrected statement will be provided and the revised charges will be due and payable.

1.6.5.1.2. Complaint Unsubstantiated:

If water charges are determined to be correct, the water charges are due and payable at the time the decision is rendered and the Customer will be advised of the right to further appeal before the Board of Directors.

1.6.5.1.2.1. Appeal of Decision:

If the decision is not to the satisfaction of the Customer, the Customer may request a hearing before the Board of Directors at a regular meeting. A request for hearing must be submitted in writing to the District at least ten calendar days prior to the next regular meeting of the Board.

1.6.5.1.2.2. Continuation of Water Service:



Water service may not be terminated during an investigation or appeal process and until Customer is notified of the District's decision.

1.6.5.2. Hearing Before the Board of Directors:

When a hearing before the Board of Directors is requested, the Customer shall appear at the hearing and present evidence and reasons as to why the water charges in question are not accurate. The Board of Directors shall evaluate evidence presented by the Customer, as well as other information available pertaining to the water charges in question and shall render a decision as to the accuracy of the water charges.

1.6.5.2.1. Appeal Substantiated:

If the Board of Directors finds the water charges in question are incorrect, the Customer will be invoiced for any additional charges and payment is due within ten (10) days from the date of said invoice. Any overcharges will be reflected as a credit on the next regular statement or be refunded directly to the Customer, in the sole discretion of the Board of Directors. If the revised charges remain unpaid after the prescribed period of time, water service will be terminated on the working day following the period allowed for payment. Service will not be restored until all outstanding water charges and any and all applicable termination, re-connection and other charges are paid in full.

1.6.5.2.2. Appeal Unsubstantiated:

If the Board of Directors finds that the water charges in question are correct, the decision of the Board of Directors is final and binding and all charges are due and payable. If the charges in question remain unpaid, water service will be terminated two (2) working days following the day the Customer was informed of the Board's decision. Service will not be restored until all outstanding water charges and any and all applicable termination, re-connection and other charges are paid in full.

1.6.6. Adjustment of Charges for Meter Error:

A Customer may request, in writing, an adjustment of water service consumption charges on the basis of meter error. Rules set forth in

Section 1.5.5., Meter Test Charge, will apply. The District will remove and test the subject meter. If upon testing, the meter error is found to exceed five percent (5%) of actual quantities of water passed through the meter during the test, either over or under registered, the following adjustments will be made;

1.6.6.1. Fast Meter:

The District will refund the Customer the amount of overcharge based on corrected meter readings for the period the meter was in use and determined to be incorrect, but not to exceed a period of six months.

1.6.6.2. Slow Meter:

The District may bill the Customer the amount of undercharge based on corrected meter readings for the period the meter was in use and determined to be incorrect, but not to exceed a period of four months.

1.6.6.3. Non-Registering Meter:

The District may bill the Customer according to an estimate of water consumed while a meter was not registering. This estimate will be based on the Customer's prior use during the same season of the previous year if conditions of service were unchanged during the year, or on a reasonable comparison of consumption of other similar Customers during the same period.

1.6.7. Financial Arrangements for Delinquent Accounts:

1.6.7.1. Continuation of Service:

The General Manager or any person delegated by the General Manager may authorize continuation of water service to a delinquent account if financial arrangements, satisfactory to the District, have been established.

1.6.7.2. Bankruptcy of Customer:

Pursuant to the Bankruptcy Act (P.L.95-598, as amended from time to time) the District shall not alter, refuse or discontinue service to, or discriminate against, a Customer, or a trustee of a Customer, solely on the basis that a debt owed by the Customer to the District for service rendered before the order for relief was not paid when due. It shall be the responsibility of the Customer to supply the District with a copy of any applicable order for relief. The District shall discontinue service if neither the Customer, nor the trustee, within 20 days after the date of the order for relief, furnishes adequate assurance of payment in the form of an advance payment for service after such date. As used herein, "order for relief" shall have the same meaning as given in the Bankruptcy Act. The commencement of a voluntary case under the Bankruptcy Act shall constitute an order for relief. Service

may be discontinued in accordance with the rules of the District upon non-payment for service rendered after the order of relief. Upon discontinuance of a service, the District will refund the balance of the Customer's advance payment for that service, in excess of any unpaid bills. Refunds will be made within a reasonable period of time.

1.6.7.3. Amortization of Unpaid Balance:

1.6.7.3.1. Certification by Physician:

Where a licensed physician certifies that the termination of service will be life threatening to the Customer and the Customer is unable to pay for the service within the normal payment period but is willing to enter into an amortization agreement, then the Customer may request, in writing, a 12-month amortization payment plan.

1.6.7.3.2. Amortization of Delinquent Charges:

Solely at the discretion of the District, the General Manager or any person delegated by the General Manager may offer a Customer asserting an inability to pay for the service within the normal payment period but is willing to enter into an amortization agreement, a 12-month amortization payment plan.

1.6.7.3.3. Amortization Payment Plan:

Upon receipt of certification from a licensed physician that the termination of water service will be life-threatening to the Customer, determination by the District of the Customer's inability to pay and District approval of the written request for amortization, a written amortization plan will be entered into between the District and the Customer. The Customer will be charged an administrative fee representing the cost to the District of initiating and administering the plan, and the plan shall include a charge for interest of ten percent (10%) per annum or the maximum legal rate, whichever is less, on the unpaid balance.

1.6.7.3.4. Compliance with Plan:

The Customer must comply with the amortization plan and remain current as charges accrue in each subsequent billing period. The Customer may not request further amortization of any subsequent unpaid charges while paying delinquent charges pursuant to an amortization plan. Failure to

comply with the terms of an amortization plan will result in termination of water service.

1.7. Termination and Reinstatement of Water Service:

1.7.1. Voluntary Termination of Water Service:

A Customer may request that water service be discontinued either temporarily or permanently. Such request must be made by giving at least one working day's advance written notice to the District. Water service discontinued voluntarily will not be assessed a monthly meter fee for the months following discontinuance of water service and until such time as water service is restored, provided all prior charges have been paid in full.

1.7.2. Involuntary Termination of Water Service:

1.7.2.1. Termination For Delinquent Accounts:

Water service to delinquent accounts may be terminated by turning off and locking the water service at the water meter. Upon assessment of a late charge on an account and no less than 15 days before termination of water service, the District will mail notices to the Customer and to water users at the property address if that address is different from the Customer's billing address, informing them of:

- (1) The name and address of the Customer whose account is delinquent.
- (2) The amount of the delinquency.
- (3) The date by which the payment or arrangements for payment is required in order to avoid termination of water service.
- (4) The procedure by which the Customer may initiate a complaint or request an investigation concerning service or charges, except if the statement for service contains a description of that procedure, the notice need not contain that information.
- (5) The procedure by which the Customer may request amortization of the unpaid charges.
- (6) The procedure for the Customer to obtain information on the availability of financial assistance.
- (7) The telephone number of a representative of the District who can provide additional information or institute arrangements for payment.

The District shall make a reasonable, good faith effort to contact an adult person residing at the premises of the customer by telephone or in person, at least 48 hours prior to any termination of water service for delinquent account. Termination of water service for delinquent account shall not occur on any Friday, Saturday, Sunday,



District holiday or at any time during which the business offices of the District are not open to the public.

1.7.2.2. Termination For Waste of Water:

To protect the District and Customers against willful or negligent waste or misuse of water, the District has adopted Resolution 01-2015 declaring water use restrictions in response to drought emergency. Repeated violations of restrictions imposed by Resolution 01-2015 may result in termination of water service.

1.7.2.3. Termination For Unsafe or Hazardous Conditions:

The District may terminate a water service without notice if unsafe or hazardous conditions are found to exist on the Customer's premises. District will immediately notify the Customer of the reasons and necessary corrections required before reconnection. Such unsafe or hazardous conditions may exist due to defective appliances or equipment that may be detrimental to either the Customer, the District, or to the District's other Customers.

1.7.2.4. Termination For Fraudulent Use of Service:

Water service may be terminated without notice when the District becomes aware that a Customer has obtained service by fraudulent means, or has diverted the water service for unauthorized use. District will not restore water service to such Customer unless and until Customer has complied with District Rules and Regulations for Water Service and other reasonable requirements the District may impose and District has been reimbursed for the full amount of the service rendered and the actual cost the District incurred by reason of the fraudulent use.

1.7.2.5. Termination For Failure to Comply with Rule for Service:

Water service may be terminated for failure to comply with District Rules and Regulations for Water Service, if full compliance with the Rules and Regulations for Water Service is not obtained within five calendar days after notice of non-compliance has been given to the Customer. Where safety of water supply is endangered, water service may be terminated without notice.

1.7.3. Abandoned Service:

A terminated water service that has remained terminated for six (6) months or longer may be considered by the District as abandoned. The District may remove the water meter from an abandoned service at which time a removed meter charge will apply.

1.7.4. Restoration of Service:

Water service that has been involuntarily terminated may not be restored until all amounts due and payable including late payment

charges and re-connection charges have been paid or payment arrangements satisfactory to the District have been made.

1.8. Changes in Meter Size, Land Use or Inclusion of Additional Land Area:

The Owner of a property receiving water service desires a change in meter size or location or changes substantially the type of land use (such as residential to commercial) or wishes to include adjacent land areas not served at the original commencement of service, shall make a request in writing and, if approved by the District, shall pay various costs and charges as set forth below.

1.8.1. Charges for Meter Size Change:

For a reduction in meter size, the charges shall be the actual cost incurred to the District to install the smaller meter. For an increase in meter size the Owner shall pay the full current charges for a new service connection for the desired meter size, less any connection charge paid for the previous meter installation. In addition, the Owner must pay the Assessment Parity Charge and the Capital Improvement Fee, less any Assessment Parity Charge and Capital Improvement Fee paid previously for the subject property.

1.8.2. Charges for Change in Meter Location:

Charges for change in meter location initiated by Owner shall be the actual costs incurred by the District. There shall be no charge to the Owner for a change in meter location initiated by District.

1.8.3. Change in Land Use:

Owner shall notify District of any change in the character or use of the property or buildings from that for which the water service connection was originally obtained.

1.8.4. Inclusion of Additional Land Area:

Owner shall notify District of any additional land area or adjacent lots not served at the time of original commencement of service that are to be served from the existing water service connection. The additional land area to be served shall be assessed the current Assessment Parity Charge.

1.9. Cross Connection Control Program:

The District has adopted a Cross Connection Control Program, District Ordinance 2015-1, and incorporates such program herein.

1.10. Water Conservation:

To insure that water resources available to the District are put to a reasonable, beneficial use and that the benefits of the District's water supply and service extend to the largest number of persons, the District has adopted the following water conservation rules;

1.10.1. Waste of Water:

In order to protect the District against serious and negligent waste of water, water service may be terminated as set forth in Section 1.7.2.2., Termination for Waste of Water.

1.10.2. Use of Water Saving Devices and Practices:

Customers of the District are encouraged to install devices to reduce the quantity of water to flush toilets and to reduce the

flow rate of showers. Each Customer is further urged to adopt such other water saving and re-use practices, devices and procedures as are feasible and reasonable.

1.11. Temporary Water Service:

1.11.1. Establishment of Temporary Water Service:

The District may, if no undue hardship to existing Customers would result therefrom, furnish temporary service for construction purposes when the applicant has requested temporary water service on this basis or the District reasonably expects the water service to be temporary and the applicant has paid advances and established credit. The District expects temporary water service will be provided for a term of approximately 90 days or less and requires the applicant to comply with the following:

1.11.1.1. Advances:

The applicant shall advance to the District the estimated net cost of installing and removing the facilities necessary to furnish the temporary water service.

1.11.1.2. Deposits/Establishment of Credit:

The applicant shall deposit a sum of money equal to the estimated charges when the duration of temporary water service is to be for a period of one month or less, subject to adjustment or refund according to the actual charges at termination of service. If the duration of temporary water service is to exceed one month, the applicant shall establish credit in the same manner as is prescribed for permanent service, under Section 1.12.3., Establishment of Credit.

1.11.2. Rates, Charges and Conditions of Temporary Water Service:

Rates, charges and conditions for temporary water service shall be the same as those prescribed for permanent service.

1.11.3. Water for Construction Needs:

Requests for construction water shall be made in writing. Any costs involved in supplying such connections will be prepaid by the applicant. The approval of construction water is subject to the availability of water necessary to meet normal domestic demands as determined by the General Manager. Allowable uses of construction water are underground utility construction, dust control, finish grade earthwork and limited rough grading activities. Requests for construction water shall include additional information as deemed necessary by the General Manager.

1.12. Rules Applicable To Individual Applicants For Water Service:

1.12.1. Use of Active Water Service By New Occupant:

Any person who takes possession of premises and uses water without applying for water service is liable for all water delivered from the date of the last recorded meter reading; if the meter is found inoperative, the quantity consumed will be estimated. If proper application for service is not made within 48 hours after notification to do so, or if accumulated bills are not paid upon presentation, water service shall be terminated without further notice.

1.12.2. Application For Water Service:

Water service shall not be furnished until an application has been executed by the Customer and received by the District. In most cases the applicant must be Owner of the property and proof of ownership acceptable to the District shall be provided. The application is merely a written request for service and does not bind the applicant to take service for a period of time longer than that upon which the rates and minimum charge of the applicable rate schedule are based; neither does it bind the District to serve, except under reasonable conditions and upon the approval of the General Manager.

1.12.2.1. Contents of Application:

The District may request the following information, depending upon the type of water service:

- 1.12.2.1.1. Date applicant obtained ownership of property and/or requested date of activation.
- 1.12.2.1.2. Location and address of premises to be served, including the mailing address of the Customer of Record (Owner), if different from applicant.
- 1.12.2.1.3. Applicant's Information including mailing address, telephone number and email address.
- 1.12.2.1.4. Agreement to assume any outstanding water charges for property where service is requested.
- 1.12.2.1.5. Agreement to abide by District Rules and Regulations for Water Service.
- 1.12.2.1.6. Such other information and/or supporting documents as the District may reasonably require.

1.12.2.2. Joint Service:

In event of water service held by multiple customers, each shall be solely liable for payment of all bills for said water service.

1.12.3. Establishment of Credit:

Applicants for water service or restoration of service shall provide the District with such information as may be necessary



to enable the District to determine the credit worthiness of the Applicant.

1.12.3.1. Deposit Requirements:

Upon determination of a lack of creditworthiness, the District shall require the Applicant to deposit with the District three (3) times the applicable monthly meter charge. A deposit shall not earn interest and shall only be applied to reduce or satisfy amounts due the District in the event of termination of service. A deposit does not constitute payment of charges and the Customer shall be required to comply with payment requirements to continue receiving water service.

1.12.3.2. Waiver of Deposit:

1.12.3.2.1. Except for restoration of service, an Applicant who is the Owner of the property requesting water service shall not be subject to the deposit requirements.

1.12.3.2.2. Public agencies shall not be subject to the deposit requirements.

1.12.3.2.3. A letter of credit, in a form approved by the General Manager, may be submitted to the District to satisfy the deposit requirements.

1.12.3.2.4. Existing Customers who have at least one (1) year water service history with the District and during the last twelve (12) months of that prior service meet the requirements for a refund of deposit as prescribed in Section 1.12.3.3., Refund of Deposit, may establish water service at the same or a new location.

1.12.3.3. Refund of Deposit:

One (1) year after the date a deposit for water service was made, such deposit may be refunded if the Customer requests a refund in writing and does not have a history in the past twelve (12) months of a Termination of Service for Delinquency, a rejected payment (NSF check, credit card chargeback, etc.) or two (2) or more late payments.

1.12.4. Water Service to Non-Owned Properties:

Water service will not be provided to non-owned properties. Property owner may delegate, in writing in a form acceptable to the District, authority to apply for water service to a lessee, renter or property management company in the name of the property owner, who shall remain the Customer of Record and the property owner agrees to accept all responsibility and liability for such water service.

1.12.5. Refusal to Serve:

The District may refuse to serve an applicant for water service under the following conditions:

- 1.12.5.1. If the applicant fails to comply with any of the Rules and Regulations for Water Service;
- 1.12.5.2. If the intended use of water service is of such a nature that it will be detrimental or injurious to existing Consumers;
- 1.12.5.3. If, in the judgment of the District, the applicant's installation for utilizing the service is unsafe or hazardous, or of such nature that satisfactory service cannot be rendered, or exceeds the normal capacity of the meter service;
- 1.12.5.4. Where service has been discontinued for fraudulent use, the District will not serve an applicant until it has been determined that all conditions of fraudulent use or practice have been corrected.

1.13. Water Service Connections:

Premises which do not have an existing water service connection, the applicant will be charged for the installation and material costs for a water service connection. The schedule of charges for single water service connections are attached hereto as Appendix A. In addition, the applicant shall pay the Assessment Parity Charge and Capital Improvement Fee as set forth in Section 1.15., Assessment Parity Charge and Section 1.16., Capital Improvement Fee. If installation of a new water service connection requires an extension of the District's mains, the applicant shall also pay the costs of main extension as set forth in Section 1.17., Main Extensions. In addition, the applicant shall contribute for any existing mains and appurtenances as set forth in Section 1.18., Contributions for Existing Facilities.

1.13.1. Size:

The District reserves the right to determine the size of the service connection, the service pipe and water meter and the type and size of any backflow preventer or other appurtenances required for the installation.

1.13.2. Location:

Service will be installed at locations designated by the applicant, but only at curb and/or property lines of the property to be served abutting upon a public street, highway, alley, lane or road in which is installed a water main of the District.

1.13.3. Looped Metered Connections:

Service provided to a location that has its own distribution system that is looped and connected to District facilities by two (2) or more meters shall be provided with an approved type backflow prevention device immediately downstream of each metered connection as specified in District Cross Connection Control Program.

1.13.4. Changes In Service Connection/Meter Size:

Payment of the current charges for the Assessment Parity Charge and Capital Improvement Fee, less credit for any such previous payments made by applicant, owner, or their predecessors, will be required upon the happening of any of the following:

- 1.13.4.1. The alteration or increase in size of a service connection.
- 1.13.4.2. The service of any area, adjacent property, or property of different ownership not served at the time of the original commencement of service.
- 1.13.4.3. The increase of use by reason of land zoning reclassification or actual land use.

1.13.5. Abandoned Connection:

An existing water service connection which has not had an active water service account for the prior five (5) consecutive years shall be considered as abandoned and subsequent service shall not be provided until a new water service connection application is completed and approved and all fees due are paid. The Applicant must pay the Assessment Parity Charge and the Capital Improvement Fee, less any Assessment Parity Charge and Capital Improvement Fee paid previously for the subject property. In addition, applicant will be charged for the installation and material costs to repair and upgrade the existing connection to current District standards.

1.14. Limitations of Use of Service Connections:

1.14.1. Number of Units and Land Area:

The District reserves the right to limit the number of buildings, separate houses, living or business quarters, and the area of land under one ownership to be supplied by one water service connection.

1.14.2. After Division:

When property provided with a water service connection is divided, the service connection shall be considered as belonging to the lot or parcel of land which it directly enters.

1.14.3. Supplying to Other Property:

Except by special written permission of the District, no water service connection shall be used to supply water to an adjoining property belonging to a different owner; supply water to properties on opposite sides of a public street or alley; or to supply water to any property for which an Assessment Parity Charge and Capital Improvement Fee have not previously paid.

1.14.4. Supplying Outside District:

Except by special written permission of the District, no water service connection will be used to supply water received from the District to property outside the District.

1.15. Assessment Parity Charge:

Every applicant for water service from any of the works of the District who has not, either in person or through the predecessor in interest, paid an Assessment Parity Charge or the equivalent thereof or requests modification of service or change in land use, with respect to the land to be served, shall, before such application will be acted upon by the District, or water furnished pursuant thereto, pay to the District an Assessment Parity Charge computed at a per acre rate as attached hereto as Appendix A. Said Assessment Parity Charge is fixed pursuant to Section 35470 of the Water Code to raise money for District purposes in lieu of assessment. This charge is in addition to any and all other charges and requirements set forth by the District and shall be used for purposes authorized by Section 35470 of the Water Code.

1.15.1. Waiver of Charges to Public Utility:

An Assessment Parity Charge shall not be required to be paid by a water company which is a public utility subject to regulation by the Public Utilities Act, and maintains and operates a distribution system.

1.15.2. Waiver off Charge to Mutual Water Company:

An Assessment Parity Charge shall not be required to be paid by any mutual water company serving land within the District and supplying water to its own members exclusively through its own facilities.

1.15.3. Exemptions to Waiver:

Waivers shall not apply to any land owned by such public utility or such mutual water company for which water may be served directly from the works of the District.

1.15.4. Credit for Prior Payment:

In instances where the applicant requests a modification of service or there is a change in land use and the Assessment Parity Charge has been previously paid by the owner, tenant or predecessor in interest, the amount of such previously paid charge shall be credited against the current per acre charge set forth in Appendix A.

1.16. Capital Improvement Fee:

The purpose of the Capital Improvement Fee is to create a fund to finance the estimated reasonable cost of capital improvements to infrastructure and related to water supply that are required to meet anticipated demands for water service arising from new residential and commercial development within the District's service area. Capital Improvement Fees are based on the anticipated usage of a single family residence and are assessed based on the flow rate of the meter size installed as set forth in Appendix A.

1.17. Main Extensions:

If an applicant's property does not front upon an existing distribution main of the District, such applicant shall, in addition to any and all other charges, be required to pay the cost of a main extension of a size to be determined by the District and any other necessary appurtenances. The



size of the extended main and associated appurtenances may be larger than required to serve the applicant in which case the applicant shall be entitled to reimbursement in accordance with Section 1.17.7.

1.17.1. Payment of Costs:

Prior to construction by the District, the applicant shall deposit an amount equal to the District's cost estimate of the work. In the event the District's actual cost exceeds the estimated costs thereof; the applicant will pay the amount of such excess on demand. In the event the District's actual cost is less than the amount deposited, such difference shall be refunded to the applicant. The District's determination of its materials, engineering, overhead and installation expenses shall be final and conclusive.

1.17.2. Acceptance of Works:

Upon completion of installation of main extensions and appurtenances and acceptance thereof by the District, whether the same be installed by the District or the applicant, all right, title and interest in and to said facilities shall become, and thereafter remain the property of the District and shall thereafter become merged with and be a part of the District's water distribution facilities.

1.17.3. Default or Delay in Payment:

In the event of default or delay in the payment of any sum required in Section 1.17., Main Extensions, the District shall have the right to refuse or terminate water service through said facilities.

1.17.4. Water Main in Private Street:

The District will not install a water main in a street which is not formally dedicated to public use unless and until, at no cost to the District, the applicant grants to the District such easement or easements as the District may require.

1.17.5. Dead-end Lines Prohibited:

No dead-end lines shall be permitted, except at the discretion of the General Manager. In cases where circulation lines are necessary, they shall be designed and installed by the District and shall be included in the cost of the main extension.

1.17.6. Easements Required:

Where easements are required for construction of mains, circulation lines, other appurtenances, or for other reasons deemed valid by the District, a minimum of a ten foot wide easement shall be granted to the District to have access to such facilities for repair, maintenance or replacement. Where necessary, a minimum ten foot wide access easement shall be provided to public rights-of-way. Easements provided hereunder must first be approved by the District as to location and form. Easements must prohibit construction of any structures or the

planting of trees and shrubs within said easement. Easements must be provided at no cost to the District.

1.17.7. Reimbursement Agreement:

If the facilities constructed are available for subsequent connection, the District agrees to collect a fee from owners of property fronting on such facilities in an amount proportional to the cost of construction of the facilities based upon the number of front feet of the parcel fronting on said facilities. This right of reimbursement will extend for a period of five years from the time the facilities are placed in service.

1.18. Contributions for Existing Facilities:

Whenever any water line of the District now exists, or is hereafter placed adjacent to any parcel of property through which water may be served to parcels abutting on said line, there shall be paid at the time service is requested to such parcel a contribution on the existing main and other facilities an amount based upon the number of front feet of the parcel adjacent to said existing main and other facilities to which service is to be connected, multiplied by the amount per diameter inch and subject to a fee cap as may be set by the Board from time to time as set forth in Appendix A attached hereto. Subsequent development of a parcel to which a cap has been applied, including dividing parcel into multiple parcels or a request for additional connections, shall subject the newly created parcels or connections to the unpaid balance of the Contribution for Existing Facilities charges. Subsequent development of a parcel, including dividing parcel into multiple parcels or a request for additional connections, shall subject the newly created parcels or connections to the Contribution for Existing Facilities charges for front feet on any newly created frontage, such as a corner lot or through lot being divided in which the newly created parcels front upon an existing main and other facilities not included in the original Contribution for Existing Facilities charge.

1.19. Provision of Service:

The District shall not be obligated to provide water service to any applicant for water service until after any fees, charges and past due assessments owing to the District and associated with the parcel seeking water service shall have been paid in full.

**2. Well Permit Policy**

It is the policy of Quail Valley Water District to supply domestic water to all properties within the District Boundaries and the proliferation of private wells within the District would be detrimental to the fulfillment of this policy. The District finds that in circumstances where it is impractical, due to topography, cost, or other circumstances, for a property owner to connect to District facilities, the use of hauled water would be a reasonable alternative until such time as a connection to District facilities becomes practical. This determination is consistent with applicable Kern County Ordinance

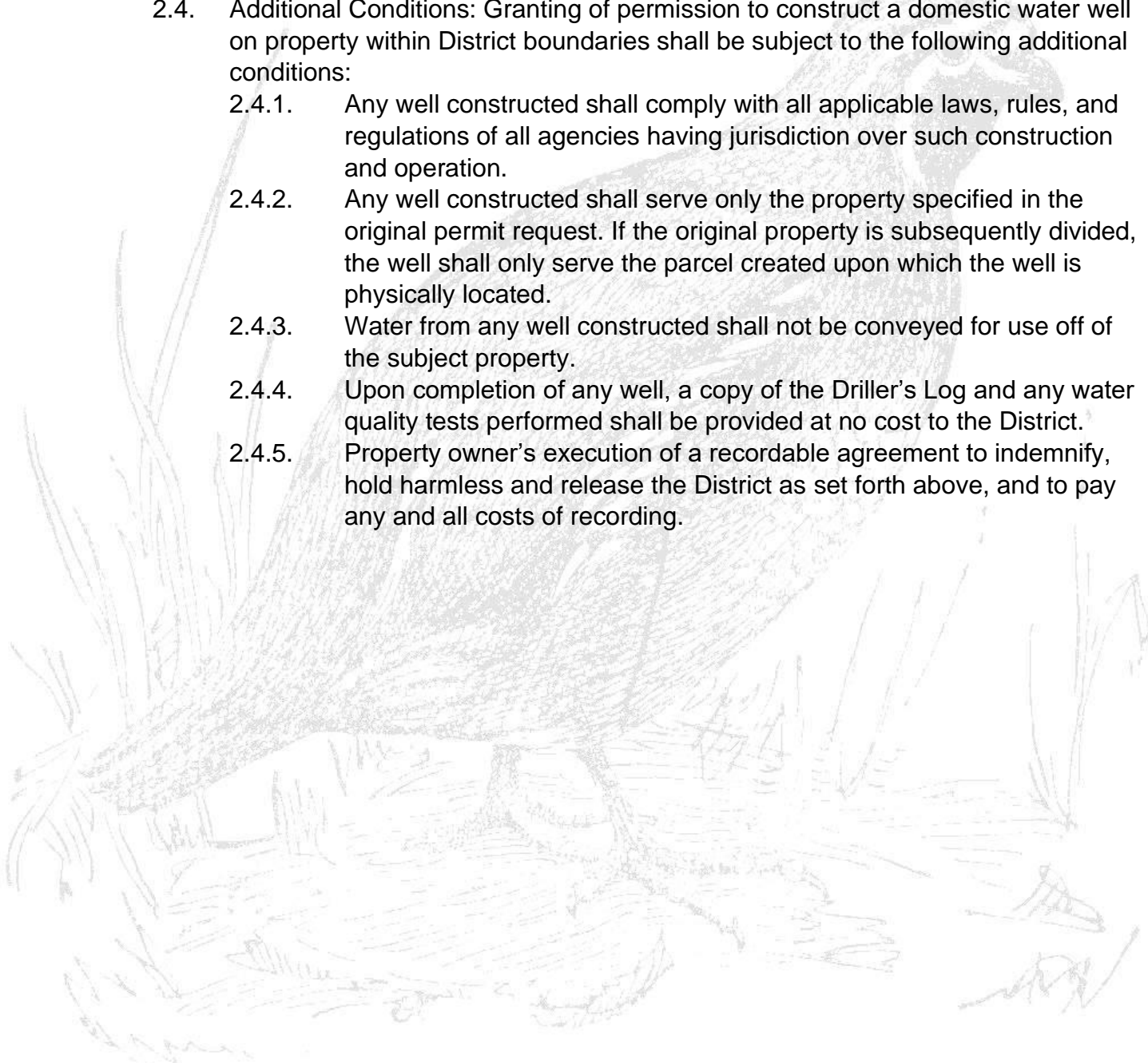
Codes. As such, the District's policy will be to deny permission for the drilling of domestic wells within the boundaries of Quail Valley Water District except in circumstances in which it is determined by Board action that the drilling of a private well is in the best interest of the District, provides a distinct value to the District and where the conditions set forth herein are complied with by an affected property owner.

2.1. Request for permit to construct a domestic water well on property within District boundaries shall be made in writing by the property owner. Such request shall include:

- 2.1.1. Property description including APN, parcel and map/lot and tract numbers, and physical address.
- 2.1.2. Property Owner's name.
- 2.1.3. Property Owner's mailing address.
- 2.1.4. Property Owner's email address.
- 2.1.5. Property Owner's daytime phone number.
- 2.1.6. Name of drilling contractor.
- 2.1.7. Mailing address of drilling contractor.
- 2.1.8. Name of drilling contractor contact person.
- 2.1.9. Daytime phone number of drilling contractor contact person.
- 2.1.10. Description of well purposes (single family residence domestic water source, agricultural water use, commercial water use, etc.).
- 2.1.11. Statement as to why well permit is desired rather than connection to public water supply.
- 2.1.12. Statement that the property owner shall indemnify, hold harmless and release the District for any and all claims or liability relating to water use or service on or to the subject property in the event the District grants the property owner's request.

2.2. All requests for a permit to construct a domestic water well on property within District boundaries shall be subject to review and approval of the Board of Directors of Quail Valley Water District.

- 2.2.1. Permission to construct a domestic water well on property within District boundaries MAY be granted if:
  - 2.2.1.1. Property to be served does not have an existing or prior water service connection.
  - 2.2.1.2. A new water service connection cannot feasibly be made to an existing water main to serve the property for which the well permit is being requested due to distance, topography, water availability or other conditions which, in the opinion of the Board, make such connection infeasible.
  - 2.2.1.3. It is in the opinion of the Board that the granting of permission to construct a domestic water well will not be detrimental to District and that a distinct benefit to the District will be achieved by the granting of permission to construct a domestic well on the subject property (such as obtaining water quality information from the subject well).

- 
- 2.3. Easements: If necessary (or may reasonably be anticipated to be necessary) for future District purposes, easements shall be provided on the subject property providing for future construction of District facilities in the same manner as would be required if the property owner were requesting water service as specified in District Rule 1.17.6, or for other purposes related to the benefit to the District, such as access for water quality sampling or other access rights.
- 2.4. Additional Conditions: Granting of permission to construct a domestic water well on property within District boundaries shall be subject to the following additional conditions:
- 2.4.1. Any well constructed shall comply with all applicable laws, rules, and regulations of all agencies having jurisdiction over such construction and operation.
  - 2.4.2. Any well constructed shall serve only the property specified in the original permit request. If the original property is subsequently divided, the well shall only serve the parcel created upon which the well is physically located.
  - 2.4.3. Water from any well constructed shall not be conveyed for use off of the subject property.
  - 2.4.4. Upon completion of any well, a copy of the Driller's Log and any water quality tests performed shall be provided at no cost to the District.
  - 2.4.5. Property owner's execution of a recordable agreement to indemnify, hold harmless and release the District as set forth above, and to pay any and all costs of recording.