

**RURAL NORTH VACAVILLE WATER DISTRICT
RULES AND REGULATIONS**

Revised Final – Adopted December 9, 2008

Table of Contents

1. DEFINITIONS
2. DESCRIPTION OF WATER SERVICE
 - A. Purpose
 - B. Quantity
 - C. Pressure
 - D. Quality
3. EXPANSION OF THE WATER SYSTEM
 - A. Limitation during Initial Decade of Operation
 - B. Connections in Expanded System
 - C. Procedure for System Expansion
 - D. Costs of System Expansion
4. CONTINUITY OF SERVICE
 - A. Emergency Interruptions
 - B. Scheduled Interruptions
5. WATER CONSERVATION
 - A. Purpose
 - B. Use of Water-Saving Devices and Practices
 - C. Tiered Rate Structure
 - D. Excessive Use
 - E. Water Leaks
6. UNAUTHORIZED USE OF WATER AND DAMAGE TO EQUIPMENT
 - A. Termination of Service and Repair of Equipment
 - B. Civil Action and Treble Damages
7. APPLICATION FOR WATER SERVICE
 - A. Required Information

- B. Individual Liability of Applicant and Property Owner
 - C. Service to a Tenant
 - D. Sale of Property
8. WATER RATES AND CHARGES
- A. General Basis of Rates and Charges
 - B. Tiered Rate Structure
 - C. Monthly Service Charges
 - D. Connection Fee
 - E. Adjustment of Rates and Charges
9. RENDERING AND PAYMENT OF BILLS
- A. Rendering of Bills
 - B. Meter Reading
 - C. Proration of Bills
 - D. Payment of Bills
 - E. Collection on Delinquent Bills
10. DISPUTED BILLS
- A. Request for Investigation
 - B. Appeal
11. METER TESTS AND ADJUSTMENT OF BILLS FOR METER ERROR
- A. Tests at Customer Request
 - B. Adjustment of Bills for Meter Error
12. DISCONTINUANCE AND RESTORATION OF SERVICE
- A. For Nonpayment of Bills
 - B. For Noncompliance with Rules
 - C. For Waste of Water
13. SERVICE CONNECTIONS, METERS, AND CUSTOMER'S FACILITIES
- A. Meter and Backflow Prevention Device
 - B. Customer Service Pipe
 - C. Additional Meters
 - D. Cross-Connections
 - E. Additional Fire Hydrants

14. BASIS AND APPORTIONMENT OF ASSESSMENT
15. PAYMENT OF ASSESSMENT
16. FINANCING OF ASSESSMENT PAYMENTS
17. SUBDIVISION OF LAND
18. RESERVE CONNECTIONS
19. TRANSFER OF RESERVE OR SUPPLEMENTAL CONNECTIONS
20. TRANSFER OF REGULAR WATER SERVICE CONNECTIONS
21. ANNEXATIONS TO THE DISTRICT
22. USE OF DELINQUENCY RESERVE FUND
23. NOTICES
24. SPECIAL INFORMATION REQUIRED ON FORMS
 - A. Bill for Service
 - B. Discontinuance of Service Notice
25. INFORMATION AVAILABLE AT CALWATER'S DIXON OFFICE
26. CHANGES TO RULES AND REGULATIONS

1. DEFINITIONS

Applicant: An owner of a parcel who is applying for water service.

Assessment Portion: The portion of a Benefit Assessment that is levied against, and is paid by, a single parcel, based on the proportional special benefit conferred on that parcel as established by the Assessment Engineer's Reports dated July 1999 and January 5, 2001.

Backflow Prevention Device: A device designed to prevent backflow from a customer service pipe that could contaminate the RNVWD system.

Benefit Assessment: The total assessment levied against all parcels that have a special benefit conferred on them as a result of the RNVWD water system. The RNVWD provides two types of special benefits to parcels: the availability of water for fire protection and suppression purposes and the availability of water for domestic uses. The assessments for these two types of benefits are classified as the Domestic Water Assessment and the Fire Protection Assessment.

Board of Directors: The Board of Directors of the Rural North Vacaville Water District (RNVWD).

Connection: The types of connections are classified as follows:

Regular Connection – A connection that is ready to provide water service to a parcel. Regular connections are classified as either Active or Inactive.

An Active Connection is a connection that is presently providing water service to a parcel.

An Inactive Connection is a connection that is ready to provide water service to a parcel, except that the customer service pipe has not yet been installed or inspected. Inactive Connections are classified as either Developed or Undeveloped.

A Developed Inactive Connection is an inactive connection on a parcel that is developed with a residence.

An Undeveloped Inactive Connection is an inactive connection on a parcel that is not developed with a residence.

Reserve Connection - An option to purchase an additional Regular Connection, within 10 years of the Final Order Date, to serve parcels anticipated to be created by future subdivision of a parcel with a Regular Connection.

Supplemental Connection – An additional water service connection that has been purchased to serve parcels anticipated to be created by future subdivision of a parcel with a Regular Connection.

Connection Fee: The fee to be paid by an Applicant in order to obtain a Regular Connection as of February 27, 2001, the Final Order Date. Reserve Connections must pay the required Connection Fee in order to obtain an Active Regular Connection. Supplemental Connections and Inactive Connection may be required to pay a Connection Fee in order to obtain an Active Regular Connection, as provided in these Rules.

Customer: An owner of a parcel that has an RNVWD Connection.

Customer Service Pipe: The pipe from the backflow prevention device to the residence or other point of water use.

Delinquency Reserve Fund: A fund established upon formation of the District for the purpose of providing loan payments to the lenders on the DHS and DWR Loans while delinquencies, if any, are cured within the District. Per the instructions in the loan agreements, the District agreed to establish a reserve of two semiannual payments.

DHS Loan: An \$8,984,099 loan to the RNVWD from the Department of Health Services (DHS) State Revolving Fund (SRF) Loan Program for construction of the RNVWD's water system.

DWR Loan: A \$5,000,000 loan to the RNVWD from the Department of Water Resources (DWR) Local Projects Construction Loan Program, under the Safe, Clean, and Reliable Water supply Act, for the construction of the RNVWD's water system.

District: The Rural North Vacaville Water District.

Domestic Use: The use of water for household purposes, including incidental watering of domestic stock and pets and the irrigation of not more than one-half acre in lawn, ornamental shrubbery, or gardens on any single parcel. The use of water in a properly licensed home occupation shall be considered a domestic use. Except as allowed by this definition, domestic use does not include commercial use, irrigation use, stock watering use, or aquaculture use. (California Code of Regulations, title 23, section 660.)

Domestic Water Assessment: The portion of the full cost of administration, design, construction, and financing of the RNVWD's water distribution system attributable to the provision of water for domestic use.

Excessive Use: Use of water in one month at any connection in excess of 100 CCF.

Final Order Date: The date on which the Board of Directors ordered the levying and apportionment of the Domestic Water and Fire Protection Assessments. For purposes of these Rules and Regulations, the date of Final Order is February 27, 2001 (Final Order for Supplemental Assessment).

Fire Protection Assessment: The portion of the full cost of administration, design, construction, and financing of the RNVWD's water distribution system attributable to the provision of water for fire protection and fire suppression purposes.

Irrigation Use: The use of water for the production of irrigated agricultural crops, commercial nurseries, or the maintenance of large areas of lawns, shrubbery, or gardens. (California Code of Regulations, title 23, section 661.)

Loan Redemption Fund: A fund that serves as a transitory account where levy collections are deposited for payment to the lender on the DHS and DWR Loans on loan payment dates (January, April, July, and October, annually).

Outside Assessed Parcels: Parcels located outside of the RNVWD but within Zone 2 of Assessment District No. 1. These parcels receive fire protection benefits and are assessed for these benefits.

Outside Parcels: Parcels located outside the RNVWD boundaries.

New Source Development and Water Conservation Fund (NSDWC Fund): A fund or account established to fund both the development of one or more new, reliable water sources for the RNVWD and a Water Conservation Program.

Parcel: As used in these Rules and Regulations, a parcel is contiguous property under single ownership and of sufficient size to be considered buildable under Solano County's land use and development regulations. A parcel may have one or more Assessor's Parcel Numbers assigned to it.

Quantity Rates: The rate charged per 100 cubic feet (748 gallons), expressed as CCF, of water use. The amount of this rate is based on the variable or production-based costs of operating and maintaining the Water Distribution System.

Reservation Fee: The fee paid for a Reserve Connection. Payment of the Reservation fee will reserve a water service connection until February 28, 2011.

RNVWD: The Rural North Vacaville Water District.

RNVWD Service Pipe: The pipe located between the RNVWD's mains and a Service Connection Point.

Service Charge: The monthly charge to each customer, regardless of water use, based on the fixed cost of operating and maintaining the Water Distribution System and adjusted to reflect the type of connection.

Service Connection Point: The point where the Customer Service Pipe is connected to the Backflow Prevention Device. The Backflow Prevention Device, Water Meter, and the RNVWD Service Pipe are owned by the RNVWD and are on the RNVWD's side of the Service Connection Point. The presence of a Service Connection Point on a Customer's parcel indicates an actual or implied easement to the RNVWD for installation, access, and maintenance of District-owned equipment.

Stockwatering Use or Aquaculture Use: The use of water for commercial livestock or for raising fish or other aquatic organisms for commercial purposes. (California Code of Regulations, title 23, sections 667 and 669.)

Undeveloped Parcel: A parcel within the RNVWD which does not have a residential structure.

Water Distribution System: The wells, storage tanks, pumps, pipelines, fire hydrants, meters, and water system appurtenances.

Zone 1 (Zone 1 of the Assessment District): Each parcel within this area receives a special benefit from the availability of water for domestic use due to the RNVWD's water distribution system.

Zone 2 (Zone 2 of the Assessment District): Each parcel within this area receives a special benefit from the availability of water for fire suppression services due to the RNVWD's water distribution system.

2. DESCRIPTION OF WATER SERVICE

A. Purpose. The RNVWD has been formed to provide water for domestic use and for fire suppression purposes. The RNVWD's water distribution system provides water for domestic use to parcels within the District; these parcels comprise Zone 1 of the Assessment District. The RNVWD's water distribution systems also provides water for fires suppression purposes, to be used by the Vacaville Fire Protection District and other fire departments. All of the RNVWD's fire hydrants are located within the District, but water supplied by these hydrants will be used for fire suppression purposes on parcels both within and immediately adjacent to the District; these parcels comprise Zone 2 of the Assessment District.

B. Quantity

- (1) The RNVWD's Water Distribution System has been designed with a well production capacity of approximately 450 gallons per minute (gpm). This amount is sufficient to provide adequate and reliable domestic water service to 533 connections, while maintaining reserves for fire suppression purposes.
- (2) The allocation of a connection to a parcel establishes a reasonable apportionment of the Water Distribution System's capacity to meet normal domestic water demands for a single residence. A connection shall not entitle a customer to delivery of any specific amount of water.
- (3) The RNVWD reserves the right to reduce the amount of water available to any connection to ensure that an approximately equal amount of water is available to all connections.
- (4) The RNVWD will endeavor to supply water dependably, safely, and in adequate quantities to meet the reasonable domestic water needs and requirements of all customers.
- (5) The RNVWD will strive at all times to operate the Water Distribution System in a manner that does not cause excessive wear and tear on the system nor overtax the RNVWD's water sources.

C. Pressure

- (1) The RNVWD will endeavor to maintain an operating pressure of not less than 40 pounds per square inch or more than 125 pounds per square inch at each service

connection point. During periods of peak seasonal loads and hourly maximum demand, pressure at the service connection point may be as low as 30 pounds per square inch. During periods of minimum demand, the pressure may be as high as 150 pounds per square inch. Variations in pressure under normal operating conditions will not exceed 50% of the average operating pressure.

- (2) The water pressure available at the service connection point varies within the Water Distribution System. Parcels at higher elevations, and parcels on which the residence is significantly above the service connection point, may require booster pumps to provide adequate pressure at the point of use. Such booster pumps are the responsibility of the landowners and shall not be provided by the RNVWD. All parcels without booster pumps shall install Pressure Reduction Valves at the residence.

D. Quality. The RNVWD will operate the water system consistent with water quality standards of the Department of Health Services.

3. EXPANSION OF THE WATER SYSTEM

A. Limitation during Initial Decade of Operation. The RNVWD's water distribution system shall not be expanded beyond the original design capacity of 533 connections until the system has been in operation for at least ten years. The system began operations on January 31, 2003. During this initial 10-year period, the RNVWD may upgrade its water distribution system, or any portion thereof, in order to provide better or more reliable domestic water service to the 533 connections. After the initial 10-year period, the RNVWD may authorize expansions to the water distribution system to serve additional connections. Such connections may be for new parcels that will be created by subdivision within the RNVWD or for Outside Parcels that will be annexed into the District.

B. Connections in Expanded System. All new connections resulting from an expansion of the water distribution system shall be Active Connections. The system shall not be expanded to accommodate new Inactive Connections, Supplemental Connections, or Reserve Connections.

C. Procedure for System Expansion. Prior to approving a system expansion proposal, the Board of Directors will conduct a minimum of two noticed public hearing to take public testimony regarding the level of interest in system expansion. A decision to authorize an expansion of the water distribution system shall be supported by adequate plans and cost estimates.

D. Costs of System Expansion. Parcels to be served by an expansion of the water distribution system shall bear all costs of the improvements necessary to expand the system capacity to supply water to said additional parcels without degradation of delivery pressures, flow rates, and schedules to parcels currently being served within the

RNVWD. These costs include, but are not limited to, administration, engineering, design, construction, and right-of way acquisitions. Said work shall be done to RNVWD standards and requirements.

4. CONTINUITY OF SERVICE

A. Emergency Interruptions

- (1) The RNVWD will make reasonable efforts to prevent interruptions to service. When interruptions occur, the RNVWD will endeavor to re-establish service within the shortest possible time consistent with protecting the integrity of the water system and the safety of its customers and the general public.
- (2) Where an emergency interruption of service affects the service to any public fire protection device, the RNVWD will promptly endeavor to notify the Fire Chief of the Vacaville Fire Protection District of such interruption and of subsequent restoration of normal service.

B. Scheduled Interruptions

- (1) Whenever the RNVWD finds it necessary to schedule an interruption to its service, it will, where feasible, notify all customers to be affected by the interruption, stating the approximate time and anticipated duration of the interruption. Scheduled interruptions will be made at such hours as will provide least inconvenience to the customers consistent with reasonable utility operations.
- (2) The RNVWD will notify the Fire Chief of the Vacaville Fire Protection District of the scheduled interruption stating the approximate time and anticipated duration and will promptly notify the Fire Chief upon restoration of service.

5. WATER CONSERVATION

A. Purpose. The RNVWD may adopt and implement a Water Conservation Plan to ensure that water resources available to the RNVWD are put to a reasonable beneficial use and that the benefits of the RNVWD's water supply and service extend to all customers within the District.

B. Use of Water-Saving Devices and Practices. Each customer of the RNVWD is urged to install devices to reduce the quantity of water of flush toilets and to reduce the flow rates of showers and other water using fixtures. Each customer is further urged to adopt such other water usage and re-usage practices and procedures as are feasible and reasonable.

C. Tiered Rate Structure. The RNVWD shall employ a tiered water rate structure to encourage water conservation. The amount of monthly water usage allowed within the base or first-tier rate shall be established taking into account the reasonable water needs of current and future users, the current and anticipated production and delivery capabilities of the Water Distribution System, the amount of water capacity needed for fire protection purposes, and other relevant factors. A portion of upper-tier rates shall contribute to the New Source Development and Water Conservation Fund.

D. Excessive Use. Use of water on any parcel in excess of 100 CCF in one month is considered to be excessive use. If a customer is a persistent excessive user (excessive use for at least two months in any three-month period), the RNVWD may install a flow-restrictor or other water service limiting device at that customer's service connection point.

E. Water Leaks. The cost of unintended or accidental water releases may be limited to a charge of the basic rate on a one-time basis, if approved the RNVWD Board of Directors. An appeal to the Board of Directors shall be in writing and shall include an explanation of the problem.

6. UNAUTHORIZED USE OF WATER AND DAMAGE TO EQUIPMENT

A. Termination of Service and Repair of Equipment. If the RNVWD's equipment at a service connection point has been tampered with or altered, the RNVWD may stop service to the parcel until the RNVWD can repair the equipment. If the RNVWD's backflow prevention device has been tampered with or altered, the RNVWD shall stop service to the parcel until the RNVWD can restore its backflow prevention devices to proper working order. All repair work will be done by the RNVWD and will be paid by the customer. Service will not be restored until payment is made in full.

B. Civil Action and Treble Damages. The RNVWD may bring a civil action for damages pursuant to section 1882 and following of the Civil Code for an actual or attempted diversion of water, unauthorized connection, or tampering with or damage to district equipment. In such a civil action, the RNVWD may seek as damages three times the amount of actual damages, plus its costs of the suit and reasonable attorney's fees.

7. APPLICATION FOR WATER SERVICE

A. Required Information. Each applicant (Property Owner) for water service must sign and submit an application that provides the following information:

- Date of application
- Name of applicant
- Address of property to be served
- Date applicant will be ready for service

Address to which bills are to be mailed
Such other information as the RNVWD may require

Applicants shall provide evidence that they are owners of record for the property to be served and may be required to provide proof of identification. Applications may be obtained from, and shall be submitted to, the California Water Service Company Dixon office.

B. Individual Liability of Applicant and Property Owner. All individuals who apply for service shall be jointly and severally liable for payment of bills until the RNVWD is notified that ownership of the property has been changed.

C. Service to a Tenant. Tenants may not apply for water service in their name. The service must remain in the property owner's name.

D. Sale of Property. Upon a change of property ownership, the prior owner shall notify the RNVWD that ownership has changed and the new owner shall submit an application for water service. Service may be temporarily disconnected if the notice of change in ownership and the application for service are not submitted at the same time.

8. WATER RATES AND CHARGES

A. General Basis of Rates and Charges. The RNVWD shall set water rates and charges in amounts sufficient to cover all of the RNVWD's fixed and variable costs of operation and maintenance, plus system rehabilitation, reconstruction, major maintenance, and improvements for existing connections.

B. Tiered Rate Structure. All parcels with an Active Connection shall be billed for the amount of water delivered to the parcel at the meter and charged at the applicable water rate. The RNVWD shall employ a tiered rate structure. The amount of the basic or first-tier water rate shall be based on the RNVWD's variable costs of operating and maintaining the water distribution system. The amount of the upper tier rates shall be based on the increased marginal operation and maintenance costs associated with higher levels of water production and delivery, as well as the costs of developing additional water, either from new sources or through water conservation, in order to meet higher levels of demand.

C. Monthly Service Charges

- (1) All parcels with a Regular Connection, or a Regular Connection plus one or more Supplemental Connections, shall pay a monthly Service Charge for each connection. The amount of the Service Charge shall be based on the RNVWD's fixed costs of operating and maintaining the water distribution system.

- (2) In setting the monthly service charge for Inactive Undeveloped Connections or Supplemental Connections, the Board of Directors may exclude water system maintenance or operation expenses that are incurred on an annual basis.

D. Connection Fee

- (1) If the Board of Directors sets the monthly service charge for Inactive Undeveloped Connections or Supplemental Connections at an amount less than the monthly service charge for an Active Connection, the Board shall set a Connection Charge for such connections. The amount of the Connection Charge shall be based on the difference between the service charge for such connection and for an Active Developed Connection over a period of not less than twelve months and not more than twenty-four months.
- (2) For Reserve Connections, the amount of the Connection Fee is equal to the original portion of the RNVWD's Domestic and Fire Protection Assessment for one parcel, plus interest at the rate payable on the deferred payments from the date of the levying of said Assessments to the date of payment of the Connection Fee, but for no longer a period than the original financing period of 20 years, plus an additional charge (premium) of 15% of the total sum of said assessment and interest.

E. Adjustment of Rates and Charges. The RNVWD will analyze its rates and charges annually and may propose appropriate adjustments. The Board of Directors will consider any proposed adjustments at a noticed public hearing.

9. RENDERING AND PAYMENT OF BILLS

A. Rendering of Bills. Bills for service will be rendered to each customer on a monthly basis. Bills shall be sent to the property owner, unless the property owner requests in writing that bills be sent to the current resident of the parcel. In all cases, the property owner shall be responsible for payment.

B. Meter Reading. Meters will be read at regular intervals, approximately monthly, for the preparations of monthly bills, and as may be required for the preparation of opening bills, closing bills, and special bills. If the RNVWD is unable to read any meter as part of its regular reading of all meters, it will make a second attempt to read the unread meter within three business days. It may not always be practicable to read meters at intervals which will result in billing periods of equal number of days. Bills for metered service will show at least the beginning and ending dates, the meter reading at the beginning and end of the period for which the bill is rendered, and the number and kinds of measurement units.

C. Proration of Bills. If the RNVWD is unable to read a meter in any month, the customer shall be billed only for the applicable monthly service charge for that month.

When the RNVWD is able to read the meter, the water usage allocation under the tiered rate structure shall be prorated on the basis of the number of days in the period for which the RNVWD was unable to read the meter to the number of days in the average billing period.

D. Payment of Bills. Bills for service are due and payable upon presentation. Payment may be made by mail or in person at California Water Service Company customer service center in Dixon. A charge may be imposed for any bad check. A late payment charge may be assessed if payment is not received within 19 days of billing.

E. Collection on Delinquent Bills. Collection procedures may be commenced when bills for two consecutive months are delinquent.

10. DISPUTED BILLS

A. Request for Investigation. Any customer who disputes any portion of a bill may request an investigation of the disputed portion of the bill. The request must be in writing and must be submitted to the California Water Service office in Dixon within 10 days of the date of mailing of the contested bill. The dispute will be investigated and a report of the investigation and of any proposed corrective action will be provided to the customer. Once an explanation has been presented to the customer and the decision is not further appealed, the bill or corrected bill is due and payable within 19 days.

B. Appeal. If the customer is not satisfied with the outcome of the investigation or the proposed corrective action, the customer may appeal the decision, within 10 days, to the RNVWD's Board of Directors. An appeal to the Board of Directors shall be in writing and shall include an explanation of the dispute and why the report of the investigation or the proposed corrective action was not satisfactory. Service will not be discontinued for nonpayment of the disputed bill pending outcome of the Board of Directors' review. Once a decision has been rendered by the Board of Directors, the bill or corrected bill is due and payable within 19 days after the decision.

11. METER TESTS AND ADJUSTMENT OF BILLS FOR METER ERROR

A Tests at Customer Request. The RNVWD will, within one week after request by a customer, test the meter serving the customer's premises. Every meter tested at the request of the customer will be prior to any alteration or adjustment in order to determine the average meter error. A report showing the results of the test will be furnished to the customer within 15 days after the completion of the test.

B. Adjustment of Bills for Meter Error. When, upon test, a meter is found to be registering more than 2% above actual flow, the RNVWD will refund to the customer 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 six months. If a meter is found to be registering more than 5% below actual flow, the RNVWD shall replace the meter.

12. DISCONTINUANCE AND RESTORATION OF SERVICE

A. For Nonpayment of Bills

- (1) Unless the bill is disputed, bills will be considered past due and delinquent if not paid within 19 days from the date of mailing. The RNVWD shall not discontinue residential service for nonpayment of a delinquent account unless the RNVWD first gives notice of the delinquency and impending discontinuance, at least 10 days prior to the proposed discontinuance, by means of a notice mailed, postage prepaid, to the customer to whom the service is billed.
- (2) When a bill for water service becomes delinquent and a 10-day notice of potential discontinuance of residential service for nonpayment has been issued, the RNVWD may discontinue water service to the parcel if the bill is not paid within the time required by such notice.
- (3) Any customer who has requested an investigation within 10 days of the date of mailing of a disputed bill shall not have water service discontinued for nonpayment pending an investigation by the RNVWD. The review shall include consideration of whether a residential customer shall be permitted to make installment payments on any unpaid balance of the delinquent account over a reasonable period of time not to exceed 12 months. Such service shall not be discontinued for nonpayment for any customer complying with an installment payment agreement entered into with the District, provided the customer also keeps current his account for water service as charges accrue in each subsequent billing period. If a residential customer fails to comply with an installment payment agreement, the RNVWD will give a 10 day discontinuance of service notice before discontinuing such service.
- (4) Once a service has been discontinued for nonpayment, the total bill must be paid in full prior to restoration of service. A reconnection fee of \$25 during working hours and \$65 after working hours may be charged for restoration of discontinued service.

B. For Noncompliance with Rules. The RNVWD may discontinue service to any customer for violation of these rules after it has given the customer at least 5 day's written notice of such intention. Where safety of water supply is endangered, service may be discontinued immediately without notice.

C. For Waste of Water. Where negligent or wasteful use of water threatens adjoining parcels or the RNVWD's ability to provide reliable water service to other customers, the RNVWD may immediately shut off service to the parcel but shall resume

service within 24-hours after the customer has taken appropriate corrective action. All costs associated with the disconnection and reconnection of service shall be born with the customer.

13. SERVICE CONNECTIONS, METERS, AND CUSTOMER'S FACILITIES

A. Meter and Backflow Prevention Device. The RNVWD, from dedicated public rights of way, road and utility easements, or easements granted to the RNVWD, will install and maintain a district service pipe, one meter and meter box, and a backflow prevention device connecting each parcel within the District to the RNVWD's water distribution system. A water service connection shall not entitle a landowner to delivery of water beyond the nearest point at which the RNVWD determines that water is available, which will generally be the closest point at which the water distribution system approaches the parcel.

B. Customer Service Pipe. The customer is responsible for installing and maintaining the customer service pipe from the customer's side of the backflow prevention device to service their property, along with any required booster pump or pressure reduction valve.

C. Additional Meters. RNVWD will only set one (1) meter per parcel. If a customer wants additional meter for other units on same parcel, the customer shall provide the meters and install it on the customer service pipe.

D. Cross-Connections

- (1) Protective Regulation - Any cross connection shall be in compliance with the regulations of the State Department of Public Health contained in Title 17, Sections 7583-7605 of the California Code of Regulations under "Regulations Relating to Cross Connections."
- (2) Backflow Prevention Required - The RNVWD shall install and maintain a backflow prevention device on all water service connections.
- (3) Periodic Testing of Backflow Prevention Devices - For each backflow prevention device installed, the RNVWD may have the device tested annually or as frequently as determined necessary. Reports of testing and maintenance will be maintained by the District.

E. Additional Fire Hydrants. Property owners within the RNVWD boundaries may purchase additional fire hydrants to provide water for fire protection purposes in closer proximity to their property. The property owner shall pay the full cost of hydrant and the installation costs. The hydrant will remain the property of the RNVWD and the RNVWD shall be responsible for maintaining the hydrant.

14. BASIS AND APPORTIONMENT OF ASSESSMENT

- A.** In accordance with the Final Order Levying and Apportioning Assessment, the Domestic Water Assessment and Fire Protection Assessment have been levied on and apportioned and assessed to Zone 1 and Zone 2, respectively, of the RNVWD Assessment District No.1.
- B.** The Domestic Water Assessment and Fire Protection Assessment are in addition to any water charges and rates.
- C.** To the extent that the actual cost of the improvements and/or financing are less than the proceeds of the RNVWD Assessment, the excess funds may be deposited in the Delinquency Reserve Fund.

15. PAYMENT OF ASSESSMENT

- A.** Unless the Assessment Portion was fully paid prior to the Final Order Date or is for a Reserve connection, the Assessment Portion for the parcel is financed through Zone 1 and/or Zone 2 of the Assessment District.
- B.** The outstanding Assessment Portion for the Zone 1 Domestic Water Assessment and/or the Zone 2 Fire Protection Assessments for properties annexed to the RNVWD or newly created as a result of subdivision may be paid upfront at the time of annexation or subdivision. If not paid upfront, the outstanding Assessment Portion for the Zone 1 Domestic Water Assessment and/or the Zone 2 Fire Protection Assessments for properties annexed to the RNVWD or newly created as a result of subdivision shall continue to be financed through Zone 1 and/or Zone 2 of the Assessment District.

16. FINANCING OF ASSESSMENT PAYMENTS

- A.** The cost of RNVWD Water Distribution System was paid with funds obtained from DHS and DWR Loans. These loans shall be paid back with annual installment payments made by the owners of parcels within Zone 1 and Zone 2 of the Assessment District.
- B.** The Delinquency Reserve Fund has been established in an amount equal to two semi-annual payments under both the DHS and DWR Loans. At the end of the loan repayment period, any unused amount of the Delinquency Reserve Fund may be credited pro-rata to the then-current landowners of record within Zone1 and Zone 2.
- C.** The RNVWD Assessment(s) shall be payable in installments as an assessment on the County Property Tax Bill, which shall include principal, interest and administrative expenses and placed in the Loan Redemption Fund to be used as the transitory account holder for pending payments on the DHS and DWR Loans.

D. The RNVWD Assessment(s), and each installment of it, shall be and remain a lien on the land until the loan is retired.

17. SUBDIVISION OF LAND

A. The design of the Water Distribution System is consistent with the Solano County General Plan. During the design of the Water Distribution System, property owners within the District were allowed to obtain or reserve additional service connections to accommodate subdivision of parcels within the District.

B. Prior to the Final Order Date, property owners obtaining Supplemental Connections either (1) paid up front the assessment for the Supplemental Connection, or (2) entered into an agreement with the RNVWD for additional assessments to be levied on the property for Supplemental Connections.

C. Property owners reserving Reserve Connections paid a reservation fee of \$ 2,350 and entered into an agreement with the RNVWD for the additional connections.

D. Subdivided parcels shall bear all costs of connection to the RNVWD Water Distribution System including service pipelines and appurtenances necessary to deliver water to the residence from the meter and backflow mechanisms at the property line. Said work shall be done to RNVWD standards and requirements. No financing for this payment shall be provided by the District.

E. No additional water connections will be available to future subdivided parcels within the RNVWD boundaries unless the District is expanded as described in these Rules.

18. RESERVE CONNECTIONS

A. At the time of conversion to a Regular Connection, a Reserve Connection will be charged a 15% premium on the total assessment plus interest as part of the connection fee.

B. A Reserve Connection may be converted into a Regular Connection by payment in full of the RNVWD connection fee (Assessment Portion, plus interest, plus premium as set forth above). A Reserve Connection that is converted to a Regular Connection shall pay at least the pro-rata share of the Assessment Portion from the Final Order Date, but may elect to pay the remainder of the Assessment Portion in installments as an assessment on the County Property Tax Bill, which shall include principal, interest, and delinquency reserves.

C. When Reserve Connections are converted to Regular Connections, or when new connections are added to the RNVWD Water Distribution System, the Connection Fee shall be deposited into the Delinquency Reserve Fund.

D. Any Reserve Connections that is not converted into a Regular Connection on or before February 28, 2011 (ten years after the Final Order Date) will forfeit to the Delinquency Reserve Fund all monies paid to reserve the water service connection. Sale or transfer of a Reserve Connection does not extend the time period for paying in full the RNVWD connection fee.

19. TRANSFER OF RESERVE OR SUPPLIMENTAL CONNECTIONS

A. A Reserve Connection may be sold to provide water service to other parcels within the RNVWD, subject to approval and written verification of service capacity by the District. Any sale of a Reserve Connection does not extend the 10-year period of the reservation. Sale of a Reserve Connection is subject to the same terms and conditions placed on the original purchaser as stated above. Prior to transferring a Reserve Connection, the seller shall notify the RNVWD of the name and address of the intended purchaser, and shall obtain the buyer's review and approval of financial obligations to the District.

B. A Supplemental Connection may be sold to provide water service to other parcels within the RNVWD, subject to approval and written verification of service capacity by the District. Prior to transferring a Supplemental Connection, the seller shall notify the RNVWD of the name and address of the intended purchaser, and shall obtain the buyer's review and approval of financial obligations to the District. When a Supplemental Connection is sold, the seller may transfer the remaining unpaid portion of the assessment to the property of the owner acquiring the connection provided that 1) the seller is current in payment of the annual assessment with no delinquencies; and 2) the buyer agrees to the placement of the remaining unpaid portion of the assessment on the property the connection is being transferred to.

C. If the connection is being transferred to a parcel outside the boundaries of the RNVWD, that parcel must be annexed to the District prior to completion of the transfer.

D. All parcels within the RNVWD must at all times retain one Regular Connection. If a Reserve Connection or a Supplemental Connection is transferred to a parcel that does not have a Regular Connection, the Reserve Connection or Supplemental Connection shall be converted to a Regular Connection at the time of transfer.

20. TRANSFER OF REGULAR WATER SERVICE CONNECTIONS

A. A Regular Connection may be transferred to another parcel within or immediately adjacent to the boundaries of the RNVWD, subject to approval and written verification of

service capacity by the District. Prior to transferring a Regular Connection, the seller shall notify the RNVWD of the name and address of the intended purchaser, and shall obtain the buyer's review and approval of financial obligations to the District.

B. If the connection is being transferred to a parcel outside the boundaries of the RNVWD, that parcel must be annexed to the District prior to completion of the transfer. If the parcel from which the connection is being transferred will no longer have a connection as a result of the transfer, that parcel shall be detached from the District prior to completion of the transfer.

C. The property owners shall bear all costs of improvements necessary to serve the new parcel. Said work shall be done to the RNVWD standards and requirements. No financing for the costs shall be provided by the RNVWD.

D. When a Regular Connection is sold, the seller may transfer the remaining unpaid portion of the assessment to the property of the owner acquiring the connection provided that (1) the seller is current in payment of the annual assessment with no delinquencies, and (2) the buyer agrees to the placement of the remaining unpaid portion of the assessment on the property the connection is being transferred to.

E. If the buyer's property is currently not subject to the fire protection assessment, the property owner shall pay upfront the fire protection assessment or agree to the placement of the applicable fire protection assessment on the property prior to the completion of the transfer. If fire protection assessment is to be placed on the property, the property owner shall pay upfront to bring the assessment current and the remaining portion shall be placed on the property.

21. ANNEXATIONS TO THE DISTRICT

A. Outside Parcels that are permitted to connect to the RNVWD Water System shall concurrently annex to the District, and shall pay all associated RNVWD and LAFCO fees and costs related thereto. No financing for the cost of annexing to the RNVWD shall be provided by the District.

B. Any annexation to the RNVWD shall comply with the following procedures and requirements:

- (1) Owners of the Outside Parcels seeking annexation shall file a Request for Annexation with the Board of Directors of the District.
- (2) The RNVWD will request an engineering assessment of the annexation request and prepare cost estimates.
- (3) The RNVWD shall prepare appropriate an environmental impact evaluation for the proposed annexation.

- (4) The RNVWD shall give notice and hold a public hearing regarding the Request for Annexation.
- (5) If the Board approves the Request, it shall file a Resolution of Application with LAFCO (Local Agency Formation Commission) seeking annexation of the Outside parcels. If the Board disapproves the request, it shall not take further action on the proposal.

C. Annexed parcels shall bear all costs of improvements necessary to extend the Water System to supply water to said parcels without degradation of delivery pressures or flow rates to parcels currently being served within RNVWD. These cost include, but are not limited to, administration, engineering, design, construction and right-of-way acquisition costs. Said work shall be done to RNVWD standards and requirements. No financing for this payment shall be provided by the District. Annexed parcels shall bear all costs of connection to the RNVWD Water Distribution System, including service pipelines and appurtenances necessary to deliver water to the residence from the meter and backflow mechanisms at the property line.

22. USE OF DELINQUENCY RESERVE FUND

If excess funds are accumulated in the Delinquency Reserve Fund, such excess funds may be used for emergency repairs, capital improvements for the RNVWD Water System, applied as a credit to the next year's levy of assessments, or transferred to the Loan Redemption Fund to be used to prepay the outstanding balance due under the DHS and/or DWR loans.

23. NOTICES

A. Notice to Customers. Notice to a customer will normally be in writing and, depending on the type of notice, will either be delivered or mailed to the customer's last known address. In emergencies or when circumstances warrant, the RNVWD will endeavor to promptly notify the customer affected and may make such notification orally, either in person or by telephone and shall follow up with written notification.

- (1) Discontinuance of Service -- The RNVWD shall make a reasonable attempt to contact an adult person on the residential customer's property by telephone or in person at least 24 hours prior to any discontinuance of service, except that, whenever telephone or personal contact cannot be accomplished, the RNVWD shall post in a conspicuous location at the premises, a notice of discontinuance of service at least 48 hours prior to discontinuation of service.

- (2) New and Revised Rates -- The RNVWD will provide a minimum 45 day advanced notice of public hearings by the RNVWD Board of Directors on water rate reviews and proposals.
- (3) Courtesy Notice -- The RNVWD may make telephone courtesy calls regarding normal maintenance activities.

B. Notice from Customers. A customer may make notification in person, by telephone or by letter to the RNVWD via the California Water Service Company Dixon Office.

24. SPECIAL INFORMATION REQUIRED ON FORMS

A. Bill for Service. On each bill for service will be printed substantially with the following language:

- (1) BILL PAYMENT -- This bill is due and payable upon date of presentation. It will become past due if not paid within 19 days from the date of mailing.
- (2) RATES AND OTHER INFORMATION -- Rate schedules and Rules are available at California Water Service Company customer service center, 201 South 1ST Street Dixon, and RNVWD office, Solano County Department of Resource Management, 601 Texas Street, Fairfield, during regular business hours, Monday through Friday.
- (3) PAYMENTS -- You may pay your bill by mail or in person at California Water Service Company customer service center, 201 South 1st Street, Dixon or any other California Water Service Company pay station. A night payment drop is also available at the customer service center for payments after regular business hours. Payment may be made by cash, check or automatic payment through a financial institution.
- (4) EMERGENCY SERVICE -- If you require emergency service call the telephone number printed on the other side of this bill.
- (5) EMPLOYEE IDENTIFICATION -- Our authorized service representative carries a California Water Service Company identification card with photograph. Please ask for identification before admitting an employee to your premises. Even then, if you have any doubts, call the California Water Service Company at 707-678-5928.

B. Discontinuance of Service Notice. Every notice of discontinuance of service for nonpayment of bills shall include all of the following information:

- (1) The name and address of the customer whose account is delinquent.

- (2) The amount of the delinquency.
- (3) The date of which payment or arrangements for payment is required in order to avoid discontinuance.
- (4) The procedure by which the customers initiate a complaint or request investigation concerning service or change.
- (5) The local address and telephone number for users to obtain additional information and assistance in continuing service or in making arrangements for payment.

25. INFORMATION AVAILABLE AT CALWATER'S DIXON OFFICE

The following information is available at the California Water Service Dixon Office:

Characteristics of Water: Copies of water quality analysis performed by the RNVWD and copies of the water quality standards adopted by the State Department of Health Services.

Rates and Rules: Copies of the RNVWD's Rules and Regulations, Rate schedule and service area map.

Reading Meters: Information about method of reading meters

Past Bills: Copies of customer bills for the past two years. This information shall be available only to the customer whose name appears on the bill or to an owner of the property.

Water Conservation Information: Information on water saving devices, practices, literature and materials on water conservation are available at the California Water Service Company customer service center in Dixon, CA. Customers can request a water conservation audit from California Water Service Company.

26. CHANGES TO RULES AND REGULATIONS

A. These Rules and Regulations may be revised by the Board of Directors as necessary, after public notification to all RNVWD customers and after a public hearing has been held.

B. The Board of Directors shall make final interpretations of the Rules and Regulations, and make determinations for circumstances not adequately addressed by these Rules and Regulations, after a public hearing has been held.