

**Standing Rules and Regulations of
Timber Cove County Water District
Timber Cove
California**

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SECTION A - STANDING RULES

1. Purpose

TCCWD Mission Statement

The Timber Cove County Water District, in order to provide its members with sufficient quantities of high quality drinking water and to conduct its business in a manner to benefit the membership, will strive to:

- Furnish high quality drinking water in the most efficient and economical manner, employing only well qualified staff, keeping abreast of technology and advances in water supply and system management, utilizing that which is most cost effective and protective of public health and welfare.
- Promote and develop resources to efficiently operate and maintain its facilities and infrastructure, planning for future water needs and providing management and technical support services for its members upon request.
- Practice an effective level of customer service and conduct a strong public information/education/involvement program; promote an effective intergovernmental communication channel; remain dedicated to the spirit of cooperation among the communities of Timber Cove with a unified vision towards improved quality of community life.
- Meet publicly, on a regular basis, to receive input from the community and provide a public forum for all District customers concerned with local water quality and quantity.

2. TCCWD Governance

The TCCWD shall be governed per the State of California Water Code §§ 30000 through 33901. The TCCWD Standing Rules shall serve as a supplement to the Water Code unless the Standing Rules and Water Code should be in conflict, in which case, the Water Code shall prevail. The Timber Cove County Water District is governed by a five member, elected Board of Directors who must maintain a voting residence in the District. The elections are managed by the Sonoma County Registrar of Voters. Elections are held in November of each odd year.

3. Officers and Duties of Officers

Consistent with the California Water Code § 30520, within 30 days after the election of the first directors and thereafter within 30 days after taking office pursuant to Section 10554 of the Elections Code, the directors shall elect one of their number the President, and may elect one of their number Vice President. The President shall be responsible for:

- Facilitating TCCWD meetings
- Coordinating the creation of TCCWD agendas (but any Board member may request items be placed on the agenda)
- Confirming with presenters on the agenda
- Delegating responsibilities to other willing Directors
- In most instances, the President shall make every effort to call on others first and speak last; however, the President has all the rights of any member to participate fully in the

deliberations.

- Sign all contracts on behalf of the District (Water Code § 30578)
- Administer oaths
- Oversight of Manager(s)
- Public Relations and speaking on behalf of the District

The Vice President shall be responsible for:

- Serving as the President in absence of the President
- Reserving the meeting room
- Setting up and taking down of the meeting room
- Posting of meeting notices
- Delegating Vice President responsibilities to other willing Directors

Consistent with California Water Code § 30540:

- (a) The board shall, at its first meeting or as soon thereafter as practicable, appoint by a majority vote a general manager and a secretary.
- (b) The board shall also, by majority vote, do either of the following:
 - (1) Appoint an auditor or treasurer to carry out the duties required by Section 30582 and other duties required by the board.
 - (2) Retain an auditor as an independent contractor, other than the auditor or treasurer appointed pursuant to paragraph (1), to conduct an annual audit of the district's books, records and financial affairs.

In addition, with respect to officers, the Board shall adhere to the following:

- (a) Water Code § 30541 - A director shall not be the general manager, secretary, treasurer, or auditor.
- (b) Water Code § 30542 - The general manager, secretary, treasurer, and auditor shall each receive the compensation determined by the board and shall serve at its pleasure.
- (c) Water Code § 30543 - The same person may serve as general manager and secretary, secretary and auditor, or secretary and treasurer.
- (d) Water Code § 30544 - The board may at any time appoint or employ and prescribe the authorities and duties of other officers, employees, attorneys, and engineers necessary or convenient for the business of the district, each of whom shall serve at the pleasure of the board.

The Secretary shall be responsible for:

- Maintaining a Board of Directors contact list with phone and e-mail information for members, other key District Staff, and community contacts
- Preparing/distributing meeting agendas and minutes
- Setting out and collecting the meeting sign in sheet
- Delegating Secretary responsibilities to Board members provided that meeting minutes shall only be prepared by persons physically in attendance at meetings.

The General Manager shall (see Water Code § 30580):

- Have full charge and control of the maintenance, operation, and construction of the water

- works or water-works system of the district.
- Have full power and authority to employ and discharge all employees and assistants at pleasure.
- Prescribe the duties of employees and assistants.
- Fix and alter the compensation of employees and assistants subject to approval by the board.
- Perform other duties imposed by the board.

All Directors are expected to augment the services provided by the Lead Operator or Administrative Assistant by accepting responsibility for some element(s) of plant improvements, contract oversight, operations or reporting consistent with their knowledge, skills or abilities, for example:

- Maintaining an integrated and current statement of the Standing Rules and Regulations of the District
- Taking lead role in clarifying and negotiating the reporting to the State, County or other governmental agencies, e.g.:
 - Terms of surface water rights permits
 - Clarifying and overseeing the sampling, analysis and reporting of both surface and groundwater sources
- Emergency drought requirements and grants for such purposes available from the State.
- Developing and implementing a website for the District
- Providing leadership and direction for the financial statements needed to assure the fiscal health and reporting for the District.
- And others

4. Meeting Minutes

Consistent with the educational and liaison purpose of the Board, minutes shall be prepared for every meeting by the Administrative Assistant/Secretary. Due to the need to post draft meeting minutes on bulletin boards and the website, the following schedule of minutes preparation, review and publication will be followed:

- Draft minutes shall be presented at the subsequent regular meeting of the Board of the TCCWD for approval and then shall be made final after any necessary corrections are made.

Final minutes shall be made available to the public via electronic distribution and uploading to the website. The minutes shall contain:

- Date and time of the meeting including commencement and adjournment
- Roll call of members with a record of quorum status
- Copy of the sign in sheet for meeting attendees
- Motions and votes of each member including abstentions and any recusals
- Future meeting plans
- Minutes shall be signed and dated by the Administrative Assistant/Secretary upon approval of the Board.

Meetings may be recorded to assist the Administrative Assistant/Secretary in preparing the minutes. The Secretary shall be under no obligation to store or archive the tapes or other media upon which meeting recordings were made.

5. Meeting Times and Locations

Regular meetings will be held at a location, date, and time as determined by the President.

To the extent possible, at the end of each regular meeting, the time, date and location of the next meeting shall be confirmed. Special meetings may be called as allowed by the Brown Act upon a vote of the Board or by the President in the event that a vote by the Board is not possible and time is of the essence.

During each meeting, the Board shall adhere to the following:

- (a) Water Code § 30523 - The board shall act only by ordinance, resolution, or motion.
- (b) Water Code § 30524 - A majority of the board shall constitute a quorum for the transaction of business.
- (c) Water Code § 30525 - No ordinance, resolution, or motion shall be passed or become effective without the affirmative votes of at least a majority of the members of the board.
- (d) Water Code § 30526 - Except where action is taken by the unanimous vote of all directors present and voting, the ayes and noes shall be taken upon the passage of all ordinances, resolutions, or motions and entered upon the minutes of the board.
- (e) Water Code § 30527 - The enacting clause of all ordinances passed by the board shall be: "Be it ordained by the board of directors of Timber Cove County Water District as follows:"

6. Meeting Conduct

Meetings shall be facilitated by the President to achieve orderly and productive discussion in accordance with the TCCWD Standing Rules, the California Water Code, the Brown Act, and with regard to parliamentary procedure as guidelines only, Rosenberg's Rules of Order.

All Directors shall act in a respectful and courteous manner and at all meetings shall:

- Accept that all ideas are valid and that the members, while their respective levels of experience are divergent, were selected because of demonstrated leadership and competence in their areas of expertise
- Avoid attacking, downplaying, or belittling the ideas of others; such conduct can have a chilling effect on the deliberations of the group
- Seek to understand the opinions of others before taking a position
- Stay focused on the topic at hand, directing their attention to issues and not personalities
- Come prepared for the meeting, having reviewed all pertinent material in advance, and pay attention to process during the meeting
- Remember that, ultimately, the TCCWD, and the community share a common goal: striving to furnish high quality drinking water in the most efficient and economical manner
- Uphold these guidelines and authorize the President to adjourn the meeting if the

President finds that the meeting is not proceeding in accord with the above guidelines.

Public comment shall abide by the following:

- Limited to three minutes per person unless a longer time is allowed at the discretion of the President
- Those wishing to comment should sign in, identify themselves and their residence address.

Guest speakers with planned presentations on the agenda shall be given an amount of time as determined by the President.

7. E-mail Protocol

E-mail is appropriate and encouraged for distribution of meeting materials and for meeting logistics.

E-mail is not suitable for discussion of Board business in any manner that would include a quorum and thereby violate the Brown Act; of concern, specifically, are unintended “serial” electronic messages that include a quorum of the Board.

“Reply to all” should be used with discretion to avoid unnecessary emails to committee members. It should not be used at all for the discussion of substantive issues, including but not limited to expression of opinion on policy matters and projects within the jurisdiction of the Board.

8. Voting Protocol

The requirement for approval of most actions of the Board is a majority vote, which means more than half the votes cast by Board members entitled to vote, excluding abstentions, at a regularly or properly called meeting at which a quorum is present.

Abstentions – In matters where recusal is not required (as discussed below), if a member believes that s/he cannot vote in a fair manner due to a personal conflict or thinks that her/his vote would be perceived as a personal conflict, the Board member may abstain from the vote. The member still counts for purposes of the quorum and her/his vote is recorded in the minutes as an “abstention.” A member shall not abstain from voting simply because s/he does not live in the immediate area under deliberation. The purpose of the TCCWD is to advise on the entire TCCWD jurisdiction, regardless of whether or not the matter under consideration is located in the area in which the Board member resides. As long as the individual feels s/he can vote in an unbiased manner and reach an impartial decision, it is the responsibility of the member to cast a vote.

Recusals - If a Board member is voting on a motion in which s/he has 1) a direct financial interest, 2) a direct real property interest, or 3) if a matter affects the direct financial or real property interests of the member's immediate family, business, employer or other source of income, the member may be required to recuse her/himself, and leave the room prior to any

discussion of the subject and the vote. While the existence of a potential conflict is presumed in some instances (i.e., if a member lives within 500 feet of the project site), in other circumstances, it is understood that the financial or property interests referred to above would need to be materially different and more significant than that of others with a financial or property interest to result in a conflict of interest necessitating one's recusal. The recused member still counts for purposes of establishing/maintaining a quorum and her/his vote is recorded in the minutes as "not present" for the particular item/vote in question.

Proxy - Proxy voting shall not be practiced in meetings of the Board of Directors of the TCCWD whether for counting members present to gain a quorum nor to vote on any motion before the Board.

9. Authority of Board Members

Unless so directed in a detailed manner by a majority of the TCCWD, no individual member has any authority to represent her/himself in such a manner as to give the impression that s/he is acting on behalf of the Board. The TCCWD functions in its official capacity only as a body, unless one or more members are very specifically directed by the majority to carry out a task outside of the meeting. Much as local elected officials do, it is often good practice for individual Board members to clarify that they are speaking only as an individual when they have conversations in the community or with other officials about TCCWD topics.

- Meet publicly, on a regular basis, to receive input from the community and provide a public forum for all local citizens concerned with local water quantity and quality;
- Represent the interests of the TCCWD Comment Area to the staff, policy makers and other interest groups by:
 - Fact finding,
 - Sharing information,
 - Facilitating discussion,
 - Fostering collaborative decision making, and
 - Presenting policy recommendations.

10. Financial

RE: California Water Code §31007:

The rates and charges to be collected by the district shall be so fixed as to yield an amount sufficient to do each of the following:

- (a) Pay the operating expenses of the district
- (b) Provide for repairs and depreciation of works owned or operated by the district.
- (c) Pay the interest on any bonded debt.
- (d) So far as possible, provide a fund for the payment of the principal of the bonded debt as it becomes due.

To meet the above obligation, TCCWD shall collect a base rate and a variable rate from the lands within TCCWD. The base rate shall be used for repair, replacement, depreciation, staff time and similar operational costs associated with keeping the water system operational. The variable rate

shall be used for water treatment, water delivery, staff time and similar operational costs. All Board prior actions or resolutions inconsistent with this policy are hereby repealed to the extent they are inconsistent.

The TCCWD shall not commit to the delivery of water it cannot reliably produce.

The TCCWD shall develop the ability to produce sufficient water to serve a full build out of the subdivision ahead of actual demand.

11. Financial Transparency and Director Accountability

These Guidelines will ensure sound financial operation of the district, require that financial activities and conditions be fully and accurately disclosed at each meeting and that all expenditures outside normal operational expenses are timely disclosed and properly authorized by a vote of directors at a duly noticed public meeting. Although the Treasurer is employed by the Board to manage finances, it remains the responsibility of every director to oversee the thoroughness and propriety of the Treasurer’s performance, to provide him/her accurate information and lawful direction, and to hold him/her accountable. The essential expectations for all directors to ensure financial transparency and compliance with law include providing the following at each meeting:

- Presenting updated bank balances each period, how they compare to the previous period and year-to-date account balances.
- Reporting on all money received each period, accounts receivable and any updates on collections.
- P&L and balance sheet for each period along with fiscal year-to-date to be presented by the Treasurer or designated person
- All spending to be recapped and the monthly general ledger detail being disclosed with that recap.
- Any spending outside the normal, budgeted business needs in the running of the district to be explained at each meeting.
- Any proposed infrastructure and/or consultant spending being discussed and voted on in public and being recapped for public review.
- Audit progress being reported from the checklist starting in July until completion with a target date of October of each year for the fiscal year ending June 30.
- Protections for standard of accounts and requirements of reporting to regulatory agencies. Standard of accounts are not to be altered or changed without changes first being proposed and voted on in a public meeting and signed off by the Manager, Treasurer, Bookkeeper and CPA.
- Employees and contractors (CPA, Bookkeeper) required to report violations of law to regulatory agencies

Any Director who knowingly:

- provides or publishes inaccurate or misleading information for use by the Treasurer, a Director, or any employee;
- provides unlawful direction to the Treasurer or any employee;
- withholds financial information from the Treasurer, a Director, or any employee; or
- materially violates these principles;

shall be subject to disciplinary action that may include public censure, and/or legal liability for financial damages to the District resulting from their actions. (See e.g. Penal Code § 424 making misappropriation of public funds a crime.)

A copy of the Standing Rules and Regulations (incorporating these Guidelines) shall be circulated to all directors after each election, and they shall sign and date a statement affirming that they have reviewed, understand and will comply with these Guidelines.

12. Censure

The Board adopts the following policy and procedure for initiating the censure of an individual Board member when necessary and appropriate because of that Board member's actions, statements or other conduct.

When, in the opinion of any member of the Board, another Board member has, by his or her actions, statements or other conduct, violated his or her obligations or responsibilities under the Board's Standing Rules and Regulations, or any statute, regulation or specific Board direction, the Board Member shall first attempt to informally resolve the issue by speaking to the accused Board Member. The accused Board member will be informed by the complaining Board member that if such behavior remains unchanged that the behavior may result in a motion to censure. If the behavior continues, the complaining Board member shall have the right to place on the Board's public session agenda a motion to censure the accused Board member consistent with the following policy and procedure:

1. The placement of censure on the Board's public session agenda will be consistent with Board policy on adding items to the agenda. If the accused member is the Board President, the Vice President shall be the Board representative to consider the placement of the item on the agenda. Any such motion to censure, when made, shall be in writing and shall include:
 - a. A specific description of the Standing Rule or Regulation, statute, regulation, Board policy or board direction that is claimed to have been violated;
 - b. A specific factual description of the alleged action, statement or other conduct of the Board Member at issue and a description of how that action, statement or other conduct constitutes a violation;
 - c. The specific language for the proposed censure by the Board of the Board Member for the alleged violation.

2. The written motion to censure shall be provided to the accused Board member at least three business days before the Board meeting scheduled to consider the motion. The complaining Board member shall introduce the motion to censure during the meeting. Prior to any vote thereon, and in an effort to avoid an official Board censure, the accused Board member shall be provided the opportunity to explain or justify his/her action, statement, or other conduct, to apologize therefore, or to agree to future compliance with all relevant and applicable statutes, regulations, laws and Board policies.
3. Any motion to censure will be effective upon the majority vote of the voting Board members. The accused Board member who is the subject of the censure motion shall not be permitted to vote on the motion, and his/her vote shall not be counted in calculating the simple majority.

13. Operations

In accordance with State and Federal Law the TCCWD shall annually publish a Consumer Confidence Report and make it available to all customers.

Standing Rules adopted _____

Secretary _____

SECTION B

REGULATION 1

NEW SERVICE CONNECTIONS

Conditions Precedent to Service

A. Water service will be provided subject to:

- (1) The existence of a main of adequate capacity and pressure abutting the property to be served;
- (2) The advance payment of the District's connection fee;
- (3) Compliance with the other applicable provisions of these regulations;
- (4) Permission from the property owner that an agent of Timber Cove County Water District may shut off water to the property at the meter in the event of a leak at the property.

B. Upon connection to the system and installation of the meter, applicant(s) will be required to pay monthly water charges.

REGULATION 2

INTERFERENCE WITH SERVICE FACILITIES

A. Unlawful Acts

The District will prosecute violations of Penal Code sections 347, 498, 588, 592, 594, 607, 624 and 625, as well as Health and Safety Code sections 11418, 116985, 116990, and 116995 which make it a misdemeanor to tamper with, or bypass water meters, to take water without payment, or to damage or obstruct the District's facilities.

B. Drawing Water from Fire Hydrants

No person shall open, or draw water from any fire hydrant connected to the District's distribution system without prior specific authorization of the District.

C. Damage to District's Facilities

The consumer, by applying for water service from the District, covenants and agrees that, in addition to any right or remedy available to the District by law, the consumer will pay to the District its costs for repairing or replacing any of its facilities damaged as a result of construction or other work done on the consumer's property, including, without limitations, the sidewalks, driveways, curbs and gutters adjacent thereto, or as a result of installation of utility services to the consumer's property.

D. Interference with Water Mains

No structure shall be erected within any easement of the District or over any water main of the District except pavement and fences. Water service shall not be initiated to any building that is constructed over any existing water main of the District or in a location in a manner satisfactory to the District and without cost to the District.

REGULATION 3

CHANGE OF SERVICE CONNECTION

A. Relocation

The District will relocate its facilities when requested to do so by the consumer provided such relocation is acceptable to the District and upon payment to the District of the following minimum charges: \$100 per hour.

- (1) Relocation of service not requiring a new connection to the main at District's costs.
- (2) Relocation of service lines requiring a new connection to the main shall be made upon advance payment to the District in the amount of the District's estimate of the cost thereof. If the actual cost of relocation exceeds the amount prepaid such excess will be paid on completion of the work.
- (3) Raising or lowering meter or box for consumer convenience:

The foregoing charges shall apply in all cases where they reasonably reflect the District's costs of performing the relocation requested. These charges may be increased or decreased if the District's actual costs of doing the work vary appreciably from these rates.

REGULATION 4

MULTIPLE SERVICE

A. General

Except as otherwise expressly authorized by this regulation, a single service connection shall serve no more than one separate dwelling unit or one separate commercial, agricultural or industrial enterprise.

The District is not responsible to render separate statements to tenants served by a single meter. The party in whose name the service is registered will be responsible for all charges for all services through the meter.

REGULATION 5

CROSS-CONNECTION AND BACKFLOW PROTECTION

A. General

Timber Cove County Water District furnishes public water supplies under permits issued by the State of California Department of Health Services. In order to comply with the terms of these permits and all State regulations intended to protect the public water supply from contamination, an appropriate backflow preventer shall be installed at every service connection where one is required by regulations of the Department of Health Services. Some examples of state mandated sites needing devices are: Locations with an auxiliary water supply, locations handling pressurized fluids, locations with plumbing connections to non-potable piping. Need shall be determined by referring to the California State “Manual of Cross-Connection Control Procedures and Practices.”

This regulation supplements and does not supersede local plumbing regulations, codes or ordinances, or State regulations related to water supply.

B. Evaluation of Hazard

As a condition of establishing and maintaining water service, the customer shall cooperate in the District's evaluation of potential hazards to the public water supply, which may be created as a result of conditions existing on a customer's premises. Customers will be responsible for completing and returning survey forms, and providing access for inspection as provided in Section C. In the event that the District must inspect a customer's plumbing system and premises due to the customer's failure to provide a completed survey form acceptable to the District in the time provided for return of the survey, an inspection fee of fifty dollars (\$50) shall be charged to the customer.

C. Access for Inspection

Timber Cove County Water District personnel and representatives of any governmental health agency shall have the right of ingress to and egress from the consumer's premises at all reasonable hours without prior notification for the purpose of investigating compliance with this regulation and State Health Department requirements.

D. Type of Backflow Preventer Required

The District shall determine the type of preventer to be installed, giving consideration to the likelihood of backflow occurring, the type of contamination that may occur and applicable State regulations. The general types of backflow preventers the District may require in decreasing order of protection are: Air Gap (AG), Reduced Pressure Principle Device (RP) and Double Check Valve (DCV). RP type backflow preventers shall be required at all new meter/service connections. DCV or RP type backflow preventers shall be required where water treatment or filtration systems are present on the property. The District shall approve of the specific model of device prior to installation. Additionally, hose bib vacuum breakers are required on properties with drip irrigation systems or hot tubs/spas.

E. Installation

The manner and location of installation is subject to District approval. Backflow prevention devices may be installed by the District or others at the discretion of the consumer. The District shall inspect all installations. Installation and inspection of all backflow devices shall be at the consumer's expense.

F. Inspection and Testing of Backflow Preventers

A certified inspection and test of all backflow preventers shall be performed annually or more often in those instances where successive inspections indicate repeated failure or on such other schedule approved by the Department of Health Services. Installed devices may be tested by the District or others at the sole discretion of the District. Inspection and testing will be at the consumer's expense. Inspections will be conducted only by individuals certified by the State of California as backflow prevention testers. A report of a certified inspection will be submitted to the District within 60 days of notice that an inspection is due. A waiver of the requirement for annual inspection may be granted to properties that have had no water usage for the previous consecutive twelve months. Hose bib vacuum breakers are not considered to be a backflow preventer device and do not require submission of an annual inspection report.

G. Repairs or Replacement of Backflow Prevention Devices

Backflow devices that fail a performance test will be repaired or replaced by the owner. Repairs shall be made within 45 days of notice of device failure.

H. Charges for Installation, Testing and Maintenance Performed by the District

The consumer shall pay a charge for installation of the backflow preventer assembly in accordance with the District's costs. If installed on existing meter, additional installation cost will be added. Each consumer having a backflow prevention device serviced by the District may pay a monthly fee for servicing the device.

I. Noncompliance

If a consumer fails to comply with this regulation by failure to install, test or correct deficiencies or by removal, tampering with or modifying a preventer, the District shall have the right to refuse or discontinue water service and, if it deems necessary, physically disconnect the consumer's piping from the District's distribution system.

J. Liability

The District shall not be liable for any injury to persons or damage to property which may result directly or indirectly from the installation, malfunction, testing or repair of any backflow preventer.

K. Temporary Service

Application for a temporary service connection for construction-related activities or other activities must be approved by the District. The District shall determine if a backflow prevention assembly is required. The applicant for temporary service shall install metering, flow restricting and/or pressure sustaining devices and a backflow preventer. The backflow preventer must be successfully inspected and tested prior to use of the temporary service connection. All costs for installation, inspection, testing and maintenance, and use fees for the temporary service connection shall be the responsibility of the applicant.

REGULATION 6

USE OF WATER

A. Responsibility of Control

Title to water furnished by the District, the risk of loss thereof and full responsibility for the carriage, handling, storage, disposal and use thereof shall pass from the District to the consumer at the outlet of the District's meters.

B. Place of Use of Water

The consumer shall not use, or permit the use, of any water furnished by the District on any premises other than those specified in the application for service.

C. Resale of Water Prohibited

No water received from the District may be resold without the specific approval and authorization of the District.

D. Change of Use

No substantial change in the character of water use through an existing connection shall be made except by the filing and processing of a new service application. The District shall include, but is not limited to, change from single-family dwelling service to multiple dwelling service or from residential use to commercial use.

REGULATION 7

INTERRUPTION OF SERVICE

A. Service Interruption

The District reserves the right to shut off water at any and all times for the purpose of making repairs, extensions or alterations of its water system. Whenever possible, advance notice of interruption of service will be given to all consumers affected. Consumers depending upon a

continuous supply of water should provide themselves with emergency storage.

B. Non-Liability of District

The District will not be liable for any loss, damage or inconvenience due to interruption of or discontinuance of water service, when such interruption or discontinuance is caused by an act of God, an unavoidable accident, a disturbance or condition of any kind that is beyond the control of the District, or when interruption is reasonably necessary for the repair, alteration or extension of any of the District's facilities.

REGULATION 8

DISTRICT ACCESS TO FACILITIES

By applying for or receiving water service from the District each consumer irrevocably licenses the District and its authorized employees and agents to enter upon the checking, repairing or replacing the District's meters and other facilities.

REGULATION 9

PRIVATELY OWNED FACILITIES

A. Installation and Maintenance

The consumer shall, at their risk, furnish, install, maintain, repair and retain ownership and control over the pipes and water receiving equipment leading from the outlet of the District's water meter, provided, however, that if the consumer's pipes or equipment causes damage, nuisance or inconvenience to the District or its other consumers, the District shall have the right to compel the owner or user of such pipes or equipment to adjust, repair or replace the same or to discontinue use of water from the District.

B. Non-Responsibility of District

The District shall not be responsible for any loss or damage caused by the negligent or wrongful act or omission of a consumer or any of his tenants, agents, employees, contractors, licensees, or permittees in installing, maintaining, using, operating or interfering with any water receiving equipment which may be open at any time that water is turned on at the meter.

C. Connection to Meters

The consumer shall be responsible for connecting his or her own pipeline to the District's meters. However, except for private fire protection services, the District will make the necessary connection if the consumer's pipeline is properly placed before the meter is installed.

D. Pressure Devices

Where it is desired to reduce or increase the pressure under which water is supplied by the District, the consumer shall be responsible for installing and maintaining the necessary regulators, pumps, or relief valves. In such cases, the equipment shall be installed on the consumer's side of the meter and at his own risk and expense.

E. Ground Wire Attachments

The District is not responsible for providing an electrical ground through water service equipment. Accordingly, consumers are cautioned not to attach any ground wiring to plumbing which is or may be connected to District service equipment. The District may hold the consumer liable for any injury to its personnel resulting from a ground wire attachment.

REGULATION 10

LOOP EXTENSIONS BY THE DISTRICT

If the Board of Directors finds that an interconnection between two of its water mains will benefit the District, it may, in its sole discretion, construct said interconnection within entering into a main extension agreement and without all or a portion of the costs thereof being advanced by an applicant for water service. The costs of such extension shall be allocated among the various parcels of land susceptible of service therefrom on such fair basis as shall be determined by the Board of Directors, taking into consideration the area of each parcel, its potential water requirements and its frontage, if any, on the said interconnection. Said allocated cost shall be paid to the District prior to the commencement of water service to said parcel of land and shall be in addition to the initial charges for service required by Regulation 1.

REGULATION 11

WATER CONSERVATION

A. Purpose

The purpose of this regulation is to assure that water resources available to the District are put to reasonable beneficial use and that the benefits of the District's water service extend to the largest number of persons.

B. Waste of Water Discouraged

Customers shall be encouraged not to permit any water furnished by the District to run to waste in any gutter or otherwise.

C. Use of Water-Saving Devices

Each customer of the District is urged to install devices to reduce the quantity of water to flush toilets and to reduce the flow rates of showers.

D. Limit Water Usage

In the event of a water shortage the Timber Cove County Water District may limit individual water use for non-essential functions (i.e. landscaping) by setting an upper limit on per unit amounts.

REGULATION 12

RELOCATION NECESSARY TO ACCOMMODATE CONSTRUCTION, WIDENING OR RELOCATION OF STREETS AND ROADWAYS

The District will relocate or reconstruct existing facilities to accommodate construction, widening or relocation of streets and roadways and will release easements no longer considered useful to the District on the following conditions:

- (1) The entire cost of the relocation or reconstruction shall be paid by the party requesting the same.
- (2) The new location is such that it will not, in the opinion of the District, be subject to future relocation.
- (3) There shall be conveyed to the District without cost such easements or rights of way for new facilities locations as the District shall consider necessary.

REGULATION 13

RELOCATIONS REQUIRED BY IMPROVEMENTS CONSTRUCTED UNDER ASSESSMENT PROCEEDINGS

This District will not bear any part of the cost of any relocation or alteration of its facilities made necessary by improvements undertaken pursuant to improvement acts or other assessment proceedings. The public agency undertaking such proceedings shall make arrangements with the District for any such relocation or alteration of the District's facilities which work will not be performed by the District until after it receives satisfactory guarantees of reimbursement of its full actual cost. The amount of said costs shall be paid to the District promptly after they are ascertained. The public agency shall furnish the District with such plans, specifications, surveys, drawings and time schedules related to the improvement work as shall be necessary to enable the District conveniently and efficiently to effect necessary relocation or alteration of its facilities.

REGULATION 14

RELOCATION REQUIRED BY THE CONSTRUCTION OF UNDERGROUND OR OVERHEAD UTILITIES

The District will not bear any part of the cost of relocating or altering any of its facilities to accommodate the construction of publicly or privately owned gas lines, telephone and electric cables, sanitary sewers, or other underground or overhead utilities. The District will undertake such relocation or alteration of its facilities only after the District's cost thereof is paid to the District, or such payment is guaranteed to the District's satisfaction.

REGULATION 15

DETERMINATION OF CONSTRUCTION COSTS

The District shall determine its actual cost of all extensions. Costs shall include labor, material, overhead, engineering, legal and administrative expenses allocable to such work. The District's determination of costs shall be conclusive.

REGULATION 16

APPLICATION FOR SERVICE

A. Application

Each applicant for service shall advise the District of the date service is to begin, the post office address to which the water bill shall be mailed, the exact location of property to be served and provide such credit information as the District may require. An applicant may be required to make a written application for service on a form provided by the District.

B. Failure to Apply for Service

Anyone using water without having made an application to the District for water service shall be held liable for the service from the date of any previous meter reading that most nearly coincides with the actual date the service was first used by such consumer.

C. Customers Prior Service

Customers receiving service prior to 1/1/89 will verify information per (a) above.

REGULATION 17

SECURITY DEPOSITS

A. Determination of Satisfactory Credit

For the purposes of this regulation, determination of whether the credit of an applicant or a customer is satisfactory shall be made solely by the District. The credit of a customer who has promptly paid all applicable rates and charges without default or delay for one year last past shall be deemed to be satisfactory.

B. When Security Required

When the District determines that the credit of an applicant for service or a customer is unsatisfactory, service shall not be provided or continued unless the applicant or the customer makes a security deposit with the District. The deposit shall be in cash, the amount being set as a reasonable amount as determined by the Board of Directors, it may be in the form of an irrevocable letter of credit or certificate of deposit payable to the District in a form acceptable to the District.

C. Amount of Deposit

The amount of the deposit guideline shall be four times the estimated monthly water bill.

D. Application of Deposit

The District may apply the security deposit to the applicable account owing to the District which is delinquent for more than 30 days. Service may be disconnected the account is not fully paid up and the security deposit restored within 15 days after notice to the customer that the account is delinquent.

E. Refund of Deposit

The security deposit will be returned to the customer upon termination of the service and payment of all rates and charges owed to the District by the customer, or at such earlier time as the District may determine that the credit of the customer is satisfactory.

F. Interest on Cash Security Deposits

If during the period the District holds a cash security deposit a customer pays all charges imposed by the District prior to their becoming delinquent the District shall upon refund of such deposit pay to the customer simple interest thereon at the rate of one-half of one percent for each full calendar month the deposit was held by the District.

REGULATION 18

METER READING

A. Measurement of Water Supplied

All water supplied by the District will be measured by means of water meters installed, owned and maintained by the District. The cubic foot will be the unit of measure, and the amounts charged for service shall be based on the current rates established by the District, which may include a base rate plus per unit charges.

B. Frequency of Meter Reading

In general, meters shall be read on a monthly basis. As it is not always possible to read meters at equal intervals, the period between reading dates may vary. In the case of delinquent accounts or accounts which have a history of late payment, special meter readings may be made.

C. Meters That Cannot Be Read

Where a meter cannot be read because of an obstruction, the customer will be notified and requested to correct the condition. The District has the right to discontinue the service if such condition is not corrected.

D. Testing Meters

A customer who questions the accuracy of a meter serving his or her premises may request a test of its accuracy and witness the test if so desired. If the average of the test results show the meter is registering more than two percent fast, the District will adjust the billing for the period during which the meter was registering fast, but for not more than the preceding six months.

If a customer requests more than one test of a meter in a twelve month period, a deposit shall be made with the District prior to the test, the testing charge set at District cost. If the average of the test results show the meter is registering less than two percent fast, the testing charge will be retained by the District.

Charges for meter testing will be at District cost.

REGULATION 19

BILLING

A. Date

Water bills normally will be rendered monthly, and after special meter readings have been taken.

B. Delivery

All water bills will be mailed to customers at the post office address furnished to the District.

C. Payment

Bills for service shall be due and payable upon deposit in the United States mail or upon presentation to the customer. A bill is delinquent if payment is not received at the District's office within 25 days following the due date.

D. Returned Checks

A customer's account shall be charged for a check returned by the bank unpaid.

E. Disputed Bills

Any request for investigation of a disputed bill must be made to the District in writing. A disputed account will not be accepted as justification for nonpayment of a water bill, and payment in full shall be made pending settlement of the claim.

F. Estimated Bills

If a meter fails to register correctly or cannot be read, the bill will be based on an estimate of the amount of water used. Due consideration will be given in such an estimate to the normal seasonal demand of such service and to any other factors that are significant in arriving at an equitable charge for the water service.

G. Final Bills

When a customer requests that an account be terminated, the District may determine the final bill amount by estimating the water used during the part of the billing period preceding the date service is terminated.

H. Termination

Once service is requested, the charge for water service shall continue until notice is given to the District in writing that the water service is no longer required.

I. Combined Bills

No two or more service connections will be combined in billing, nor in computing the charge for service.

J. Interest on Unpaid Bills

Simple interest at a rate determined by the Board of Directors may be added to any unpaid charge of the District 30 days after it is due.

K. Placement of Lien or Collection on Tax Rolls

Once an account has reached 60 days past due, a 10% lien fee will be added to the account and

the District will place a lien on the parcel/property pursuant to the following procedure:

- a. A written notice of delinquency shall be mailed, first class mail, to the property owner listed on the latest County tax role, and shall be posted on the property in a conspicuous place at least 20 days prior to the District meeting at which a determination is to be made as to the recording of a lien for delinquency.
- b. The written notice shall contain the following information:
 1. The address of the property to which the notice relates.
 2. The name of the person to whom the water bills have been sent by the District and the name of the property owner, if different from the person to whom the bills have been sent.
 3. The amount of the delinquent water bill.
 4. A statement that the person to whom the bills have been sent or the property owner has five calendar days from the date of the notice to submit a written request to the District for an investigation of the matter and a conference with the Board of Directors.
 5. The address and telephone number of the District.
- c. If the delinquent bill has not been paid by the time of the District meeting at which the lien determination is to be made, the District shall hold a hearing at such meeting, receive the oral statement of the property owner or other interested person if such a person attends, consider any written statements that may have been received and make a determination as to whether to record a lien against the property for the delinquency.
- d. If the Directors determine that a lien should be recorded with respect to the delinquency, they shall direct the District's secretary to record a Certificate of Lien against the property with the County Recorder. The lien shall include a 10% penalty, simple interest at the rate of 1 ½% per month, the recording fee, plus the amount of the delinquency.
- e. A copy of the recorded Certificate of Lien shall be mailed by first class mail to the property owner at the address listed on the latest County tax roll.

If the amount of any charges for water service are delinquent and unpaid for sixty (60) days or more on or before July 1, as an additional or separate remedy, the Board may also decide to place the amount owed on the County tax rolls. If the Board chooses this remedy, the delinquency shall upon notice being given to the owner thereof be added to and become a part of the annual taxes upon such property, and shall constitute a lien on that property as of the same time and in the same manner as general taxes upon such property, all as provided for in Sections 31701.5-31701.6 of the Water Code. In all such cases, the District Treasurer shall furnish to the County Board of Supervisors and the County Auditor a statement of such delinquent and unpaid charges on or before August 10 of that year.

REGULATION 20

TERMINATION, DISCONNECTION AND RECONNECTION

A. Termination of Service on Request of Customer

Water service will be terminated by shut-off at the meter during regular working hours within a reasonable time after receipt of a request for termination from the customer. Shut-off will be made on the day requested by the customer if the request is made sufficiently in advance. A customer's request for termination shall be regarded as a notice of permanent discontinuance of service unless the District is otherwise specifically advised. The customer shall be responsible for payment of all services rendered prior to actual shut-off.

B. Disconnection of Service by the District

Except as otherwise expressly provided in this Regulation 20, the District may at any time disconnect a water service for failure to comply with any of the District's Regulations subject to the procedures set forth below.

The District may disconnect any water service of a customer if the customer fails to pay any bill or charge of the District which the customer is responsible to pay or any indebtedness of the customer to the District pursuant to contract or final judgment following these procedures:

- a. A notice of not less than nineteen days prior to termination will be mailed to the customer by first class mail at the address used by the District for billing. This notice will contain:
 1. Customer's name and address
 2. Location of water service to be terminated
 3. The reason for termination, including the amount of any delinquency
 4. The date on or after which water service will be terminated, or the date on or after which water service will be terminated if a specified payment or arrangement for payment is not made or compliance met with a specified district rule or regulation.
 5. A statement, in case of termination for nonpayment of a water bill, that the customer has a right to a hearing before the Board to contest the bill
 6. The telephone number of a District representative who can provide additional information or institute arrangements for payment
- b. The District will make a reasonable attempt to contact an adult person at the service telephone, if one exists, or another phone which number is made available to the District by the customer, at least 48 hours before termination.
- c. The District shall not disconnect or discontinue water service during pendency of an investigation. However, upon conclusion of the investigation, the District may disconnect and discontinue service if no payment agreement has been reached and the bill or assessment remains unpaid, provided that written notice of the disconnection has been delivered or mailed, by first class mail, to the responsible person and the property owner as listed on the last tax bill at least seven calendar days prior to disconnection of service. Such notice shall not entitle the responsible person or the property owner to any further investigation by the District. Any responsible person or property owner who has initiated an investigation as provided above shall be given an opportunity for review of the issues involving the unpaid bill or assessment by the District. The review shall include consideration of whether the responsible person or property owner should be permitted to amortize the unpaid balance of the bill or assessment over a reasonable period of time. If a payment agreement is entered into, and the agreement is thereafter breached, the

District may disconnect or discontinue service for such breach, provided that written notice of the disconnection has been delivered or mailed, by first class mail, to the responsible person and property owner at least seven calendar days prior to disconnection of service. Such notice shall not entitle the responsible person or property owner to any further investigation by the District.

- d. Water service shall not be disconnected or discontinued by the District on Fridays or the day before a holiday.
- e. Water service shall not be disconnected or discontinued by the District to a residential tenant on a property due to a delinquency in payment of water bill by a prior tenant or due to a delinquency in payment of an assessment by the property owner.
- f. If water service is disconnected or discontinued as provided above, the District may apply any previous deposit to pay off the amount due.
- g. In case any charges for water or other service remain unpaid the amount of unpaid charges may together with interest and penalty constitute a lien upon the real property. The lien has the force, priority and effect of a judgment lien and shall continue for 10 years from the date of recording unless sooner released or otherwise discharged. At the discretion of the District a Request for Notice may also be filed with the County Recorder requesting notification of default or pending sale.

C. Reconnection

No service shall be restored until any unpaid balance has been paid in full, together with the service reinstatement charge as prescribed in the District's current schedule of fees and charges.

The District may require, as a condition precedent to reconnection of a service, that it be satisfied that any previous breach of the District's regulations will not recur and that all bills, charges and debts payable by the customer to the District are paid in full.

A reconnection charge shall be made for each reconnection.

REGULATION 21

LEAK POLICY

All water from a leak which passes through the water meter shall be charged to the property owner at a rate per gallon which is consistent with the normal usage of the customer. This "leak rate" shall be in effect for one month only.

Billing at a "leak rate" shall be granted only one time during the lifetime of ownership of the subject property.

Repair of leaks occurring on the property of the owner shall be the responsibility of the owner.

REGULATION 22

PRIVATE WELL WITHIN DISTRICT

The District will permit a property owner to operate a well as a private source of potable water for a specific lot under the following conditions:

1. Property owners applying to the County of Sonoma for a well drilling permit shall contemporaneously submit an application to the District for a well drilling permit. A plot map of the lot on which the well will be drilled shall be attached to the application to the District. This plot map shall show the proposed well location, the location of the water and septic tank lines, the structures on the lot, and well appurtenances. The property owner will also submit a letter of intent with the application. This letter of intent will state that in the event that proposed well becomes an operating well, the property owner will sign the agreement provided for in Paragraph 5 hereof.
2. A well may be used as a private water source only for the lot on which the well is to be located. In no event, without prior permission of the District, may a property owner use a well to provide a private water source for more than one lot.
3. After reviewing the application and plot map, the District will forward a letter to the County of Sonoma setting forth the District's position on the proposed well.
4. A well that is intended to be used as a private source of potable water must be constructed and operated in conformance with the requirements of Water Code Section 13801 as amended, California Department of Water Resources Bulletin 74-81 as revised, and the applicable Sonoma County Code section in effect at the time the well is constructed.
5. Prior to obtaining an operating well permit from the County of Sonoma, the property owner will sign an agreement with the District providing the District with an option to purchase the well from the property owner or his successor in interest. The format of this contract is attached as Exhibit A.
6. Water from the aforesaid operating well intended for domestic use must meet all the standards and conditions which the Sonoma County Health Department deems necessary for the protection of the public safety and welfare. The property owner will sign a Hold Harmless agreement with the District relieving the District of any liability for permitting the use of a well by the property owner as a private source of potable water.
7. No person shall abandon, destruct, remodel or reconstruct any well or test hole without first filing an application with the Sonoma County Department of Health and to the District. Said application will set forth all the information pertinent to the proposed action.
8. Upon completion of a well drilling procedure, the property owner will forward to the District copies of well logs and dry hole data.

REGULATION 23

INSTALLATION OF WATER-SAVING PLUMBING FIXTURES

After June 1, 1991 the district will require all existing services to install the following efficient water saving plumbing fixtures upon change in ownership of property, remodeling or construction of addition which add new bathrooms, and all new home construction.

1. Toilets that use not more than 1.6 gallons of water per flush.
2. Shower heads that use no more than 3.0 gallons of water per minute.
3. Kitchen and lavatory faucets that use not more than 2 gallons of water per minute.
4. All changes in ownership, remodeling or construction of additions which were in progress prior to June 1, 1991, or which were permitted by Sonoma County prior to June 1, 1991, are exempt from these requirements.
5. All changes in ownership, remodeling, construction of additions, or new construction subject to these requirements which have not complied with these requirements within 90 days shall be subject to termination of water service.
6. For such facilities and actions noted in paragraph 5 above, water service shall be reinstated upon completion of the items noted in paragraphs 1, 2 and 3 above, and upon the payment of a \$500 penalty.

The District reserves the right to inspect facilities for the purpose of verification of installation of afore named efficient water saving plumbing fixtures.

REGULATION 25

FIRE HYDRANT INSTALLATION

If a property owner is required to have a fire hydrant installed to fulfill permit requirements, the Timber Cove County Water District will install the fire hydrant, and inspect the final installation, at the property owner's expense. The fire hydrant will become part of the Timber Cove County Water District distribution system and will be maintained by the Timber Cove County Water District.

REGULATION 26

HYDRANT METER

The hydrant meter is to be used temporarily by Timber Cove County Water District (TCCWD) customers/property owners. Any other uses must be reviewed and approved by TCCWD.

Requests for the use of the hydrant meter must be received by TCCWD at least one week in advance of the date of requested use.

The hydrant meter will be set up and removed by TCCWD personnel. The user of the hydrant meter shall not disconnect, relocate or alter the meter in any way. The user shall not operate the hydrant, but use only the handball valve to turn the meter on and off.

Any malfunctions, leaks, breaks or damage to the meter, fire hydrant or other TCCWD property shall be immediately reported to TCCWD. Loss or damage to the hydrant meter or any TCCWD property shall be the financial responsibility of the customer/property owner.

The hydrant meter is read at installation and again at removal. The customer/property owner will be charged for the set-up fee and the quantity of water used. Payment of charges is due within 30 days of billing.

Charges for Use of Hydrant Meter:

Set-Up Fee: \$100.00 for Maximum of One Month Use

Quantity Charge: Current Rate per Gallon Charged by TCCWD

REGULATION 27

PRESSURE BOOSTER CREDIT

Timber Cove County Water District water system exceeds state standards for minimum water pressures throughout the District. However, at the higher elevations within the designated limited pressure area, lower pressures at constructed homes can occur.

Property owners within the designated limited pressure area may want to boost the pressure to their property with an individual pressure booster pump. In the interest of providing superior service to our customers, Timber Cove County Water District will provide a one-time-per-property credit of \$900.00 to the property owner's Water District account to be applied towards water usage on that property, providing that the following conditions are met:

The property must be within the designated limited pressure area of the Timber Cove County Water District water system;

The property owner must submit a receipt to Timber Cove County Water District for the pressure booster system they have installed on their property;

The pressure booster system installation must be inspected and approved by the Timber Cove County Water District Operator.

REGULATION 28

FEE WAIVERS

Fees to be waived include those charged by Timber Cove County Water District (TCCWD) on individual lots, but exclude bond assessments. Bond assessments are legal obligations which cannot be waived.

The TCCWD Board of Directors may waive fees charged on an individual lot according to the following guidelines:

A waiver may be granted for an individual lot which has been consolidated with another lot served by TCCWD through the process established by the County of Sonoma.

All TCCWD fees due at the time of the waiver request must be paid current. Bonds must be paid in full at the time of the waiver. The owner of the lot requesting the waiver agrees that there will be no more than one residence, one septic system, or one water hook-up on the consolidated properties.

The waiver shall not be transferable. In the event that the lot be re-subdivided, the agreement to waive fees shall expire and all suspended fees accrued from the date of the waiver agreement shall become due and payable.

REGULATION 29

BOND DELINQUENCY REDUCED RATE

When the Timber Cove County Water District (District) receives an offer to pay a bond delinquency at a reduced rate, the offer will be reviewed by the Board of Directors, and may be approved if the following conditions are met:

There are no other delinquencies owed to the District on that lot;

The reduced delinquency payment amount is sufficient to cover the principle delinquency in full and to cover a percentage of the delinquency costs incurred;

The lot is deemed to be "undesirable" due to lack of portability or steepness of grade, and has gone through County or District foreclosure at least one time previously;

The bond principle is to be paid off in full at the time the reduced rate delinquency payment is made.

REGULATION 30

DISPOSAL OF SURPLUS DISTRICT PROPERTY

A. The disposal of surplus property shall occur as follows:

- (1) Sell, at fair market value, any personal property of the Timber Cove County Water District (TCCWD) that is no longer needed for district use;
- (2) Trade or exchange any surplus personal property of the district, according to such terms and conditions as are agreed upon, for personal property of another district, the state, a county, a city, a federal agency, a community redevelopment agency, a housing authority, a community development commission, a surplus property authority, a school district, or any irrigation, flood control, county board of education, or other special

district, if the property to be acquired by the district is needed for district use;

(3) Donate, sell at less than fair market value, or otherwise transfer to another district, the state, a city, a federal agency, a community redevelopment agency, a housing authority, a community development commission, a surplus property authority, a school district, or any irrigation, flood control, county board of education, or other special district, according to such terms and conditions as are agreed upon, any personal property of TCCWD that is no longer needed for district use; and

(4) Dispose of any personal property of TCCWD that is no longer needed for district use and that has negligible or no economic value, in any manner the district deems appropriate.

B. Notice of disposal of personal property shall be as follows:

Unless the property to be transferred under this rule is valued at \$500 or less or the entity to which the property is to be transferred is another water district of record of the State of California, the TCCWD must, at least one week prior to the transfer, place a notice of its intended action:

(1) Posted in a public place within the district; and

(2) Published in a newspaper of general circulation in West Sonoma County.

C. Any proceeds of a sale or other transfer of personal property under this rule must be deposited in the district's capital outlay account.

EXHIBIT A
OPTION TO PURCHASE WELL

This Agreement is made between Timber Cove County Water District ("District") and _____ ("Property Owner").

District agrees to purchase from Property Owner a ___ in. water well used as a private water source on assessor's parcel number _____.

SECTION ONE

Option

1.1 Property Owner grants the District the option to purchase the above described well when the District is able to provide water connection to the above described lot.

SECTION TWO

Description of Property Transferred

2.1 District will pay Property Owner the original construction cost of the well and well appurtenances less depreciation.

2.2 The real and personal property subject to this agreement are:

A. Property Owner's _____ in. well located on Property Owner's lot known as assessor's parcel number _____.

B. The pump, water, and motor control used in connection therewith;

C. Pump house used in connection with the well;

D. Electrical circuit used in connection with the well;

E. District will add own meter and appurtenances;

F. The _____ ft. of ___-inch pipe running from the well to the point of connection with the Property Owner's pipeline;

G. The parcel of land on which are located the pump house and the well plus an area of land 7 feet on each side of the pump house which covers the well.

H. An easement described in Section Six for access/ingress/egress for maintenance of said well.

SECTION THREE

Payment of Purchase Price

3.1 The purchase price of _____ Dollars (\$_____) shall be paid of District in the following manner:

SECTION FOUR

Water Service

4.1 District shall provide water service from its water lines to the water service connection for the aforesaid lot.

4.2 District shall furnish the meter and shall pay any and all costs that may be incurred in connection with the installation of such meters.

4.3 Property Owner shall install a backflow prevention device to protect the District water system.

SECTION FIVE

Execution and Delivery of Documents

5.1 As soon as a description of the real property by metes and bounds can be obtained by survey as herein provided, Property Owner shall deliver to District a deed and a bill of sale transferring to District all of Property Owner's rights, title, and interest in and to the property described in Section Two.

5.2 Each party shall execute and deliver such additional documents as may be necessary from time to time to carry out the terms of this agreement.

5.3 All costs of any recording fees shall be borne by the District.

SECTION SIX

Easements

6.1 Property Owner shall grant to District the following easements respecting use of the well:

(a) an easement on, in, over and across a strip of land 10 feet in width, the center line of such strip of land beginning at the well and extending to District water connection.

6.2 The easement described shall be granted as soon as a description is obtained of survey as provided in Section Seven of this Agreement.

6.3 District will pay property owner fair market value for said easement.

SECTION SEVEN

Costs of Survey

7.1 A survey shall be made in order to establish:

The description of the real property conveyed under the terms of Section 3.1.a.; and

The cost of the survey to be borne by the District.

SECTION EIGHT

Hookup Fees

8.1 The Property Owner will pay District a hookup fee when the District informs Property Owner that District will provide water service to the lot specified above.

SECTION NINE

Assignment

9.1 This Agreement shall be assignable by either party without the consent of the other, and shall be binding on and inure to the benefit of the successors and assigns of the parties.

SECTION TEN

Arbitration of Disputes

10.1 Any controversy arising from this agreement or its breach shall be determined by three arbitrators appointed as set out below:

(a) Within five (5) days after a notice by either party to the other requesting arbitration and stating the basis of the party's claim, one arbitrator shall be appointed by each party. Notice of the appointment shall be given by each party to the other when made.

(b) The two arbitrators shall immediately choose a third arbitrator to act with them. If they fail to select a third arbitrator within ten (10) days of their appointment, on application by either party the third arbitrator shall be promptly appointed by the then presiding judge of the Supreme Court of the State of California in and for the County of Sonoma, acting as an individual. The party making the application shall give the other party five (5) days' notice of the application.

The arbitration shall be conducted under Code of Civil Procedure sections 1280 through 1294.2. Hearings shall be held in Sonoma County, California. All notices, including notices under Code of Civil Procedure section 1290.4, shall be given as provided in paragraph 10.2.

10.2 All notices and demands shall be given in writing, by registered or certified mail, postage prepaid, and return receipt requested. Notice shall be considered given on the date appearing on the return receipt, but if the receipt is not returned within 5 days, then 48 hours after deposit in mail. Notices shall be addressed as appears below for each party, provided that if any party gives notice of a change of name or address, notices to the giver of that notice shall thereafter be given as demanded in that notice.

To Property Owner
[Name]
[Address]

To District
[Name]
[Address]

IN WITNESS WHEREOF, the parties have executed this Agreement at Timber Cove, California, this _____ day of _____, _____.

Property Owner

President, Board of Directors
Timber Cove County Water District
