Consolidated Requirements for the Administration of the Tranquillity Irrigation District Domestic Drinking Water System

1. **Introduction**

Tranquillity Irrigation District (the "District") operates and maintains the drinking water system for the citizens of the community of Tranquillity. In order to properly administer the system, the District's Board of Directors ("Board") finds it necessary to establish certain requirements so as to be fair and equitable in apportioning the costs of operating the system and to protect the public's resources. This consolidated set of requirements and conditions is the District's primary structure for meeting that goal. However, it is difficult to anticipate every eventuality in the development of such a system; therefore, where the requirements are silent or subject to interpretation, the final decision on any and all matters rests solely with the Board. However, the Board does grant to the District's General Manager the necessary discretion to implement the intent of these requirements. The following constitutes the District's requirements and conditions for a customer's participation in the use of the District's drinking water system (the "System").

2. **Application**

For the convenience of the District and its customers, all transactions begin with applying to the District for domestic water service (the "Application"). The District may require certain information in the Application, including, but not limited to: permission for the applicant to occupy the premises to be served, demonstration that the applicant's proposed location and connection has complied with Fresno County's and California's laws and regulations, such as building and safety regulations, building permits, certificates of zoning compliance, certificates of occupancy or other permits or licenses for use or occupancy acquired from other agencies, a form of government-issued identification, and any other information deemed necessary by the Board to establish a bonafide connection to the system. Failure to provide the necessary documents or proof of occupancy could result in denial of connection or termination of a connection to the System. The District's Application is attached hereto as a part of these requirements. Once approved, the applicant will be billed for any connection fees and water service charges as a "Customer," unless agreed to otherwise by the District.

The Application will be reviewed as needed for relevance and compliance with the laws of the State and Federal government, especially with regard to the regulation of drinking water systems and consumer protection. Questions or concerns regarding the Application should be directed in writing to the District's General Manager.

3. Connection

Each hookup to the System is deemed a "Connection." A Connection is any location where water service is provided to a single residential unit or its equivalent (each, a "Premises"). A Connection is not tied to a single parcel of land, property owner, or head of household. However, a Connection at any single-family residence is limited to the

immediate family at that residence. Residences with more than one (1) family living in the dwelling will be considered a commercial Connection and subject to the special conditions noted below. The Board reserves the right to make the final determination as to what a Connection is whenever a dispute arises. A full Connection includes an average house and landscaped yard/lot in the community of Tranquillity. Anything less than a full Connection, such as to a home without a distinct, separate yard or to a temporary facility, will be charged as a half Connection. Half Connections are limited to facilities that have no landscape watering, no more than one (1) bathroom equivalent of various sink and lavatory facilities, and no washing machines or similar high-water use hookups. If these conditions are met, the location qualifies for a review and determination of eligibility by the District's General Manager. Decisions of the General Manager may be appealed to the Board.

Certain Connections are deemed "special" and subject to individual treatment regarding charges, equipment and expansion. "Special" Connections will be analyzed by the General Manager and presented to the Board for consideration and approval. These special circumstances may require alternate calculations of the use of water that are related to the volume of use or potential impacts on quality, subject to the Board's discretion. For instance, the District may require meters for large industrial or commercial users, or backflow prevention devices to prevent contamination of the community supply. The Connections subject to these special circumstances may have a customized Application documenting the circumstances necessary for the Connection to the System.

In addition, the District may declare some connections to pose a threat to the integrity of the drinking water system and specifically a threat to the health and well-being of the community. The District, in its own discretion, upon making such a finding, reserves the right to disconnect any such Connection and require the health threat to be cured before re-connecting the user to the System. Remedies may include requiring new service lines after the curb stop or backflow prevention equipment, whichever provides the most appropriate degree of protection to the System. Backflow prevention devices or any other remedy will be at the expense of the user, including any ongoing inspection of the device by a certified backflow tester.

4. Connection Fees and Charges

Fees and charges will be reviewed annually and set by the Board at a regular or special meeting. The fees and charges currently include the following:

(a) <u>Connection Fee For New Construction.</u> New connections, including tapping of main, curb stop, meter box, etc., to eligible properties will be subject to a refundable connection fee established by the Board (the "Connection Fee"). Work necessary to make the Connection, (i.e., materials and labor) will be charged against the Connection Fee. Costs incurred above the Connection Fee will be added to the first regular monthly charge, or special arrangements can be made to equalize payments for up to one (1) year. If construction costs are less than the original Connection Fees, the balance will be applied to the account, taking from the deposit first, then monthly charges

for not more than three (3) month's charges and any remaining balance would be returned to the Customer. "Eligible Properties" are those that are within a reasonable distance, not more than 500 feet, from a serviceable distribution line already installed near the Eligible Property.

- (b) <u>Regular connections</u> residential service Connections are a service the District provides for regular charges. Payment of charges is necessary to maintain the Connection. The following describes the charges and penalty process.
 - (i) Account deposit all accounts started after November 1996, will be subject to three (3) months of charges in advance as a deposit (the "Deposit"). Upon the Customer voluntarily or involuntarily discontinuing service, the Deposit will be applied to any remaining unpaid balance first, and then any remainder will be credited to the Customer within sixty (60) days of account discontinuation.
 - (ii) *Monthly charge* each account will be subject to a monthly charge due and payable immediately following the month of use. Such payments will be considered delinquent after the 25th day of the month succeeding use (Resolution 1976-2). Connections that become delinquent may be subject to the provisions of Water Code Section 25806, including but not limited to adding the unpaid charges to the annual assessment levied upon the land (Resolution 1976-2).
 - (iii) Interest charges and late fees charges that are past due more than thirty (30) days are subject to late fees and interest. The late charge is Three Dollars (\$3.00). In addition, an interest charge of one and one-half percent (1.5%) per month is levied on the unpaid balance. The late charge and any interest owing shall be added to the unpaid balance (Resolution 2007-19), unless customer shows Hardship as described in Section 5 below.
 - (iv) Account inquiries all information regarding accounts is privileged and confidential. Questions regarding the status of an account or arrangements for alternate payment methods should be addressed to the General Manager or his/her designee in person at the District office or in writing to the District's mailing address. Alternate payment arrangements will be subject to review and approval by the Board.
 - (v) *Pre-payment of charges* six (6) months (or more) pre-payment of charges entitles the Customer to a ten percent (10%) discount (Resolution 1976-1). Notification of the opportunity to prepay is sent to all Customers in normal billings or by postcard.

5. Discontinuation of Residential Water Service ("Discontinuation Policy")

(a) <u>Discontinuance of Service by Customer Request</u>: A Customer may request to have service discontinued; however, at least two (2) days' advance notice is required. Charges for service must be paid until the requested date of discontinuance. When such notice is not given, the Customer will be required to pay for service until two (2) days after the District has knowledge that the Customer has vacated the Premises or otherwise has discontinued water service.

- (b) <u>Discontinuance of Service for Noncompliance with Rules</u>: The District may discontinue service to any Customer for violation of any District rules, regulations, or policies, or under or the following circumstances:
 - (i) <u>Waste of Water</u>: Where negligent or wasteful use of water exists on a Customer's Premises, the District may discontinue the service if such practices are not remedied within five (5) days after it has given the Customer notice of such waste. Where safety of water supply or the System is endangered and the Customer is not present, service may be discontinued immediately, without notice, at the District's discretion.
 - (ii) <u>Dangerous Connection</u>: If an unsafe or hazardous condition is found to exist on the Customer's Premises, or if the use of water thereon by Customer's equipment is found to be detrimental or damaging to the District, its other Customers, or the System, the service may be shut off without notice. The District will notify the Customer immediately of the reasons for the discontinuance and the corrective action to be taken by the Customer before service can be restored.
 - (iii) <u>Unauthorized Use</u>: When the District has discovered that a Customer has fraudulently obtained service or is using it for an unauthorized use, the service to that Customer may be discontinued without notice. The District will not restore the service until that Customer has complied with all adopted rules and reasonable requirements of the District, and the District has been reimbursed for the full amount of the service rendered and all other costs the District incurred because of said use.
- (c) <u>Discontinuation for Nonpayment</u>. It is the goal of the District to treat all its Customers fairly and provide fair treatment that includes the ability to contest a bill, seek alternate payment schedules, and demonstrate medical need and severe economic hardship in compliance with California law and Senate Bill 998, titled the Water Shutoff Protection Act (Health & Safety Code §§ 116900, *et seq.*). These provisions do not apply to the discontinuation of a Connection by District due to an unauthorized action of a Customer or a Customer's voluntary discontinuation. A copy of this Discontinuation Policy is also available on the District's website.
 - (i) <u>Notice Requirements</u>. The District shall not discontinue residential water service for nonpayment until a payment by a Customer has been delinquent for sixty (60) days. After an account has been delinquent for sixty (60) days, the District may discontinue residential water service provided that the District shall contact the Customer named on the account by telephone or written notice at least fifteen (15) days prior to discontinuation.
 - A. <u>Notice by In Writing</u>. When the District contacts the Customer by written notice of payment delinquency and impending discontinuation, such notice shall be mailed, postage-prepaid, both to the

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Customer and to the occupant of the residence to which residential service is provided (the "Residence"), if not the Customer. The notice will be in English and Spanish, but, upon request, will be made available in other languages spoken by at least ten percent (10%) of residential Customers in the District's service area pursuant to Health and Safety Code sections 116906(a) and 116922. The notice shall include all of the following information in a clear and legible format:

- 1. The Customer's name and address.
- 2. The amount of the delinquency.
- 3. The date by which payment or arrangement of payment is required in order to avoid discontinuation of residential service.
- 4. A description of the process to apply for an extension of time to pay the delinquent charges.
- 5. A description of the procedure to petition for bill review and appeal.
- 6. A description of the procedure by which the Customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges, consistent with the District's written policy.
- 7. The telephone number of a representative of the District who can provide additional information or institute arrangements for payment.
- В. Notice When Occupant is not the Owner of the Residence. If the Customer does not reside at the Residence, in addition to notifying the Customer, separate notice shall also be sent to the Residence, addressed to "Occupant." The District shall make a good faith effort to contact the Occupant in writing at least ten (10) days prior to termination that the owner, manager, or operator of the Residence's account is late and will be discontinued. The notice shall inform the Occupant that he or she has the right to become a Customer and be billed accordingly without being required to pay the delinquent accounts. However, the Occupant must complete an Application, agree to the District's policies, rules, and regulations, and all terms and conditions of service to qualify as a Customer to waive the delinquent amounts. Any member of the Occupant's household may qualify as a Customer. If the Occupant of a rented detached single-family home opts to become a Customer pursuant to the notice, the District may require the Occupant to prove that the Occupant was not the record owner of the Residence during the period of delinquency by any of the following:
 - 1. lease agreement,

- 2. rent receipts,
- 3. a government document showing that the occupant is renting the property, or
- 4. information disclosed under Civil Code Section 1962.

Upon a valid showing that Occupant of a rented single-family home was not responsible for the delinquent charges, the District will waive the delinquent charges from the Occupant's account.

- C. <u>Notice by Telephone</u>. The District may also contact the Customer at least seven (7) days prior to discontinuation of service by telephone. When the District contacts the Customer by telephone, the District shall offer to provide the Customer, in writing, the District's Discontinuation Policy. A copy of this Discontinuation Policy is also available on the District's website. The District shall offer to discuss options to avert discontinuation of residential service. Such options shall include, but not be limited to:
 - 1. alternative payment schedules;
 - 2. deferred payments;
 - 3. minimum payments;
 - 4. procedures for requesting amortization of the unpaid balance; and
 - 5. how to petition for bill review and appeal.
- D. <u>Inability to Contact</u>. If the District is unable to make contact with the Customer or an adult occupying the Residence by telephone, and written notice is returned through the mail as undeliverable, the District shall, at least forty-eight (48) hours before discontinuation, make a good faith effort to visit the residence and leave in a conspicuous place a notice of imminent discontinuation of residential service for nonpayment and a copy of the District's Discontinuation Policy.
- (ii) <u>Customer's Hardship</u>. Notwithstanding the foregoing, the District shall not discontinue residential water service for nonpayment <u>if all of the</u> following conditions (collectively, a "Hardship") are met:
 - A. The Customer, or tenant of the Customer, submits to the District the certification of a primary care provider, as that term is defined in subparagraph (A) of paragraph (1) of subdivision (b) of Section 14088 of the Welfare and Institutions Code, that discontinuation of residential water will be life threatening to, or pose a serious threat to the health and safety of, a resident of the Residence;

- B. The Customer demonstrates that he or she is financially unable to pay for residential service within the District's normal billing cycle. The Customer shall be deemed financially unable to pay for residential service in the District's normal billing cycle if any member of the customer's household is a current recipient of CalWORKS, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the Customer declares that the household's annual income is less than two hundred percent (200%) of the federal poverty level; and
- C. The Customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment of all delinquent charges, consistent with the District's written policies.

If Customer demonstrates Hardship by meeting the conditions of Section 5(b)(ii), the District shall offer the Customer one (1) or more of the following payment options (each an "Alternative Payment Arrangement"):

- A. Amortization of the unpaid balance;
- B. Participation in an alternate payment schedule;
- C. A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers; or
- D. Temporary deferral of payment.

The District may choose which of the Alternative Payment Arrangement described in this Section the Customer shall undertake and may set the parameters of that option. Ordinarily, the District shall offer an Alternative Payment Arrangement that should result in repayment of any remaining outstanding balance within twelve (12) months. However, the District may grant a longer repayment period if the District, in its discretion finds the longer period is necessary to avoid undue hardship to the Customer based on the circumstances of the individual case.

A Customer may apply for a Hardship Alternative Payment Arrangement only once to avoid discontinuation of service.

(iii) <u>Termination</u>. For a Customer not demonstrating a Hardship, the District may discontinue water service at the Residence after meeting all the notice requirements above. The District will deduct amounts due from any Deposit submitted by the Customer, and return any remainder to the Customer within sixty (60) days of discontinuation.

For a Customer demonstrating Hardship, the District may discontinue residential service no sooner than five (5) days after the District posts a final

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notice of intent to disconnect service in a prominent and conspicuous location at the Residence under either of the following circumstances:

- A. The Customer fails to comply with an Alternative Payment Arrangement **for delinquent charges** for sixty (60) days or more; or
- B. While undertaking an Alternative Payment Arrangement, the Customer does not pay his or her **current residential service charges** for sixty (60) days or more.

All Customers with unpaid amounts due to the District may be subject to assessments or liens on the property pursuant to Water Code Section 25806. In no event will the District discontinue residential water service in any of the following instances:

- A. On any Saturday, Sunday, legal holiday, or at any time during which the business offices of the District are not open to the public (Gov't Code § 60374);
- B. During a Customer's formal contest of a delinquent bill (Gov't Code § 60372(b)(1), Health & Safety Code § 116908(b));
- C. During a period of repayment of delinquent fees pursuant to a showing of a Hardship, so long as Customer is current with both the Alternative Payment Arrangement and the current month's water service charges (Health & Safety Code § 116910(a).)
- (c) Restoration of Residential Water Service. After discontinuation, the District shall provide all Customers with information on how to restore residential water service. Customers should call or visit the District's offices to discuss reconnection. The District currently charges Fifty Dollars (\$50.00) for reconnection fees after discontinuation during District business hours and One Hundred and Fifty Dollars (\$150.00) for reconnection outside of normal business hours. Reconnection fees may change upon approval of the Board. For a residential Customer who demonstrates a Hardship the District shall do both of the following:
 - (i) Set a reconnection of service fee for reconnection during normal operating hours of Fifty Dollars (\$50.00), or One Hundred and Fifty (\$150.00) during nonoperational hours, but not to exceed the actual cost of reconnection if it is less. These Hardship reconnection fees will be annually adjusted for changes based on the Consumer Price Index beginning January 1, 2021; and
 - (ii) Waive interest charges on delinquent bills at least once every twelve (12) months.
 - (d) <u>Formal Mechanism to Contest a Bill for Residential Water Service</u>. When a Customer for residential water service wishes to contest a bill or to discuss options for averting discontinuation, the Customer shall use the following procedures:

- (i) Call the District at (559) 698-7225.
- (ii) Discuss the bill and payment required with District staff and/or the District's General Manager.
- (iii) File a formal written protest with the District's Board at the following address within five (5) days of receiving the delinquency notice or within thirteen (13) days of the date of mailing the delinquency notice:

Tranquillity Irrigation District 25390 West Silveira Street P.O. Box 487 Tranquillity, CA 93668

- (iv) If an adult at the residence appeals the delinquent charges to the District's Board, the District shall not discontinue residential service while the appeal is pending.
- (v) The District will notify the contestant of the time and date of the Board meeting where the Board will consider the formal bill contest. The Board's decision is final.
- (e) Reporting of Annual Discontinuations of Residential Service by District. The District shall report the number of annual discontinuations of residential water service for inability to pay on the District's website and to the State Water Resources Control Board. The State Water Resources Control Board shall post on its website the information reported by the District.

6. Water Conservation

It is the goal of the District to provide reasonable amounts of water for use at all legally permitted connections. Waste or flagrant misuse will be discouraged by implementing the following:

- (a) The District will respond to complaints of waste of water by other users or conduct casual visual inspections (by staff). When it is clear the complaint is valid or the inspection confirms the overuse, the user will be notified in writing of the District staff's findings and warned to curtail use. Clear overuse includes landscape irrigation resulting in high amounts of water leaving the user's property and entering the roads, gutters, and storm drains or complaints from the local utility district that excessive amounts of water are entering the sewer system. After a user has been warned three (3) times in writing, the District will install a water meter at the user's expense and begin charging the user for water consumed rather than a flat rate. The volumetric rate will be established by the District's Board.
- (b) No domestic drinking water will be allowed for the irrigation of pasture used for animal husbandry (Resolution 1976-1).

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7. System Expansion and Additions

From time to time, the District is asked to evaluate the possibility of extending service to properties that for one reason or another had not previously been serviced by the District. It is the District's intent to attempt to reasonably serve all lands within the sphere of influence of the District. Any landowner within the sphere can petition the District to investigate the feasibility of providing such service. The feasibility of providing service includes evaluating the impact of the new service on the existing system and the required facilities to provide the new service. If an applicant wishes to proceed based on such feasibility, they must contract to pay the cost of the investigation, findings, recommendations and construction. When more than one applicant is involved, each must pay their proportionate share of the costs. Should such projects proceed, any subsequent new users in the area of the addition must reimburse their proportionate share to the original proponents for up to ten (10) years after completion of the addition. After ten (10) years, no further reimbursements will be made. All additions and expansions shall be District property to the point of individual connections.

8. Access and Liability

The District's water service connection will be located as conveniently as possible for all parties involved. However, in most instances, the connection and meter box will remain in the right-of-way claimed by the County of Fresno or other public agency. All appurtenances beyond the right-of-way will be the responsibility of the property owner. From time to time, certain properties may require the installation of District equipment on private property. Such circumstances will lead to the need for the District to: (1) obtain an easement from the property owner, or (2) require the property owner to sign an access provision on the application for service. Such access will be necessary to maintain the serviceability of the District connection.

The District will also request the applicants for water service understand and sign a provision of the application that recognizes the District is not liable for damages from the failure of any landowner's or user's water distribution facilities past the District's connection.

Enclosure: Application for Domestic Drinking Water Service Connection.