

# **P R E F A C E**

## **Administrative Code Of the Lakeside Water District**

The Lakeside Water District is a State agency of the State of California. It was organized in 1924 and exists pursuant to the Irrigation District law (Water Code Section 20500, et. Seg.). The powers of the District are vested in a Board of Directors consisting of five members who are chosen by voters from five separate divisions. The Directors choose the officers, management staff, attorney, secretary and establish procedures for the employment of all personnel. They fix policies and procedures which relate to the actions taken by and the services rendered by the District. This Manual is a compendium of formally adopted rules, regulations, practices, charges and procedures that relate to the District. It incorporates, where believed appropriate, many of the laws and regulations established by the State of California and the United States Government, which must be followed by the District. Otherwise it contains policies adopted by the Board of Directors. The basic tenets which the Directors seek to follow are that policies and rules should be adopted which comply with the applicable laws of the state and federal governments; which provide the public with access, as needed, to the Board and District personnel; which provide for adequate water supplies of good quality to all consumers within the District in an efficient and business-like manner; which allocate the cost incurred in providing water service among users and taxpayers in a fair, equitable, and consistent manner.

These policies and procedures are subject to change by the Board of Directors as new circumstances, new enactment's of superior governments, and different policies may warrant or require. Implementation and interpretation of the matters herein provided should occur and be made in a manner consistent with the purposes and policies, which have been established.

Lakeside, California

Board of Directors  
Lakeside Water District

\_\_\_\_\_  
Eileen Neumeister Director, Division 1

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Peter Jenkins Director, Division 2

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Frank Hilliker Director, Division 3

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Steve Robak Director, Division 4

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Steve Johnson Director, Division 5

# INDEX

## ADMINISTRATIVE CODE

Preface

|         |       |  |
|---------|-------|--|
| Section | 1.1   | <b>PUBLIC RECORDS</b>  |
|         | 1.1-1 | Policy   |
|         | 1.1-2 | Definitions  |
|         | (A)   | Public Records   |
|         | (B)   | Writing  |
|         | 1.1-3 | Records Exempt from Disclosure   |
|         | 1.1-4 | Procedure  |
|         | 1.1-5 | Records Retention Procedure  |
| Section | 1.2   | <b>STANDARD REPRODUCTION COST FOR MAPS AND OTHER PUBLIC RECORDS</b>                        |
|         | 1.2-1 | Policy   |
|         | 1.2-2 | Reference Practice   |
|         | 1.2-3 | Related Procedure  |
|         | 1.2-4 | Procedure  |
| Section | 1.3   | <b>KEYS TO DISTRICT FACILITIES &amp; EQUIPMENT</b>   |
|         | 1.3-1 | Policy   |
|         | 1.3-2 | Procedure  |
|         | (A)   | General  |
|         | (B)   | Keys to District Facilities  |
|         | (C)   | Keys to District Equipment   |
| Section | 1.4   | <b>OPERATION OF DISTRICT VEHICLES</b>  |
|         | 1.4-1 | Policy   |
|         | 1.4-2 | Procedure  |
|         | (A)   | General  |
|         | (B)   | Motor Vehicle Operation  |
|         | (C)   | Vehicle Maintenance  |
|         | (D)   | Accident Prevention  |
|         | (E)   | Accident Reporting   |
| Section | 1.5   | <b>STATEMENT OF INVESTMENT POLICY</b>  |
|         | 1.5-1 | Purpose  |
|         | 1.5-2 | Objective  |
|         | 1.5-3 | Policy   |
|         | 1.5-4 | Procedures   |
| Section | 2.1   | <b>WATER AVAILABILITY FOR BUILDING &amp; GENERAL CONSTRUCTION NEEDS (TEMPORARY METERS)</b> |
|         | 2.1-1 | Policy   |
|         | 2.1-2 | Related Procedures   |
|         | 2.1-3 | Procedure  |

- (A) Temporary Meters on Existing Facilities
- (B) Temporary Service in New Development Prior to Acceptance of Water Facilities.
  - (1) General
  - (2) Spacer for Home Construction
  - (3) Temporary Meter on a Fire Hydrant for General Construction and Grading.

|         |       |  |
|---------|-------|--|
| Section | 2.2   | <b>UNAUTHORIZED USE OF WATER</b>                                     |
|         | 2.2-1 | Policy   |
|         | 2.2-2 | Definitions  |
|         | 2.2-3 | Related Procedures   |
|         | 2.2-4 | Procedures   |
|         | (A)   | Usage through locked meters  |
|         | (B)   | Usage through laterals without Meters or Spacers                     |
|         | (C)   | Non-Construction Use through a Spacer                                |
|         | (D)   | Unauthorized Use through Fire Hydrants and Other District Facilities |
|         | (E)   | Charges for Unauthorized Water Use                                   |
|         | (F)   | Resale of Water  |
|         | (G)   | Unauthorized Use or Waste of Water                                   |
|         | (H)   | Unauthorized Regulation of Water                                     |
|         | (I)   | State Laws   |
|         | (J)   | Illegal Connection to District Facilities                            |

|         |       |  |
|---------|-------|--|
| Section | 2.3   | <b>CUSTOMER BILLING AND COLLECTIONS WATER ACCOUNTS</b> |
|         | 2.3-1 | Policy   |
|         | 2.3-2 | Related Procedures                                     |
|         | 2.3-3 | Billing Procedures                                     |
|         | (A)   | Normal Billing Procedures                              |
|         | (B)   | Closing Bill Procedure                                 |
|         | (C)   | Disputed Bill Procedure                                |
|         | (D)   | Notification of Water Rate Increases                   |
|         | (E)   | Property Owner Responsible for Charges                 |

|         |       |                                      |
|---------|-------|--------------------------------------|
| Section | 2.5   | <b>DEPOSITS ON CUSTOMER ACCOUNTS</b> |
|         | 2.5-1 | Policy                               |
|         | 2.5-2 | Procedure                            |

|         |       |   |
|---------|-------|---|
| Section | 2.6   | <b>TURNOFF FOR NONPAYMENT</b>                 |
|         | 2.6-1 | Policy  |
|         | 2.6-2 | Definitions                                   |
|         | 2.6-3 | Related Procedures                            |
|         | 2.6-4 | Procedure                                     |
|         | (A)   | Procedure Prior to Turnoff                    |
|         | (B)   | Turnoff of Water Accounts                     |
|         | (C)   | Collection and Reinstatement of Water Service |
|         | (D)   | Follow-up After Turnoff                       |

|         |        |  |
|---------|--------|--|
| Section | 2.7    | <b>METER FAILURES-BILL ADJUSTMENT</b>                  |
|         | 2.7-1  | Policy   |
|         | 2.7-2  | Related Procedures                                     |
|         | 2.7-3  | Procedure  |
| Section | 2.8    | <b>FIRE SPRINKLER SYSTEM LATERAL</b>                   |
|         | 2.8-1  | Policy   |
|         | 2.8-2  | Related Procedures                                     |
|         | 2.8-3  | Definitions  |
|         | 2.8-4  | Procedures   |
|         | (A)    | General  |
|         | (B)    | Application & Estimate                                 |
|         | (C)    | Installation   |
|         | (D)    | Fire Sprinkler Lateral Activation                      |
| Section | 2.9    | <b>WORK ORDERS</b>                                     |
|         | 2.9-1  | Policy   |
|         | 2.9-2  | Definitions  |
|         | 2.9-3  | Procedure  |
|         | (A)    | General  |
|         | (B)    | Work Order   |
| Section | 2.10   | <b>LOW WATER PRESSURE POLICY</b>                       |
|         | 2.10-1 | Policy   |
|         | 2.10-2 | General  |
|         | 2.10-3 | Low Pressure Area                                      |
|         | 2.10-4 | Pressure and Flow Investigations                       |
| Section | 2.11   | <b>MISCELLANEOUS PROCEDURES</b>                        |
|         | 2.11-1 | Policy   |
|         | 2.11-2 | Related Procedures                                     |
|         | 2.11-3 | Procedures   |
|         | (A)    | Plan Checking  |
|         | (B)    | Right-of-Way Matters                                   |
|         | (C)    | Single Fire Hydrant Flow Tests                         |
|         | (D)    | Miscellaneous Field Estimates                          |
| Section | 2.13   | <b>DISTRICT FEES AND CHARGES</b>                       |
|         | 2.13-1 | Policy   |
|         | 2.13-2 | Fees for Customer Billing & Collections-Water Accounts |
|         | (A)    | Related Procedures                                     |
|         | (B)    | District Water Billings                                |
|         |        | (1) Meter Charge                                       |
|         |        | (2) Commodity Charge                                   |
|         | (C)    | Service Charges  |
|         | (D)    | Delinquent Accounts                                    |
|         | (E)    | Accounts Terminated for Non-Payment                    |
|         | (F)    | Procedures for Collection of Final Accounts            |
|         | 2.13-3 | Fees for Unauthorized Use of Water                     |

- (A) Related Procedures
- (B) Usage Through Locked Meters
- 2.13-4 Charges for Temporary Meters and Spacers
  - (A) Related Procedures
  - (B) Construction Meter Charge
  - (C) Spacer for Home Construction
- 2.13-5 Deposit for Meter Accuracy Test
  - (A) Related Procedures
  - (B) Meter Test Deposit
- 2.13-6 Charges for Meter & Lateral Installations
  - (A) Related Procedures
  - (B) Charges for Meter and Lateral
  - (C) Fire Sprinkler Lateral
  - (D) Fire Hydrant Replacement Criteria
- 2.13-7 Capacity Fees
  - (A) Related Procedures
  - (B) Capacity Fees
- 2.13-11 Fees for Water Availability Search
  - (A) Related Procedures
  - (B) Fees
- 2.13-12 Miscellaneous Fees
  - (A) Related Procedures
  - (B) Fees
  - (C) Waiver
  - (D) Annexation Fees
  - (E) Removed
  - (F) Startup-charge
  - (G) Tapping Charges
  - (H) Backflow Prevention Device Test
  - (I) Unauthorized Connection to Fire Hydrant
  - (J) Lien Release Fee
  - (K) Replacement of Damaged Meter Stop Valves
  - (L) Fire Flow Analysis
  - (M) Collection Agency Fee

- Section 2.14 **SUB-METERING OF MULTI-FAMILY DEVELOPMENTS**
  - 2.14-1 Policy
  - 2.14-2 Related Procedures
  - 2.14-3 Definitions
  - 2.14-4 Procedures
  
- Section 2.15 **METERS AND LATERALS**
  - 2.15-1 Policy
  - 2.15-2 Related Procedures
  - 2.15-3 Definitions
  - 2.15-4 Procedures
  - 2.15-5 Locations
  
- Section 2.15-6 **METER SIZE CHANGE & RELOCATION**
  - (A) Increase

|         |        |  |
|---------|--------|--|
|         | (B)    | Reduction                                  |
|         | (C)    | Relocation                                 |
|         | 2.15-7 | Separate Meter for Each Ownership          |
|         | 2.15-8 | District's Right of Inspection and Access  |
|         | 2.15-9 | Meter Size                                 |
| Section | 3.1    | <b>PURCHASE PROCEDURE</b>                  |
|         | 3.1-1  | Policy                                     |
|         | 3.1-2  | Procedure                                  |
|         | (A)    | General                                    |
|         | (B)    | Bond and Limited Assessment Funds          |
|         | (C)    | Other Sealed Bids                          |
|         | (D)    | All Other Purchases                        |
|         |        | (1) General                                |
|         |        | (2) Inventory and Supplies                 |
|         |        | (3) Other Purchases                        |
|         |        | (4) Petty Cash                             |
| Section | 3.2    | <b>DISTRICT BIDDING PROCEDURES</b>         |
|         | 3.2-1  | Policy                                     |
|         | 3.2-2  | Contract Work – Force Amount Work          |
|         | 3.2-3  | Procedure                                  |
|         | (A)    | Call for Bids                              |
|         | (B)    | Form of Call for Bids                      |
|         | (C)    | Submission of Bids                         |
|         | (D)    | Opening of Bids                            |
|         | (E)    | Relief of Bidders                          |
|         | (F)    | Performance and Payment of Bonds           |
| Section | 4.1    | <b>LAND DEVELOPMENT</b>                    |
|         | 4.1-1  | Policy                                     |
|         | 4.1-2  | Related Procedures                         |
|         | 4.1-3  | Fees                                       |
|         | 4.1-4  | Procedures                                 |
|         | (A)    | Request for Information                    |
|         | (B)    | Responses to Requests                      |
|         | (C)    | Required Agency                            |
|         | (D)    | Requirements for Land Development          |
| Section | 4.2    | <b>EXTENSION OF WATER FACILITIES</b>       |
|         | 4.2-1  | Policy                                     |
|         | 4.2-2  | Related Procedures                         |
|         | 4.2-3  | Deposits                                   |
|         | (A)    | Deposit for Water Main Extensions          |
|         | (B)    | Other Cash Deposits                        |
|         | 4.2-4  | Procedure for Water Main Extensions        |
|         | (A)    | General                                    |
|         | (B)    | Construction Drawings, Review and Approval |
|         | (C)    | Acquisition of right-of-way                |
|         | (D)    | Required Financial Arrangements            |

|         |        |     |   |
|---------|--------|-----|---|
|         |        | (E) | File Number, Encroachment Permits and Environmental Requirements    |
|         |        | (F) | Construction, Inspection and Testing                                |
|         |        | (G) | Notice of Completion and Acceptance of new Facilities               |
|         | 4.2-5  |     | Procedure for Fire Protection Facilities on Existing Mains          |
|         |        | (A) | General   |
|         |        | (B) | Determination of Fire Protection Requirements                       |
|         |        | (C) | Estimate of Cost  |
|         |        | (D) | Acquisition of right-of-way   |
|         |        | (E) | Installation of the Facilities                                      |
| Section | 4.3    |     | <b>DISTRICT COST REIMBURSEMENT POLICY - REFUND AGREEMENTS</b>       |
|         | 4.3-1  |     | Policy  |
|         | 4.3-2  |     | Reimbursement Rules-Oversized Pipelines                             |
|         | 4.3-3  |     | Procedures  |
| Section | 4.4    |     | <b>PLANS &amp; SPECIFICATIONS-ISSUANCE &amp; REFUND</b>             |
|         | 4.4-1  |     | Policy  |
|         | 4.4-2  |     | Related Procedures  |
|         | 4.4-3  |     | Procedure   |
|         |        | (A) | General   |
|         |        | (B) | Standard Specifications   |
|         |        | (C) | Specific Project Contract Documents                                 |
| Section | 4.6    |     | <b>FIRE PROTECTION POLICY</b>                                       |
|         | 4.6-1  |     | Policy  |
|         | 4.6-2  |     | Related Procedures  |
|         | 4.6-3  |     | Design Criteria   |
|         | 4.6-4  |     | Installation of New Fire Protection Facilities                      |
|         | 4.6-5  |     | Maintenance Criteria  |
|         | 4.6-6  |     | Fire Hydrant Testing  |
|         | 4.6-7  |     | Fire Hydrant Relocations  |
| Section | 4.8    |     | <b>PROCEDURES IMPLEMENTING CALIFORNIA ENVIRONMENTAL QUALITY ACT</b> |
|         | 4.8-1  |     | Policy  |
|         | 4.8-2  |     | Purposes of Procedures  |
|         | 4.8-3  |     | Short Title   |
|         | 4.8-4  |     | Legal Authority for Procedures                                      |
|         | 4.8-5  |     | Prior District Guideline  |
|         | 4.8-6  |     | Effective Date  |
|         | 4.8-7  |     | Incorporation of State CEQA Guidelines                              |
|         | 4.8-8  |     | Supplementary Procedures  |
|         | 4.8-9  |     | Additional Definitions  |
|         | 4.8-10 |     | Delegation of Responsibilities                                      |
|         | 4.8-11 |     | Lead Agency Procedures  |
|         |        | (A) | Preliminary Review  |
|         |        | (B) | Notice of Exemption   |



|         |       |  |
|---------|-------|--|
|         | (C)   | Initial Study  |
|         | (D)   | Decision to Prepare EIR  |
|         | (E)   | Decision to Prepare Negative Declaration                       |
|         | (F)   | Consideration and Approval of Negative Declaration             |
|         | (G)   | Notice of Determination  |
|         | (H)   | Notice of Preparation of EIR                                   |
|         | (I)   | Notice of Completion of Draft EIR                              |
|         | (J)   | Public Review and Hearing on Draft EIR                         |
|         | (K)   | Preparation of Final EIR                                       |
|         | (L)   | Certification of Final EIR                                     |
|         | (M)   | Necessity for Findings   |
|         | (N)   | Approval of Project and Statement of Overriding Considerations |
|         | (O)   | Notice of Determination  |
|         | (P)   | Filing of EIR  |
| 4.8-12  |       | Responsible Agency Procedures                                  |
|         | (A)   | Consultation and Response                                      |
|         | (B)   | Board Consideration of EIR or Negative Declaration             |
|         | (C)   | Notice of Determination  |
| 4.8-13  |       | Exempt Projects  |
|         | (A)   | Categorical Exemptions   |
|         | (B)   | Ministerial Projects   |
| 4.8-14  |       | Forms  |
| 4.8-15  |       | Time Limits  |
| 4.8-16  |       | Statutes of Limitation   |
| Section | 5.1   | <b>PRESSURE PROCEDURE</b>                                      |
|         | 5.1-1 | Policy   |
|         | 5.1-2 | Procedure  |
|         | (A)   | District Increase in Water Pressure                            |
|         | (B)   | Customer Requested Increase in Pressure                        |
|         | (C)   | Customer Responsibility  |
| Section | 5.2   | <b>SHUTDOWNS – NOTIFICATION TO FIRE AGENCY</b>                 |
|         | 5.2-1 | Policy   |
|         | 5.2-2 | Procedure  |
|         | (A)   | General  |
|         | (B)   | Planned Shutdowns  |
|         | (C)   | Emergency Shutdowns  |
|         | (D)   | Restoration of Service   |
| Section | 5.3   | <b>CROSS CONNECTION CONTROL</b>                                |
|         | 5.3-1 | Policy   |
|         | 5.3-2 | Definitions  |
|         | 5.3-3 | Cross-Connection Control                                       |
|         | 5.3-4 | Investigation Procedure  |
|         | (A)   | Inspection of Consumer’s Premises                              |
|         | (B)   | Written Report and Recommendation                              |
|         | (C)   | Re-inspection for Compliance                                   |
|         | (D)   | Discontinuation of Service                                     |

|         |       |   |
|---------|-------|---|
| Section | 7.3   | <b>USE OF DISTRICT RESOURCES FOR EMERGENCY USE BY PUBLIC AGENCIES OTHER THAN THE DISTRICT</b> |
|         | 7.3-1 | Policy  |
|         | 7.3-2 | Definition  |
|         |       | (A) Public Agency(s) (Political Subdivisions)   |
|         |       | (B) Local Emergency   |
|         |       | (C) Mutual Assistance Agreement   |
|         |       | (D) Shared Resources  |
|         | 7.3-3 | Procedure   |
|         |       | (A) General   |
|         |       | (B) Authorization to Commit District Resources to Emergency Use by Other Public Agencies      |
|         |       | (C) Guidelines Pertaining to Commitment of District Resources                                 |

|         |     |   |
|---------|-----|---|
| Section | 8.1 | <b>EMPLOYMENT GUIDELINES AND BENEFITS</b> |
|---------|-----|---|

|  |       |   |
|--|-------|---|
|  | 8.1-1 | Policy                                  |
|  | 8.1-2 | History                                 |
|  | 8.1-3 | Mission Statement                       |
|  | 8.1-4 | Personal conduct – Rules and Guidelines |
|  | 8.1-5 | Employment Policies                     |
|  |       | (A) Requirements                        |
|  |       | (B) Probation and Layoffs               |
|  |       | (C) Hours of Work                       |
|  |       | (D) Uniforms                            |
|  |       | (E) Employee Expenses                   |
|  |       | (F) Temporary Employment                |
|  |       | (G) Part-time Employment                |
|  |       | (H) Unlawful Harassment Policy          |
|  |       | (I) Voluntary Resignation               |
|  |       | (J) Workplace Violence                  |
|  | 8.1-6 | <b>COMPENSATION</b>                     |
|  |       | (A) Paydays                             |
|  |       | (B) Payroll Deductions                  |
|  |       | (C) Classification                      |
|  |       | (D) Overtime                            |
|  | 8.1-7 | <b>INSURANCE</b>                        |
|  |       | (A) Group Health Insurance              |
|  |       | (B) Dental Insurance                    |
|  |       | (C) Group Life Insurance                |
|  |       | (D) Disability Benefit Plan             |
|  |       | (E) Worker’s Compensation               |
|  |       | (F) Unemployment Insurance              |
|  |       | (G) Premium Refund Reward Program       |
|  | 8.1-8 | <b>SICK LEAVE</b>                       |
|  |       | (A) Accumulation                        |
|  |       | (B) Conversion to Family Leave          |

- (C) Termination
- (D) Short and Long Term Disability Benefit Plans

8.1-9 **VACATION**

- (A) Accumulation
- (B) Holidays
- (C) Compensatory Time Off

8.1-10 **LEAVES OF ABSENCE**

- (A) Emergency Leave
- (B) Civic or Military Duty
- (C) Medical Leave-Inactive Status
- (D) Leave Without Pay
- (E) Extended Medical Leave
- (F) Time Off to Vote

8.1-11 **RETIREMENT**

- (A) Public Employees' Retirement System
- (B) 457 Deferred Compensation
- (C) Other Post-Employment Benefits

8.1-12 **SAFETY**

- (A) Accident Prevention
- (B) District Vehicles
- (C) Accident Procedure

8.1-13 **PERSONNEL POLICIES**

- (A) Problem Solving

8.1-14 **DISCIPLINARY ACTION**

- (A) Disciplinary Actions Subject to Notice & Hearing Procedures
- (B) Disciplinary Actions Not Subject to Notice and Hearing Procedures
- (C) Causes for Disciplinary Action
- (D) Disciplinary Procedures for Regular Employees

8.1-15 **DISTRICT EQUIPMENT AND FACILITIES, USE OF**

- (A) District Tools
- (B) Bulletin Boards
- (C) Computer and Tablet Use, Electronic Mail, Voice Mail, Personal Digital Assistant and Internet Use

8.1-16 **EMPLOYEE INFORMATION**

- (A) Personnel Files
- (B) Administrative Manual

8.1-17 **REORGANIZATION**

Section 9.1 **ANNEXATION OF LAND TO THE DISTRICT**

|         |         |   |
|---------|---------|---|
|         | 9.1-1   | Policy  |
|         | 9.1-2   | Factors to be Considered  |
|         | 9.1-3   | Terms and Conditions  |
|         | 9.1-4   | Facilities Needed for Service                                   |
|         | 9.1-5   | Payment of Fees for Annexation                                  |
| Section | 9.2     | <b>DETACHMENT OF LAND FROM THE DISTRICT</b>                     |
|         | 9.2-1   | Policy  |
|         | 9.2-2   | Factors to be Considers   |
|         | 9.2-3   | Procedure   |
|         | 9.2-4   | Determination of the Board                                      |
| Section | 10.1    | <b>WATER SHORTAGE CONTINGENCY PLAN</b>                          |
|         | 10.1-1  | Declaration of Necessity And Intent                             |
|         | 10.1-2  | Definitions   |
|         | 10.1-3  | Application   |
|         | 10.1-4  | Water Shortage Level 1  |
|         | 10.1-5  | Water Shortage Level 2  |
|         | 10.1-6  | Water Shortage Level 3  |
|         | 10.1-7  | Water Shortage Level 4  |
|         | 10.1-8  | Water Shortage Level 5  |
|         | 10.1-9  | Water Shortage Level 6  |
|         | 10.1-10 | Procedures for Determination and Notification Of Response Level |
|         | 10.1-11 | Hardship Variance   |
|         | 10.1-12 | Violations And Penalties  |
| Section | 10.2    | <b>removed 11/4/08</b>  |
| Section | 10.3    | <b>NEW DEVELOPMENT CONSERVATION</b>                             |
|         | 10.3-1  | Purpose   |
|         | 10.3-2  | New Development Guidelines                                      |
|         | 10.3-3  | Developments Requiring Water Main Extensions                    |
| Section | 11.1    | <b>MISCELLANEOUS</b>  |
|         | 11.1-1  | Distribution System   |
|         | 11.1-2  | Directors Compensation  |
|         | 11.1-3  | Authorization for Conferences & Seminars                        |
|         | 11.1-4  | Credit Union  |
|         | 11.1-5  | Tuition Reimbursement Policy                                    |
|         |         | (A) Eligibility   |
|         |         | (B) Procedure   |
| Section | 12.1    | <b>TERMINATION OF EMPLOYMENT (Education Reimbursement)</b>      |
| Section | 13.1    | <b>ETHICS TRAINING</b>  |
|         | 13.1-1  | Policy  |
| Section | 14.1    | <b>RETURN TO WORK POLICY</b>                                    |

|         |           |  |
|---------|-----------|--|
| Section | 15.1      | <b>BOARD OF DIRECTORS GUIDELINES FOR CONDUCT</b> |
|         | 15.1-1    | Purpose and Scope                                |
|         | 15.1-2    | Code of Conduct and Decorum                      |
|         | 15.1-2(A) | Conduct of Public Meetings                       |
|         | 15.1-2(B) | Conduct in Office                                |
|         | 15.1-3    | Board Officers                                   |
|         | 15.1-3(A) | Duties of President                              |
|         | 15.1-3(B) | Duties of Vice President                         |
|         | 15.1-3(C) | Duties of Secretary                              |
|         | 15.1-4    | Agenda Preparation and Distribution              |
|         | 15.1-5    | Use of Confidential Information                  |
|         | 15.1-6    | Conflict of Interest                             |
|         | 15.1-7    | Soliciting Political Contributions               |
|         | 15.1-8    | Incompatible Offices                             |
|         | 15.1-9    | Board Member – General Manager Relationship      |
|         | 15.1-10   | Compliance with the Brown Act                    |

|         |         |  |
|---------|---------|--|
| Section | 16.1    | <b>GOALS AND POLICIES FOR COMMUNITY FACILITIES DISTRICTS</b> |
|         | 16.1-1  | Introduction   |
|         | 16.1-2  | Goals  |
|         | 16.1-3  | Eligible Public Facilities and Services                      |
|         | 16.1-4  | Priorities for CFD Financing Under the Act                   |
|         | 16.1-5  | Credit Quality Requirements for CFD Financing                |
|         | 16.1-6  | Disclosure Requirements for Prospective Property             |
|         | 16.1-7  | Equity of Special Tax Formulas and Maximum Special Taxes     |
|         | 16.1-8  | Appraisals   |
|         | 16.1-9  | Absorption Study   |
|         | 16.1-10 | Terms and Conditions of Indebtedness                         |
|         | 16.1-11 | CFD Cost Deposits and Reimbursements                         |
|         | 16.1-12 | Continuing Disclosure  |
|         | 16.1-13 | Consultants  |
|         | 16.1-14 | Process  |
|         | 16.1-15 | Exceptions to These Policies                                 |
|         | 16.1-16 | Modification of These Policies                               |

## **SECTION 1.1 PUBLIC RECORDS POLICY**

### **1.1-1 POLICY**

Public records of the District shall be open to inspection during regular office hours of the District.

“Public Records” are all records of the District except those which are exempted from disclosure by the California Public Records Act (Government Code Section 6250 et. seg.).

### **1.1-2 DEFINITIONS**

1.1-2 (A) “Public Records” include any writing containing information relating to the conduct of the public’s business prepared, owned, used or retained by the district regardless of physical form or characteristics.

1.1-2 (B) “Writing” means handwriting, typewriting, printing, Photostatting, photographing, and every other means of recording upon any form of communication or representation, including letters, work, pictures, sounds, or symbols, or a combination thereof and all papers, maps, magnetic or paper tapes, photographic films and prints, magnetic or punch cards, discs, computer drivers and other documents.

### **1.1-3 RECORDS EXEMPT FROM DISCLOSURE**

1.1-3 (A) In accordance with Government Code Section 6254, the following records are exempt from and shall not be disclosed.

- (1) Preliminary drafts, notes or interagency or intra-district memoranda which are not retained by the District in the ordinary course of business, provided that the public interest in withholding such records clearly outweighs the public interest in disclosure;
- (2) Records pertaining to pending litigation to which the district is a party, or to claims made pursuant to Division 3.6 (commencing with Section 810) of Title 1 of the Government Code, until such litigation or claim has been finally adjudicated or otherwise settled;
- (3) Personnel, medical or similar files, the disclosure of which would constitute an unwarranted invasion or personal privacy.
- (4) Geological and geophysical data, plant production data and similar information relating to utility systems development, or market or crop reports, which are obtained in confidence from any person;

- (5) Test questions, scoring keys and other examination data used to administer a licensing examination for employment or academic examination;
- (6) The contents of real estate appraisals, engineering or feasibility estimates and evaluations made for or by the District relative to the acquisition of property, or to prospective public supply and construction contracts, until such time as all of the property has been acquired or all of the contract agreement obtained shall not be affected by the provision;
- (7) Information required from any taxpayer in connection with the collection of local taxes which is received in confidence and the disclosure of the information to other persons would result in unfair competitive disadvantage to the person supplying such information;
- (8) Library and museum materials made or acquired and presented solely for reference or exhibition purposes; and
- (9) Records the disclosure of which is exempted or prohibited pursuant to provisions of state federal or state law, including but not limited to, provisions of the Evidence Code relating to privilege.

1.1-3(B) The District shall withhold from inspection any record that is exempt under the express provisions of the California Public Records Act, including those items set forth above, and may withhold any other record if on the facts of the particular case the public interest served by not making a record public clearly outweighs interest served by disclosure of the record. (Govt. Code Section 6255).

1.1-3(C) The Board of Directors has determined that the public interest is served by not making public the names, addresses and billing information regarding its customers since the indiscriminate disclosure of such information could constitute an undue invasion of the right of privacy or its customers. Any person seeking such information may file a written appeal with the Secretary of the District in the manner provided in these rules. Thereafter, the Board of Directors shall on the facts of the particular case determine whether the public interest served by not making the record public clearly outweighs the public interest served by disclosure of such record.

#### **1.1-4 PROCEDURE**

1.1-4(A) Any person desiring to inspect any public record shall identify Him/her self and shall identify the records desired to be inspected.

1.1-4(B) The Secretary of the District shall determine whether the requested record is subject to inspection. If the Secretary of the District is

uncertain whether the record is exempt from disclosure under the California Public Records Act or whether that on the facts of the particular case the public interest served by not making the record public clearly outweighs the public interest served by disclosure of the record, he/she shall consult with counsel for the District. If the Secretary of the District refuses to permit inspection of any record, the person seeking such inspection may appeal the decision of the Secretary of the District to the Board of Directors. Such appeal shall be made in writing and shall be filed with the Secretary of the District not later than 10 working days after the refusal of the Secretary of the District to permit inspection.

- 1.1-4(C) The Board of Directors shall consider and rule upon the appeal within 30 days after the filing thereof and shall thereupon notify the applicant in writing of its decision. If the applicant shall be notified of the time and place of the meeting of the Board to consider the matter, and the applicant may appear in person before the Board when the matter is heard. If the Board fails to give written notice of its decision within 35 days of the filing of the appeal, the appeal shall be deemed denied.
- 1.1-4(D) Inspection of public records shall be made only in the District office, and no document shall be removed there from. A representative of the District may be present during the inspection of any records.
- 1.1-4(E) The District will make every effort to cooperate with the persons seeking to inspect documents; however, if the request is to inspect a substantial quantity of documents or documents not readily available, the District shall have a reasonable period of time to collect such records to take place at a future date.
- 1.1-4(F) Any person may obtain a copy of any identifiable public record. Upon request, an exact copy shall be provided unless impracticable to do so. Computer data shall be provided in a form determined by the District.
- 1.1-4(G) A request for a copy of an identifiable public record or information produced there from, or a certified copy of such record shall be accompanied by payment of a reasonable fee not exceeding the actual cost of providing the copy. The current schedule of reproduction costs shall be maintained by the District.
- 1.1-4(H) This public records policy of the District shall at all times be subject to the California Public Records Act as it may be amended from time to time, and if there is any conflict between that act and this policy, the act shall prevail.



## 1.1-5 RECORDS RETENTION

- 1.1-5(A) The Records Retention Policy establishes record-keeping requirements and retention periods for District records. In addition it provides the District with legal authority to dispose of records within an organized and controlled system.
- 1.1-5(B) The guidelines of this Policy and its procedures must be consistent with California Government code sections 34090 and 60200-60203. In addition, District Records may be subject to public disclosure per the Districts Public Records Policy.
- 1.1-5(C) This Policy applies to all records including paper, electronic (including emails), microfilm, magnetic/paper tapes, and any other documents produced, received, owned, or used by the District regardless of its physical form or characteristics. Records are classified as District Records and Non-Records.

Definitions and examples of records are as follows:

*District Records:* Any writing or document, including electronic files, containing information relating to the conduct of the District's business that is prepared, owned, used, received, or retained by the District, regardless of physical form or characteristic.

*Non-Record:* Material not usually included within the definition of records, such as unofficial copies of documents kept only for convenience or reference, working papers, library/research materials, publications, blank forms. Also documents such as preliminary drafts, works in progress, preliminary electronic records used to create a final version, copies of original records, hand-written rough notes, and other material used in the preparation or analysis of other documents.

## 1.1-6 RECORD RETENTION SCHEDULE

- 1.1.6(A) The Record Retention Schedule (Schedule), is a comprehensive list of records sorted by departments that identify the length of time each District Record must be retained based on its operational, fiscal, regulatory, referential, legal and historical value. Records listed on the Schedule are District Records unless otherwise specified.
- 1.1.6(B) When records have fulfilled their administrative, fiscal, or legal function they should be either sent to the District's archive facility, recycled, and/or destroyed as soon as possible in accordance with the District's Schedule (Attachment A). Destruction of paper records shall be by shredding and destruction of electronic records shall be by deleting from the system on which they reside. Deleted electronic records, including emails are considered to have been destroyed once they have been deleted from the active computer system.

## 1.1-7 RECORD RETENTION PROCEDURE

### 1.1-7(A) Paper Files:

- \* Paper files that require storage at the archive facility shall be boxed and labeled, then provided to the Administrative Services Manager (AS Manager) for coordination of pick-up of boxes.
- \* If paper files have reached the end of their retention period, then they shall be boxed and labeled, then provided to the Manager. The AS Manager will complete a destruction approval form that lists the record's title and retention period end date. The form will need to be signed by the General Manager approving the destruction of the records.
- \* The AS Manager will then coordinate the pick-up of boxes and will receive a certification of destruction form after the records have been destroyed by the archive facility.

### Electronic Files:

\*Electronic files that are stored on the serve/network in folders will need approval before deletion. Once the record has reached its retention period, the file should be transferred to the "Review and Approval for Destruction" folder on the server/network. A list of files to be destroyed and the retention period end date will be provided by the AS Manager. The form will need to be signed by the General Manager before the records are deleted. A destruction list of electronic records will be maintained by the AS Manager.

### Emails:

\*Employees are responsible for the management of their email boxes. All users of District computers and/or electronic communication resources should review their email at least weekly and emails that qualify as District Records should be filed appropriately in a separate folder on the computer. Once these emails have reached their retention period they should be deleted.

### Non-Records:

\*Drafts used to create a final version shall be deleted after the final version or electronic file is completed, or if retained, shall be subject to the Schedule applicable to the document category.

\* All other Non-Records shall be destroyed during the normal course of business when the item is no longer needed.

\* Non-Record emails should be deleted in the normal course of business, generally after reading.

\* Non-work related emails should be immediately and permanently deleted (the same day the message is received).

#### **1.1-8 LITIGATION HOLDS**

- 1.1-8(A) When litigation is threatened or pending against the District or its employees, the law imposes a duty to preserve all relevant documents and records. A litigation hold directive must be issued to the legal custodians of those documents.
- 1.1-8(B) A litigation hold directive overrides this Policy, as well as any records retention schedules that may otherwise call for the transfer, disposal, or destruction of relevant documents, until the hold has been cleared.
- 1.1-8(C) Email and accounts of separated employees that have been placed on litigation hold status must be maintained by the District until the hold is released.
- 1.1-8(D) No employee who has received a litigation hold directive may alter or delete an electronic record that falls within the scope of that hold. Those employees are required to provide access to, or copies of any relevant electronic records that they have downloaded and saved, or moved to some other storage account of device.
- 1.1-8(E) Supervisors and/or Managers are responsible for providing records retention guidance to staff within their respective department. The guidance provided must be in accordance with this Policy.
- 1.1-8(F) Originators and custodians of electronic messages, records, and information that have lasting value, are responsible for:
- \*Appropriately identifying and retaining such records in accordance with this Policy
  - \*Seeking assistance when unsure about how to categorize specific types of messages.
- 1.1-8(G) District employees who have been notified by management of litigation hold are responsible for preserving all messages, records, and information that fall within the scope of the hold.

## **SECTION 1.2            STANDARD REPRODUCTION COST FOR MAPS AND OTHER PUBLIC RECORDS**

### **1.2-1    POLICY**

Maps and other public records which can be reasonably reproduced shall be copies for the public at a charge not to exceed the actual cost of providing the copy, including labor and overhead.

### **1.2-2    REFERENCE PRACTICE**

The Public Records Policy of the District shall control in areas of questions regarding accessibility of records to the public. All record information shall only be released with the approval of the Secretary of the District.

### **1.2-3    RELATED PROCEDURES**

See Section 2.13 – District Fees and Charges

### **1.2-4    PROCEDURES**

- 1.2-4 (A)    Whenever possible or practical, copies of maps, drawings or printed material shall be made in the District's office at the same time as other printing is being done for District purposes.
- 1.2-4 (B)    Should it be impossible or impractical to accomplish requested reproduction work in the District office, original documents other than water plat sheets may be checked out to a bonded reproduction company. Standard 24" X 35" water main installation plans may be checked out to the engineer of work for necessary revisions.
- 1.2-4 (C)    Staff shall require the engineer's or bonded reproduction company messenger's signature on the approved document check-out slip before releasing the document(s).
- 1.2-4 (D)    The approved document check-out slip shall contain the document number; the title; a description of the document taken; the name, address and telephone number of the engineer or reproduction agency checking the document out; and the time and date the document was released. All approved document check-out slips shall be turned over the Customer Service Department. The Customer Service Department staff shall verify that all materials are returned to the District in the required time or make necessary telephone contacts to assure their prompt return.

## **SECTION 1.3**

## **KEYS TO DISTRICT FACILITIES AND EQUIPMENT**

### **1.3-1**

#### **POLICY**

Keys to all District Facilities and equipment shall be handled in a way that provides adequate control and security.

### **1.3-2**

#### **PROCEDURE**

##### **(A) GENERAL**

1. A central record of specific critical keys to District facilities and equipment shall be maintained by the business office. These critical keys issued to District employees shall be issued by the business office with the prior approval of the employee's department head. A record of the employee's name, date the key was issued and a listing of the keys issued (i.e. brand, number and purpose) shall be maintained. This record shall be reviewed and updated at least once a year.
2. Other keys not listed as specific critical keys will be issued and monitored by the department in which the employee works.
3. The employee shall be responsible for all keys issued in his/her charge. Whenever an employee terminates they shall immediately return all keys to the personnel Department or their supervisor.
4. If a key issued to an employee is lost, he/she should immediately report the lost key to the supervisor who will report it to the Personnel Department so the central record can be corrected.

##### **(B) KEYS TO DISTRICT FACILITIES**

1. Keys issued to District buildings shall be issued to full time employees.
2. District keys shall not be released to the public or another public agency without prior approval of the General Manager. Any keys released to the public or another agency shall not be given out until the name, address, telephone number, date issued and promised return date are recorded.

### **1.3-2 (C)**

#### **KEYS TO DISTRICT EQUIPMENT**

1. Keys to cars garaged at the Operations Center shall be kept by the Superintendent.

2. Keys to all District vehicles and construction equipment shall be the responsibility of the Superintendent who shall keep a duplicate key for each.
3. After hours, all District equipment garaged at the Operations Center shall have the ignition key locked in the key cabinet in the warehouse where it can be readily available in an emergency.

## **SECTION 1.4 OPERATIONS OF DISTRICT VEHICLES**

### **1.4-1 POLICY**

District vehicles shall be operated in a safe and responsible manner and only on authorized District business.

### **1.4-2 PROCEDURE**

#### **1.4-2 (A) GENERAL**

1. Employees operating District vehicles are responsible for their safe operation in accordance with the law.
2. Traffic citations, except for faulty equipment, are the employee's responsibility.

#### **1.4-2 (B) MOTOR VEHICLE OPERATION**

1. The operator of a vehicle shall have a valid California Operation's license for the class vehicle being operated and shall know and observe all traffic regulations.
2. Basic safety checks appropriate to the vehicle such as brakes, lights, tires, wipers and gauges must be made by the operator prior to taking the vehicle on the road.
3. The vehicle must not be started until the operator has adjusted the mirrors, cleaned the windows, adjusted the seats and fastened the seat belt. Seat belts shall be used by all occupants.
4. No District vehicle shall be overloaded nor shall it be loaded in such a manner that vision is obstructed. Appropriate flags and warnings devices shall be used to identify objects extending beyond the vehicle.
5. In the interest of the safety of employees and other drivers, the use of cellular phones while driving on district business and/or time is prohibited. If your job requires that you keep your cell phone on while driving, you must use a hands-free device and safely pull off the road before conducting district business. Under no circumstances, may a driver initiate a cellular phone call while driving a vehicle during the course of business,

or on company time. Violating this policy is a violation of the law beginning July 1, 2008, and a violation of district rules.

1.4-2 (C) **VEHICLE MAINTENANCE**

1. Each vehicle shall be maintained under continuing maintenance plan coordinated at the Operation Center.
2. Employees assigned a vehicle shall familiarize themselves with the maintenance schedule on the vehicle.
3. Emergency repairs or services shall be coordinated with the Superintendent.
4. All District vehicles shall be equipped with emergency equipment as required by law.

1.4-2 (D) **ACCIDENT PREVENTION**

1. The District places the utmost importance on the safe operation of its vehicles. Every District employee operating a District vehicle shall do so courteously and safely.
2. Extreme caution shall be used while approaching and entering any intersection.
3. Backing accidents are common but can be prevented by making sure the area is clear behind the vehicle before it is moved. Use of rear view mirrors and also turning around to look for hazards is appropriate. Large vehicles should park when possible in areas where backing up is not required.
4. Operation of a vehicle in bad weather may be hazardous. The first few minutes of a storm are likely to produce slippery pavement due to oil films on the road. Slow down. Pump brakes when stopping.
5. Following too close is a major cause of accidents and should be avoided. Leaving a minimum distance of one vehicle length for every ten miles of speed is a helpful guide.

1.4-2 (E) **ACCIDENT REPORTING**

1. When involved in a vehicle accident, employees shall immediately notify their supervisor of the accident. The supervisor will in turn notify the Administrative office. The employee shall make no statements concerning the responsibility for the accident to anyone but a District representative. Cooperation must be extended to law enforcement officers.
2. Every vehicle shall be equipped with suitable forms for reporting any vehicle must be instructed in the issue of the accident reporting forms.

3. In case of an accident, the following steps must be followed:

- (a) Immediately stop the vehicle at the scene.
- (b) Check to see if any person involved in the accident has been injured and is in need of emergency help. In case of injury or death the vehicle shall not be moved from its final location following the accident until directed by the police.
- (c) Notify the police of the accident, request any emergency assistance needed and contact the District.
- (d) Assist any injured people as well as you can until professional help arrives.
- (e) Locate witnesses to the accident and ask them to complete a witness information card.
- (f) The employee shall complete an accident report concerning the accident as soon as possible and transmit it to the employee's department head.

## **1.5 STATEMENT OF INVESTMENT POLICY**

### **1.5-1 PURPOSE**

This statement of investment policy is adopted pursuant to Section 53646 of the Government code and provides guidelines for the investment of all District funds.

### **1.5-2 OBJECTIVE**

The cash management system of the District is designed to monitor and forecast expenditures and revenues, thus allowing the investment of funds to the fullest extent possible. The primary objectives for investment are safety and liquidity. Only after these two objectives are met can the third objective of higher yields be sought.

### **1.5-3 POLICY**

Investments shall comply with the requirements of Sections 53600-53683 of the Government Code. No investment shall be made unless authorized by Government Code Sections 16429.1, 53601 or 53635.

The District shall utilize conservative investment vehicles consistent with its safety and liquidity needs. Those investments authorized shall be:



- a. Local Agency Investment Fund (LAIF) offered by the Treasurer of the State of California.
- b. Government securities with the full faith and credit of the federal government. Those instruments are;
  - U.S. Treasury (bills, notes, and bonds).
  - Government National Mortgage Association (GNMA).
  - Small Business Administration (SBA).
  - Farmers Home Administration (GSA).
- c. Federal Instrumentalities which do not carry the federal guarantee but which are guaranteed or supported by the U.S. Treasury:
  - Federal National Mortgage Association (FNMA).
  - Federal Home Loan Bank (FHLB).
  - Federal Home Loan Mortgage Corporation (FHLMC).
  - Federal Farm Credit Bank (FFCB)
  - Federal Agricultural Mortgage Corporation (FMAC)
- d. Bank Certificates of Deposits which are insured pursuant to federal law or collateralized. Collateral shall consist of mortgages or trust deed which exceeds the deposit by at least 50% of eligible securities which exceed the total deposit by 10%.
- e. Money market mutual funds which comply with California Government Code are regulated by the SEC, and whose portfolios consist only of domestic securities.
- f. Commercial Paper as authorized by Government Code.
- g. The Treasurer shall not invest District funds in other investments authorized by law without the prior consent of the Board of Directors.
- h. The Treasurer shall review the investment policies of LAIF at least annually so long as any District funds are invested in LAIF.

#### **1.5-4 PROCEDURES**

This policy also sets for the certain requirements affecting the investment of District funds as follows:

- a. Any government securities dealers utilized by the District will be provided with a copy of the District's investment policy. Each dealer will sign a statement that they have received a copy of the District investment policy and that they understand and agree to abide by it.
- b. The borrowing of funds for investment purposes, known as leveraging, is prohibited.

- c. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.
- d. To the extent practical, internal controls and separation of responsibility in the investment process shall occur. The external auditor shall periodically review the internal control system as it applies to the investment program.
- e. The Treasurer shall not purchase securities with a maturity greater than five years.
- f. Temporary investment goals may be approved as necessary and as recommended by a special committee to react to specific market conditions. A specific request shall be put on the agenda and a Board majority shall approve all temporary procedures and be noted in the Board meeting minutes.

**2.1 WATER AVAILABILITY FOR BUILDING AND GENERAL CONSTRUCTION NEEDS (TEMPORARY METERS)**

**2.1-1 POLICY**

Water shall be made available for building and general purpose construction under the District's Rates and Rules.

**2.1-2 RELATED PROCEDURES**

See Section 2.13 – District Fees and Charges

**2.1-3 PROCEDURE**

**2.1-3 (A) Temporary Meters on Existing Facilities**

- 1. A customer wishing the installation of a temporary meter on existing facilities will make a request at the Customer Service Department at the Administrative Office.
- 2. The Customer Service Representative will determine the location preferred. Temporary meters will be installed only at locations approved.
- 3. After the location is approved, the Customer Service Representative will make out an installation request form which shall show the deposit paid, the location, and identifying customer information. The standard counter work order procedure shall be followed for distribution (see section 2.9 – work orders).

4. A deposit shall be required as indicated in the District's Rates and Rules, which will guarantee payment of all charges, damages and losses.
5. Any damage to the facilities, meter fittings, or surrounding public improvements shall be charged to the customer. If use of the temporary meter creates a problem in the distribution system, the District will relocate the meter and charge the service call to the customer. Such changes shall be at the discretion of the District.
6. The District will secure the temporary meter to the facilities by means of a chain and padlock when the meter is installed on a fire hydrant. The temporary meter shall be installed, moved or removed by District personnel only.
7. When installing a temporary meter, the District shall test the meter to see that it's operating. Where necessary to operate the fire hydrant valves, only pentagonal fire hydrant wrench shall be used. Hydrant stems shall be inspected at the time of the meter installation and when the meter is removed. Any damaged parts shall be replaced or repaired and a record of the charges sent to the Customer Service Department at the administrative Office for billing.
8. When the customer has completed use of the meter, he should request its removal. The District will deduct the cost of the final billing from the deposit before it is returned. Upon request, a final bill can be rendered. Upon payment of the requested final bill, the entire deposit will be returned.
9. While the temporary meter is in service, commodity, service and damage charges will be billed to the customer on a monthly basis. If the monthly billing remains unpaid for more than seven days past the due date, the temporary meter will be added to accrued charges and charged against the customer's deposit.

2.1-3 (B)      **Temporary Service in New Developments Prior to Acceptance of Water Facilities**

1. General

- A. For Purposes of this section, water facilities shall include water mains, service laterals and appurtenances.
- B. Prior to acceptance of the facilities, the inspector may authorize the installation of not more than 50% of the Service meters.

The General Manager may approve additional meters.

- C. Three types of temporary service are available as follows:

- Spacer for home construction
- 5/8" to 2" meter for building construction other than homes
- Temporary meter on fire hydrant or other appurtenances for general construction grading, and miscellaneous.

Before service may be provided from a facility prior to acceptance by the District, the developer must have entered into an agreement with the District guaranteeing the installation of the water facilities and including cash deposits, bonds, improvement drawings and necessary rights-of-way. Additionally, service will be considered available only after it is suitable for human consumption, all trenches are compacted, services installed and meter boxes adjusted to grade.

## **2. Spacer for Home Construction**

- A. A spacer shall be ordered for each lot on which a home is being constructed. A spacer shall not be used if the water facilities have already been accepted.
- B. A spacer shall be provided and installed by the contractor. The spacer consists of a length of pipe with valve on the customer's side. The spacer equals the length of a meter and valve assembly.
- C. The customer shall make application for spacer(s) at the Administrative Office by signing the Application Form. Accompanying the application the customer shall place with the district the standard rate for each of the permanent meters to eventually be installed plus a flat fee for the water use is set by the District and is shown in Section 2.13.
- D. Approval of an application for a spacer shall be based on verification that Agreement, bonds, cash deposits, construction drawings and necessary easements have been filed with the District and clearance from the Inspector (i.e. construction to a stage that water is safe to use, and work is generally in order).
- E. The customer shall install the spacer in the meter box at the lot to which it is assigned. It shall remain at the assigned location until removal by the District for the installation of the permanent meter. Spacer(s) shall not be moved to any other location other than the one to which it is assigned.
- F. Spacers can only be used for construction purposes including plastering, testing, plumbing, etc. Spacers shall not be used for grading, landscaping, irrigation, occupancy or non-construction purposes.
- G. When the facilities are completed and accepted by the District, the home is ready for occupancy or water is no longer needed for construction purposes, whichever occurs first, the spacer will be removed by the district and the permanent meter installed. A regular water service account shall be established as soon as the permanent meter installed. In the event permanent water service is not yet required, the customer may request that

the District delay the installation of the meter(s) to avoid the payment of the bimonthly service charge.

3. **Temporary Meter on a Fire Hydrant or Other Appurtenance for Construction and Grading**

- A. Water for general construction, grading and construction of water facilities may be obtained on a temporary basis. A temporary or construction meter on a fire hydrant or other appurtenance may be approved at the Administrative Office. A temporary meter is intended for use only in connection with the construction of facilities on a limited basis, and is not intended for maintenance of facilities or long term use. The District may, at its discretion remove the temporary meter or other water source from service if it is determined that construction of water or other facilities is substantially complete, and the meter is no longer necessary for the construction and testing of facilities.

**SECTION 2.2 UNAUTHORIZED USE OF WATER**

**2.2-1 POLICY**

Water shall be distributed only to those parties with authorization for its use. No unauthorized use of water shall be allowed.

**2.2-2 DEFINITIONS**

Unauthorized use shall include usage through meters which District records indicate as locked either by an actual keyed lock or a locking "tab" device; use through laterals not connected to approved meters or spacers; non-construction use through spacers and unauthorized use through fire hydrants and other District facilities.

**2.2-3 RELATED PROCEDURES**

See section 2.1- Water Availability for building and general construction needs (Temporary Meters)

See Section 2.13 - District Fees and Charges

**2.2-4 PROCEDURES**

- A. Usage through locked meters:

Unlocking or tampering with locking valves and the meter without authorization is a violation of State law and shall be considered stealing water. A tag advising the customer of this information shall be placed in the meter box whenever a meter is locked (California Penal Code Sections 499 and 625).

Any meters which are noted as locked and turned off on District records and which show usage shall be relocked. A second investigation shall be made within a week to verify that the meter remains locked. Meters which show usage on the second investigation will be removed and the curb stop locked. A deposit and reinstallation charge will be required before the meter can be replaced and service reestablished.

B. Usage through Laterals without Meters or Spacers

Whenever it is found that water is being used through a direct connection from a lateral, service shall immediately be discontinued. District investigators will check the location within a week to verify unauthorized use had not been continued. If usage continues, the Customer Service Department will be notified so the District may take appropriate actions.

2.2-4 C Non-Construction Use through a Spacer

Spacers are provided to contractors for home construction use only. If unauthorized use is found, the spacer shall be removed and the curb stop locked. The Inspection Department must be consulted to determine if the permanent meter should be installed.

2.2-4 (D) Unauthorized Use through Fire Hydrants and Other District Facilities

No water is to be taken from a District fire hydrant, blow-off or other such facility unless it is for fire protection, or metered by the District (See Section 2.1 – Water Availability for Building and Construction Needs – Temporary Meters), or pre-authorized in writing.

2.2-4 (E) Charges for Unauthorized Water Use

1. Unauthorized water use shall be billed to the responsible party. Water use charged shall be based on meter readings or shall be estimated.
2. All other charges that would have accrued if authorization for such use had been secured will be applied, including bimonthly or monthly service, installation and removal, and any other applicable charges.
3. Additional charges shall be made as necessary to recover the costs of any District property which has been damaged, and overhead rates for administration.

4. Illegal connections to fire hydrants, see Section 2.13-12 (I) and 2.2-5 (J).

2.2-4 (F) Resale of Water

No consumer inside or outside the boundaries of the District may resell any portion of the water delivered to him by the District.

2.2-4 (G) Unauthorized Use or Waste of Water

No consumer shall use water upon any land other than that covered by his application for service, nor shall knowingly permit leaks or waste of water.

2.2-4 (H) Unauthorized Regulation of Water

No person, except duly authorized employees of the District shall be permitted to operate any District facility.

2.2-4 (I) State Laws

For the protection of public water supplies, many offenses are by State Law made misdemeanors for which the offender may be criminally prosecuted. These include:

Section 625, Penal Code---Taking water after works have been closed or meter sealed.

Section 592, Penal Code---Damaging tanks, flumes, reservoirs, valves, etc.

Section 624, Penal Code---Breaking, cutting or obstructing pipes, etc.

Section 4033, Incl. 4455, Health and Safety Code---Bathing (swimming) in reservoirs, etc.

Section 7582-7622, Incl. Title 17, California Administrative Code---Regulations regarding cross-connections.

2.2-4 (J) Illegal Connection to District Facilities

If the District receives information from a person regarding an illegal connection to a district fire hydrant, valve, tank or any other appurtenant facility which results in the collection of fines, fees, or charges, the District may share the revenue with the informant.

## **SECTION 2.3            CUSTOMER BILLING AND COLLECTIONS – WATER ACCOUNTS**

### **2.3-1 Policy**

Customers shall be charged for all water furnished in accordance with the Rates and Rules as established by the District.

### **2.3-2 Related Procedures**

See Section 2.6            -            Turnoff for Non-Payment  
See Section 2.13        -            District Fees and Charges

### **2.3-3 Billing Procedures**

#### **2.3-3(A)            Normal Billing Procedures**

1.    Each water account shall be billed bi-monthly.
2.    Accounts are delinquent after twenty (20) days.
3.    Delinquent accounts shall have a late payment charge added, as shown in Section 2.13. If a customer has not been late more than two (2) times within a two-year payment history, not including the current penalty, payments made on time, the penalty may be waived.
4.    After the late payment charge had been added, past due notices shall be prepared for all delinquent accounts indicating the total amount due, and the final date for payment to avoid shut-off.
5.    If this “Past Due Notice” does not result in a payment, steps outlined in Section 2.6 – Turn-off for Non-Payment shall be followed.

#### **2.3-3(B)            Closing Bill Procedure**

1.    Whenever a customer closes an account, a final reading will be taken and a Closing Bill rendered.
2.    For amounts due on Closing bills beyond twenty-one (21) days, a letter shall be sent to the customer as a final reminder of the amount past due. At this time the customer shall also be notified that additional collection steps will be taken to guarantee payment.
3.    Unpaid closing balances from one account may be added to accounts of the same customer. Such charges shall become part of the customer’s active account and shall be subject to Section 2.6 – Turnoff for Nonpayment, if the balance remains unpaid.



### 2.3-3(C)

#### **Disputed Bill Procedure**

1. Any customer desiring to contest the validity of his bill shall, on or before the delinquent date, notify the Lakeside Water District Customer Service Department. If a Customer Service Representative is unable to satisfy the customer, his claim may be reviewed by the Review Manager.
2. The Review Manager shall be designated by the General Manager. The decision of the Review Manager shall be final unless, within seven (7) calendar days of the decision, the customer appeals by filing in writing with the General Manager a request to have the decision reviewed. The General Manager shall respond in writing within seven (7) calendar days to the customer's appeal.
3. In the event that the General Manager's response is not satisfactory, the customer, within seven (7) calendar days, may request a review by the Board of Directors. The customer shall be informed of the time and place for appearance before the Board.
4. A decision by the Board of Directors shall be final.
5. Service shall not be discontinued during the period the validity or accuracy of a bill is being contested. When a decision has been reached, all charges and penalties shall be paid by the due date for the bill or seven (7) calendar days from the decision, whichever is the latter, to assure continued service.
6. Under extraordinary circumstances a customer with a low usage history that has a large leak may receive a onetime adjustment (no more than one time in two years) the difference between the highest tier rate and the standard water rate. The leak must be fixed by the customer and verified by a work order. This adjustment will only be allowed if Lakeside Water District is meeting or exceeded the conservation goals set at the time of the extraordinary circumstance. The Review Manager shall make the decision if a credit can be given for an extraordinary circumstance in which such decision shall be final.

### 2.3-3(D)

#### **Notification of Water Rate Increases**

The District shall notify customers at least 30 days in advance of pending water rate increases.

### 2.3-3(E)

#### **Property Owner Responsible for Charges**

In accordance with state law, the ultimate responsibility for payment of charges for water and other services shall be the owner of the land for which the water or other services were provided. The District shall make a reasonable effort to collect from the tenant or occupant of property prior to

collecting from the property owner, or filing a lien on said property (CA Water Code Section 25806).

## **SECTION 2.5 DEPOSITS ON CUSTOMER ACCOUNTS**

### **2.5-1 POLICY**

An applicant for new service will require a deposit.

All metered accounts including single family and multi-family dwellings on a master meter or multiple meters and commercial or industrial customers will be required to furnish the District with a deposit. The deposit shall be cash, or an instrument acceptable to the District.

Pursuant to the Bankruptcy Act, customers engaged in a bankruptcy proceeding, or their trustee, shall furnish the District adequate assurance of payment in the form of a deposit.

### **2.5-2 PROCEDURE**

2.5-2(A) For single family residential properties the deposit shall be \$200.00. The Deposit for multi-family multiple dwelling and commercial and industrial customers shall be equal to twice the highest billing in the last 12 months, rounded up to the nearest \$5, with a minimum of \$200. The Customer Service Supervisor shall approve the amount of deposit. An existing customer in good payment standing may request that their deposit be waived.

At least half of the deposit shall be paid at the time of submitting the application. The remainder may be applied to the first normal billing

Pursuant to the Bankruptcy Act, customers engaged in a bankruptcy proceeding shall furnish the District a deposit equal to the average of the last six billings rendered prior to the order for relief.

2.5-2(B) When water service to a customer has been terminated for non-payment or a check returned by the customer's bank, a deposit may be required. The deposit may be billed on the account and the customer could be given two months to pay (additional time if the deposit exceeds \$75).

2.5-2(C) No interest will be paid on the deposit. Customer deposits will be held in the District's LAIF account. Service to the customer shall be rendered according to all existing rules and regulations. The Deposit will not excuse future late payments.

2.5-2(D) When the account is closed, the deposit will be returned less any sums owed the District.

2.5-5(E) A property owner of residential property, after three (3) years of continuous service, and two (2) or less late payments over the last 12 month period, or a

renter of residential property with five (5) years continuous service and three (3) or less late payments, with no more than one (1) in the last 12 months, may request their deposit be credited to their District water account. All decisions shall be approved by the General Manager or the Administrative Services Manager.

## **SECTION 2.6 TURNOFF FOR NON-PAYMENT**

### **2.6-1 POLICY**

The District shall discontinue water service for nonpayment of water or other district charges after 60 days delinquent.

### **2.6-2 DEFINITIONS**

Non-payment as used herein shall mean the failure of the customer to pay all past due water charges by the due date of the past due notice or other notice from the District of pending shut-off.

Turn-off shall mean the discontinuance of service at an address by turning off and/or locking a meter; or the removal of a meter.

### **2.6-3 RELATED PROCEDURES**

See Section 2.3 – Customer Billing and Collections – Water Accounts

### **2.6-4 PROCEDURE**

Any customer's account which remains unpaid for 60 days beyond the delinquency date will be subject to turn off.

#### **2.6-4(A) Notices**

1. After a late payment charge has been added, final notices shall be prepared for all delinquent accounts indicating the total amount due, and the final date for payment to avoid shutoff.
2. For residential service the following notices will be provided prior to turn off.
  - a. The district will provide a mailed notice to the customer at least 15 days before discontinuation of water service. The notice will include:
    - i. Customer's name and address
    - ii. Past due amount
    - iii. Date by which payment or arrangement must be made to avoid the disconnection
    - iv. Process to apply for an amortization agreement
    - v. Process to dispute or appeal bill
    - vi. District phone number and address

- b. Under the following circumstances, the district will also send a notice to the occupants of the service address at least 10 days before discontinuation of water service: (1) when water is provided through a master meter; (2) when water is provided through individually metered service to a single-family residence, multi-unit residential structure, mobile home park, and the owner, manager, or operator is the customer of record; or (3) when the customer of record's mailing address is not the same as the service address. The notice will be addressed to "Occupant," will contain the same information as the notice to the customer, and will inform the occupants that they have the right to become customers of the district without paying the amount due on the delinquent account. Terms and conditions for occupants to become customers of the district are provided in subsection (F). If the district is unable to provide mailed notice to occupants of a master-metered residential property, the district will make an alternative good faith effort to provide the notice to the occupants.
  - c. The district will also make a reasonable, good faith effort to contact the customer of record or an adult person living at the service address in person or by telephone, or by written notice at least seven days before discontinuation of service. The district will offer to provide a copy of this policy and to discuss options to avert discontinuation of water service.
  - d. If the district is unable to make contact with the customer or an adult person living at the service address in person or by telephone, the district will make a good faith effort to leave a notice of imminent discontinuation of service and a copy of this policy in a conspicuous place at the service address. The notice and copy of this policy will be left at the residence at least 48 hours before discontinuation of service.
3. For all other services, including commercial, the district will attempt to notify the premises of the pending termination at least 10 days before actual shutoff.

#### 2.6-4(B)

#### **Circumstances in Which Service Will Not Be Discontinued**

1. The district will not discontinue residential water service for nonpayment under the following circumstances:
  - a. During the investigation of a customer dispute or complaint received by the delinquency date.
  - b. During an appeal under Section 2.3. Customer Billing and Collections - Water Accounts.
  - c. During the period of time in which a customer's payment is subject to a district-approved extension or other payment arrangement and the customer remains in compliance with the approved payment arrangement.

2. In addition, residential customers who meet all three of these conditions will not be shut off:

- a. Customer demonstrates that he/she is financially unable to pay within the district's normal billing cycle. and
- b. The customer, or tenant of the customer, submits certification from a licensed primary care provider that the discontinuation of service will be life threatening or pose a serious threat to health and safety of a resident of the premises, and
- c. The customer is willing to agree to an extension or enter into an amortization agreement.

If a customer meets the three conditions outlined above and needs additional time to pay the unpaid balance, they must contact the customer service department before the discontinuation of service. Prior to shutoff, the customer will be required to submit a letter from a licensed primary care provider and evidence of financial inability to pay. Evidence may include: (a) documents showing that a member of the customer's household is a current recipient of CalWORKS, Cal Fresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants and Children, or (b) a statement signed under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.

Once the amortization agreement or extended payment date is in effect, the customer must pay all future bills by the due date. Failure to pay all future bills by the due date terminates the amortization agreement or extended payment date and all unpaid balances become due immediately. Further, if the customer is delinquent on an amortization payment, extended payment, or his or her current water bills for 60 days or more, water service may be terminated after posting a five-day notice of intent to turn off water service. The final notice will not entitle the customer to any investigation or review by the district. Amortization may not exceed 12 months without general manager approval and requires customers to keep all future billings current. See Section 2.3, Customer Billing and Collections - Water Accounts.

3. When a check, autopay or online payment is not honored by a customer's bank, the account shall be considered unpaid and subject to turnoff.
4. Unpaid balances for damage to district property or miscellaneous charges may result in the discontinuance of water service.

2.6-4(C) **Turn Off of Water Accounts**

1. When the meter is locked, all costs associated with damage to district appurtenances will be at the accounts holder's expense. This includes replacement cost for a broken or missing lock and cut lock or locking tab or meter valve tampering charges per Service Charges 2.13.
2. At the time service is discontinued, a notice will be posted at the meter advising of the District's action. The notice shall contain the account number, the amount due, and the address of the District's Administrative Office where payments will be accepted.

2.6-4(D) **Reinstatement of Water Service**

1. If a customer does not have sufficient funds for full payment of the bill, water service may not be restored pursuant to Government Code Sections 60372-60374.
2. Payment of all charges, including any field service calls, as outlined in Section 2.13, will be required for restoration of service. Additionally, as outlined in Section 2.5, a deposit may be required for restoration of service.

2.6-5(E) **Follow-up After Turnoff**

If service has been discontinued, a follow-up investigation will be made to insure that the service is in an inoperative status.

If the service has been tampered with, the meter will be removed immediately and the appropriate charges will be added to the account. Service will not be restored until the account is paid in full.

After the meter has been pulled, a follow-up investigation will be made again to insure that the service is in an inoperative status.

If the service has been tampered with again, the service will be terminated at the water main and the appropriate charges will be added to the account. Additionally, a lien will be filed on the property, and law enforcement authorities will be notified. Service will not be restored until the account is paid in full.

2.6-4(F) **Procedures for Occupants or Tenants to Become Customers of the District**

This subsection (F) will only apply when a property owner, landlord, manager or operator of a residential service address is listed as the customer of record and

has been issued a notice of intent to discontinue water service due to nonpayment.

1. District will make service available to the actual occupants if each occupant agrees to the district's terms and conditions of service and these rules and regulations. Notwithstanding, if one or more occupants are willing and able to assume responsibility for subsequent charges to the account to the satisfaction of the district, or if there is a lawful, physical means of selectively discontinuing service to occupants who have not met the requirements of the district's rules and regulations, the district will make service available to the occupants who have met its requirements.
2. In order for the amount due on the delinquent account to be waived, an occupant who becomes a customer must verify that the delinquent customer of record is or was the landlord, manager or agent of the dwelling. Verification may include a lease or rental agreement, rent receipts, government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code, at the discretion of the district.
3. If prior service for a period of time is a condition for establishing credit with the district, residence and proof of prompt payment of rent for that period of time is a satisfactory equivalent.

#### 2.6-4(G) **Contact Information**

For questions or assistance regarding your water bill, the district's customer service staff can be reached at (619) 443-3805. Customers may also visit the district's customer service desk in person, Monday through Friday, from 8:00 a.m. to 5 p.m., except on district holidays.

## **SECTION 2.7 METER FAILURE – BILL ADJUSTMENT**

### **2.7-1 POLICY**

All customers shall be accurately billed based upon meter readings for each account. If a meter becomes inoperative or inaccurate, a bill should be rendered which is fair to the customer and to the District, as determined by the District.

### **2.7-2 RELATED PROCEDURES**

See Section 2.13 – District Fees and Charge

### **2.7-3 PROCEDURE**

- (A) If a meter fails, an estimated bill shall be rendered. In estimating a bill, the usage from the same period one year earlier shall be used. Other factors which have an effect on water use such as changes in land use, dwelling units, number of occupants, climatic conditions, and usage for the period immediately preceding may be considered.
- (B) A customer may request that a meter be tested for accuracy. A deposit shall be placed with the District to cover the cost of the test. The amount of the deposit shall be in accordance with Section 2.13-5(B). The General Manager may waive the testing charge for the first test.

## **SECTION 2.8 FIRE SPRINKLER SYSTEM LATERAL**

### **2.8-1 POLICY**

Water for fire protection systems shall be furnished to the property by facilities which are separate from the domestic service.

### **2.8-2 RELATED PROCEDURES**

The following sections are related to this procedure and should be reviewed for additional information:

Section 2.11-3(D) & 2.13, District Fees and Charges  
Section 4.1, Land Development  
Section 4.6, Fire Protection Policy  
Section 5.3, Cross Connection Control

### **2.8-3 DEFINITIONS**

Fire Sprinkler Lateral: A separate lateral, sized for fire flows shall be directly connected to the District's distribution system. The fire sprinkler lateral shall include the connection to the District's main, a gate valve at the main and a lateral pipeline terminating at the property line at such other point designated by the District. In an easement the lateral shall consist of a valve only. The termination point is also the point at which the District's maintenance responsibility ends. The remaining portion of the fire protection system shall be maintained and operated by the property owner.

### **2.8-4 PROCEDURES**

#### **A. General**

1. Fire sprinkler laterals shall supply water to fire protection systems only and no other use shall be permitted from such facilities. A fire sprinkler lateral will not be permitted on premises not served by a standard water meter.



2. Unauthorized use a fire sprinkler lateral shall be grounds for discontinue of service.
3. The District shall have no responsibility for the proper functioning of the fire service system nor for the availability of water from its mains for fire protection in the event of emergency.

#### B. Application and Estimate

1. The developer may request in writing or in person that the District prepare a preliminary cost estimate for installation of a fire sprinkler lateral. A fee for the preparation of the estimate will be charged, per Section 2.11-3(D), District Fees and Charges. A map showing the parcel to be served, the location of the proposed fire sprinkler lateral, the size of the lateral, and the approximate distances to adjacent streets should accompany the request.
2. A water main estimate for private land developments which includes the installation of a fire sprinkler system will include the installation of the lateral as part of a water main extension project. No separate fee will be charged.
3. The staff will request a field estimate covering the installation of the fire sprinkler lateral which will include all labor, material, and equipment required.
4. The estimate will be transmitted in writing to the developer. The amount quoted is an estimate only and the developer shall be responsible for the actual installation cost.
5. A copy of the standard Application for fire Sprinkler System Lateral, Cross-Connection Control Guidelines, and the Procedure for Fire Sprinkler System Lateral Installation in the Lakeside Water District will be sent to the developer, along with the cost estimate. The estimate letter will also state the limits of District responsibility for the lateral (i.e. property line or such other point as designated by the District).

#### C. Installation

1. The developer will complete the application and return it with the estimated installation cost for the lateral. The Customer Service Department will process a counter work order and apply for the necessary encroachment permits. One copy of the counter work order will be given the developer. Upon receipt of the order and the permit will be sent to the Operations Center.
2. The Operations Department will advise the Customer Service Department whenever a fire sprinkler lateral is constructed with other than District forces. The Customer Service Department will prepare a counter work order so that an account can be established. The counter

work order will be issued at no charge. The Inspection Department will return the counter work order to Customer Service after later is in service for establishment of account number and billing.

3. The Application for a Fire Sprinkler System Lateral must be signed by either the Owner or the Lessee involved.
4. The Owner and/or Lessee is responsible for extending and maintaining the lateral pipeline from the termination point established by the District to the structure to be served. The sprinkler system and piping serving the structure shall be constructed to the standards of the local fire protection agency and shall include an alarm system that will sound in the event any water is delivered through the system.
5. Backflow protection will be required on fire sprinkler laterals. The District's Cross-Connection Control Coordinator must be contacted by the owner/developer to get the District's requirements in writing. The local fire agency with jurisdiction over the project may have additional requirements on a fire sprinkler system so the owner/developer needs to also contact the fire agency.
6. Construction of the fire sprinkler lateral must be installed before the private piping is extended. If the lateral is installed by a private contractor; the lateral shall not be backfilled until approved by the District's Inspection Department.
7. Only authorized District personnel shall operate the gate valve on the lateral and then only after the entire installation has been cleared by the District's Inspection Department.

#### D. Fire Sprinkler Lateral Activation

1. After the fire lateral is completed, the project work order will be returned to the Customer Service Department and Accounting Department for assignment of an account number to the lateral and final accounting of the work. Additional costs incurred above the estimated amount will be charged to the developer.
2. The Engineering Department will plot on the district's maps the location of the fire service lateral, the account number assigned the lateral, and the limits of District responsibility measured from the gate valve.
3. The District will notify the appropriate fire agency of the installation of the fire service lateral.
4. The bi-monthly billing for the detector meter will continue until the customer requests in writing that service be discontinued and is notified by the District that a request for discontinued service has been received.

## **SECTION 2.9      WORK ORDERS**

### **2.9-1      POLICY**

Work orders shall be established as herein provided to account for work performed for customers, to facilitate making and following good budgetary practices and to accomplish clear communications between the various departments.

### **2.9-2      DEFINITIONS**

Work Orders will be required for projects related to customer service which requires a minimum of engineering work prior to installation. Such projects include fire hydrants, fire hydrant head changes, fire services and lateral installations. Work Orders may also include rechecks, water quality complaint responses, broken meter lids, leaking valves, etc.

### **2.9-3              PROCEDURE**

#### **2.9-3(A)      General**

Work Orders are prepared by office personnel to communicate to the field operations personnel service and work requirements to fulfill the needs of the District and its customers.

All labor, materials and equipment may be charged to the work order. Overhead and warehousing costs may be added by the Accounting Department to all Work Order Accounts.

#### Overhead and Warehousing Charges Criteria

For the purpose of determining the total cost of the project, overhead and warehousing charges shall be added directly to the Work Order as follows:

- a.      Overhead on labor – percentage of all labor time charged to the Work Order.
- b.      Warehousing costs – percentage of all material costs charged to the Work Order.

The Accounting Department shall annually establish the appropriate percentage multiple for each of the above categories.

#### **2.9-3(B)      Work Order the following projects will be accomplished under Work Orders:**

Fire hydrant installations  
Fire hydrant head change;  
Fire hydrant modification;  
Fire sprinkler laterals;

Miscellaneous force account by Staff;  
Special projects as designated by Staff;  
Meter installations;  
Repair of damage;  
Lateral installations

All Work Orders will be performed under a deposit basis, as established by the Superintendent or General Manager.

## **SECTION 2.10      LOW WATER PRESSURE POLICY**

### **2.10-1      POLICY**

The District will attempt to provide adequate pressure at the meter of all of its consumers. Generally, minimum operating pressure at the meter of 25 psi will be maintained.

### **2.10-2      GENERAL**

There are a limited number of areas within the District where pressure lower than 25 psi may be experienced at times because of special conditions.

### **2.10-3      LOW PRESSURE AREA**

2.10-3(A)      The District will identify areas with potential operating water pressure below 25 psi and advise its customers at the time of application for a meter installation.

2.10-3(B)      Temporary meters to be located on fire hydrants within low pressure areas shall be restricted as to flow.

### **2.10-4      PRESSURE AND FLOW INVESTIGATIONS**

2.10-4(A)      When notified by any customer of a low pressure problem the district will attempt to assist the customer in ascertaining the nature of the problem and whether it exists in the customer's system or the District's system.

2.10-4(B)      Pressure and flow tests shall be conducted if required. If the problem exists in the customer's system, the customer shall be advised to consult a plumber.

2.10-4(C)      If the problem cannot be identified directly by the field staff, the Engineer will analyze the pressure and flow data, and it turn, Advise the customer of its findings.

## **SECTION 2.11 MISCELLANEOUS PROCEDURES**

### **2.11-1 POLICY**

Miscellaneous services required by the general public, which are considered beyond a normal level required by the general public, shall be subject to a service charge.

### **2.11-2 RELATED PROCEDURES**

|              |   |
|--------------|---|
| Section 1.2  | -Standard Reproduction Cost for Maps and Other Public Records |
| Section 2.13 | -District Fees and Charges                                    |
| Section 4.1  | -Land Development   |
| Section 4.2  | -Extension of Water Facilities                                |
| Section 4.4  | -Plans and Specifications-Issuance and Refund                 |

### **2.11-3 PROCEDURES**

#### **2.11-3(A) Plan Checking**

1. The District Engineer will review all proposed public improvements submitted to the District for signature. Prior to the District initializing work on the review the developer/owner will pay the required plan check fee as required in Section 2.13.
2. The plan check fee is not applicable to any improvement Plans being reviewed in connection with a water main extension project. Section 4.2 – Extension of Water Facilities, will cover those costs, public improvement projects being developed by the County shall not be subject to a plan check fee.
3. The Customer Service Department will receive improvement plans for review at the counter. If the improvement plans are not being prepared under a water main estimate, a fee for plan checking will be charged. The developer/owner will pay the appropriate fee at the Customer Service counter. A copy of the receipt will be attached to the plans when transmitted to the Engineering Department and/or placed in the Project Planning File. The Engineering Department will log the plans into the Department.
4. If work had not started on an approved plan within 2 years of the date of the District's signature, the plan shall be disposed of and any proposed work after that date shall be subject to the costs and checking process as outlined in Section 2.11-3.

#### **2.11-3(B) Right of Way Matters**

1. The staff shall review or cause to be reviewed all proposed improvements which may impact District lands or facilities.

2. The customer/owner shall pay appropriate fees when the Engineer has determined the required documentation. No right-of-way document shall be recorded until the appropriate fee had been paid.

2.11-3(C) Single Fire Hydrant Flow Tests

1. The district maintains flow data on a portion of the fire hydrants within its system. Where this data is not complete, the customer may request that the fire flow be calculated.
2. Section 4.6 – Fire Protection Policy, should be consulted for additional information. No fee will be charged for flow testing requested by public fire protection agencies.

2.11-3(D) Miscellaneous Field Estimates (3” and larger meters, meter relocations, etc.)

Periodically, the District is required to develop a field estimate of costs to install or relocate facilities to allow for proposed work. At the District’s option a fee may be charged for the estimate if not covered in other District charges. And estimate fee will not be charged to another public agency.

**SECTION 2.13 DISTRICT FEES AND CHARGES**

2.13-1 **POLICY**

The costs of the District should be borne by the water users. Normal water charges shall be the same for all users being provided similar services. Miscellaneous services provided by the District beyond a normal level shall be subject to special charges.

2.13-2 **FEES FOR CUSTOMER BILLING AND COLLECTIONS – WATER ACCOUNTS**

2.13-2(A) **Related Procedures**

See Section 2.3 – Customer Billing and Collections – Water Accounts  
See Section 2.14 – Sub-metering of Multiple Dwelling Developments

2.13-2(B) **District Water Billings including the Meter Charge and the Commodity Charge**

1. **Meter Charge**; is a standard bi-monthly charge which varies with the size of the meter. The charge is made to recover the cost of customer service, meter reading, repair and

replacement of meters, services, valves, meter boxes, etc., by meters of various sizes.

- a. All permanent meter installations shall be subject to the following base charges whether or not water is used:

| <u>Meter Size</u> | <u>Each Billing</u> | <u>CWA</u> |
|-------------------|---------------------|------------|
| 5/8"              | \$ 19.84            | \$ 8.64    |
| 3/4"              | 24.38               | 8.64       |
| 1"                | 33.39               | 13.90      |
| 1 1/2"            | 48.78               | 26.13      |
| 2"                | 86.63               | 45.28      |
| 3"                | 143.40              | 83.60      |
| 4"                | 198.38              | 142.77     |
| 6"                | 243.51              | 261.14     |

For land outside the District all water service charges shall be doubled.

- b. Billings covering a service period of one month or less shall be billed for one half the standard meter charge. Billings covering a service period of more than one month shall be billed the full standard meter charge.

2.13-2(B) (2) Commodity Charge is a unit charge for the amount of water used. This charge includes water purchases, treatment, pumping to reservoirs less than elevation 1003' mean sea level (msl), and other costs attributable directly to the amount of water used. (2x outside of District).

(a) **Commodity Charge as of 01/01/2024**

Lifeline Rate (First 12 units, excluding Commercial, Industrial and multi-family dwellings).

\$5.55

Standard Rate (Usage over 12 units).

\$5.64

(3) **Energy Charge - Special Service Areas**

Special Service Areas are service areas of the District that require pumping water above elevation 1003' msl. Energy charges may be applied on a per unit basis to service areas under this classification. The following areas are classified special service areas.

Muth Valley Service Area - Elevation 1,783' msl.

- (a) Energy Charge equals the cost to pump to elevations above 1003' msl.

2.13-2(C) **Service Charges**

|     |  |    |        |
|-----|--|----|--------|
| 1.  | Start – Up Charge  | \$ | 20.00  |
| 2.  | Charge for returned payments   |    | 25.00  |
| 3.  | Red Tags (48 Hour Notice)  |    | 20.00  |
| 4.  | Shut Off for Non-Payment   |    | 50.00  |
| 5.  | Turn On after 4:00p.m.   |    | 75.00  |
| 6.  | Charge for Special Reading   |    | 40.00  |
| 7.  | Service Call Charge  |    | 40.00  |
| 8.  | Cut Lock or Locking Tab, or Meter Valve<br>Tampering to Turn on Water Charge |    | 100.00 |
| 9.  | Meter Re-Installation  |    | 60.00  |
| 10. | Additional “hold” charge (after red tag)                                     |    | 20.00  |

2.13-2(D) **Delinquent Accounts**

Delinquent accounts shall have a late payment charge added. If not paid on or before the due date, the account becomes past due and a late payment charge of 10% of the bill will be added. In the event the late payment charge is not included with payment of the past due bill, it will be added to the following bill. If not paid with the following bill, the account will be subject to turnoff.

2.13-2(E) Accounts which have not been paid by the due date on the delinquent bill will have a “red tag” hung on or near their house and a \$20 charge will be added to the bill. The customer then has an additional 48 hours to pay their bill. If after the “red tag” has been hung and the customer requests additional time, there may be a \$20 additional “hold” charge with a maximum of a five (5) day extension granted only once per six months. Accounts which have not been paid in full by the date on the “red tag” will be shut-off for non-payment. Accounts terminated for non-payment shall have a \$50 turn-off charge added.

If the customer has not paid to have service reinstated, the meter should be checked once a week to make sure the service is still off and locked.

After three weeks, if the meter is still off and locked, with no contact from the customer, the meter should be removed and the curb stop locked. A deposit and reinstallation charge will be required before the meter can be replaced and service reestablished.

A lien will be filed for all charges which remain unpaid.

2.13-2(F) **Procedures for Collection of Final Accounts**

1. Whenever a customer closes an account, a final reading will be taken and a closing bill rendered.



2. For amounts due on closing bills beyond twenty-one (21) days, a past due notice shall be sent to the customer as a reminder of the amount past due, with an additional ten (10) days given to pay. The customer is also notified that if their account remains unpaid ten (10) days after the date of this past due notice their account may be sent to a collection agency and a secured/unsecured lien may be filed. If the customer is a tenant, the above notices will also be sent to the property owner. (See section 2.3-3(E)).
3. Unpaid balances from a customer may be added to other accounts of the same customer. Such charges shall become a part of the customer's active account and shall be subject to Section 2.13-2(E), *Accounts Terminated for Non-Payment*, if the balance remains unpaid.

### 2.13-3 **FEES FOR UNAUTHORIZED USE OF WATER**

2.13-3(A) **Related Procedures** See Section 2.2 – Unauthorized Use of Water

#### 2.13-3(B) **Usage through Locked or Turned Off Meters**

1. Any meters which are noted as locked and turned-off on District records and which show usage shall be re-locked. A second investigation shall be made within a week to verify that the meter remains locked. Meters which show usage on the second investigation will be removed and the curb stop locked. A deposit and reinstallation charge will be required before the meter can be replaced and service reestablished.
  - a. Deposit shall be twice the bimonthly water bill plus a \$60 reinstallation of meter charge.
  - b. Plus any damage to District Property.
  - c. All charges relating to termination of service should be borne by the party having had responsibility for the account. If the charges are deemed uncollectible by the District staff, the District may refuse service to the property pursuant to Water Code Section 22282.1. Charges relating to establishment of service shall be borne by the party requesting service.

### 2.13-4 **CHARGES FOR TEMPORARY METERS AND SPACERS**

#### 2.13-4(A) **Related Procedures**

See Section 2.1 – Water Availability for Building and General Construction Needs (Temporary Meters)

2.13-4(B) **Construction Meter Charge**

A deposit will be required for the use of a construction meter.

3 inch fire hydrant meter deposit = \$ 825.00  
4 inch fire hydrant meter deposit = \$ 1,100.00

The deposit may be doubled in cases where anticipated monthly expenses are greater than the standard deposit. Two times the standard commodity charge shall apply for all water used, in addition to the monthly service charge. The following items shall be deducted from the meter deposit charge when the meter is removed from service.

1. \$60.00 for cost of installation and removal of the meter, plus \$99.19 per month service charge.
2. \$25.00 for each meter relocation or service call.
3. Any unpaid water charges.
4. The cost of any repairs required or materials lost or damaged.

Per load charges - \$50.00 for a 2,000 gallon tank or less.

2.13-4(C) **Spacer for Home Construction**

1. The customer shall submit application for spacer(s) at the Administrative Office. To establish a temporary spacer account the customer shall place with the District the standard fees for each of the permanent meters to eventually be installed plus a flat rate fee for the water used during construction.
2. The flat rate fee for water used during construction is \$30.00 for the first month and \$10.00 per month thereafter.

**2.13-5 Deposit for Meter Accuracy Test**

2.13-5(A) **Related Procedures**

See Section 2.7 – Meter Failure – Bill Adjustment

2.13-5(B) **Meter Test Deposit**

1. The consumer shall place a deposit with the District to cover the cost of the test, according to the following schedule of meter size:
  - a. 1" and smaller \$60.00
  - b. 1 ½" and 2" \$90.00
  - c. 3" and larger by estimate only

2. If it is found that the meter does not register more than 3% above true registration, the deposit will be retained by the District. If the meter is found to register more than 3% above true registration another meter will be installed by the District and the deposit returned to the consumer and an adjustment of charges made.

## 2.13-6 **CHARGES FOR METER AND LATERAL INSTALLATIONS**

### 2.13-6(A) **Related Procedures**

See Section 2.8 – Fire Sprinkler System Lateral

See Section 4.6 – Fire Protection Policy

### 2.13-6(B) **Charges for Meter and Lateral**

All water service lateral and meter installations are installed by the District on a deposit basis. The deposit shall be based on an estimate of the projected cost. All deposits shall be paid prior the District performing the work. Any additional costs incurred to complete the work shall be billed to the owner, and any of the deposit funds remaining after the work is complete shall be returned to the owner.

### 2.13-6(C) **Fire Sprinkler Lateral**

Bimonthly billings will be rendered for each fire sprinkler lateral.

- a. Fire Sprinkler lateral charge – bills are rendered bimonthly (each billing is \$36.04 per fire service detector meter).

### 2.13-6(D) **Fire Hydrant Replacement Criteria**

By Estimate Only.

## 2.13-7 **CAPACITY FEES**

Capacity fees have been established by the District and are as follows:

The Storage, Transmission and Pumping Fee shall apply to each ¾” meter connection (base meter equivalent): \$4,387.

- 2.13-7 (A) Capacity fees for 5/8” and larger than ¾” will be based proportionately upon American Water Works Association rated flows. The district reserves the right to refuse service if a meter is determined to be inappropriately sized.

2.13-7 (B) As required by the San Diego County Water Authority Act, Lakeside Water District shall require each applicant for a water meter to pay the applicable Water Authority fee at the time of application.

**2.13-11 Fees for Water Availability Search**

**2.13-11(A) Related Procedures**

See Section 4.1 – Land Development

**2.13-11(B) Fees**

In order to process requests to ascertain water availability for land development, the following fee schedule shall apply:

|  |       |
|--|-------|
| Boundary Adjustments   | \$100 |
| Site developments, multi-family Availability Form and commercial building permits and conditional use permits  | \$100 |
| Major & minor subdivisions and Parcel maps   | \$100 |
| Required Agency Clearance/Commitment Form<br>Plumbing Permit (Waived if combined with a<br>New Meter Purchase) | \$100 |

These fees are nonrefundable

**2.13-12 Miscellaneous Fees**

**2.13-12(A) Related Procedures**

See Section 2.11 – Miscellaneous Procedures

**2.13-12(B) Fees**

The following fees shall be charged for the noted services:

1. Plan Check Fee  
(Curb Grade, Street Improvements) \$250
2. Water Improvements, Deposit\*  
(Water Main Extensions) \$700

\* Pertains to checking of construction drawings, title sheet, notes, plan view, and detail sheets related to the extension of water facilities; not street improvements or project grading plans, etc.

3. Quitclaim deeds
  - a. Quitclaim of blanket easement \$50 + recording fee
  - b. Quitclaim of aligned easement \$75 + recording fee
4. Permit/Document Processing Fee \$100 + recording fee
5. Quitclaim – Misc. \$150 + recording fee
6. Release of temporary connection agreement \$20 + recording fee
7. Misc. Field Estimates (1 ½ : and larger meters, fire hydrants, meter relocated, etc. \$50
8. Miscellaneous Administrative Services shall be billed at cost plus overhead.

2.13-12(C) **Waiver**

Staff may waive fees to other utilities or public agencies where such waivers are reciprocated.

2.13-12(D) **Annexation Fees**

- |             |  |                               |
|-------------|--|-------------------------------|
| 1.          | General Service Area                           | \$3,279/acre                  |
| 2.13-12 (F) | Start Up Charge – All Accounts                 | \$ 20.00                      |
| 2.13-12 (G) | Tapping/Tie-in Charges                         | \$750.00                      |
| 2.13-12 (H) | Backflow Prevention Device Test                | \$105.00                      |
| 2.13-12 (I) | Unauthorized Connection to District Facilities | \$500.00                      |
| 2.13-12 (J) | Lien Release Fee                               | \$ 60.00                      |
| 2.13-12 (K) | Replacement of Damaged Meter Stop Valves       | \$500.00                      |
| 2.13-12 (L) | Fire Flow Analysis                             | \$125.00                      |
| 2.13-12 (M) | Collection Agency Fee                          | *35% of the Past Due Balance* |

## **SECTION 2.14 SUB-METERING OF MULTI-FAMILY DEVELOPMENTS**

### **2.14-1 Policy**

The District allows owners of multi-family developments authorization to sub-meter their facilities under conditions established by the District to encourage conservation while ensuring fair treatment of consumers. For new multi-family developments, the District may require sub-metering of their facilities on a case by case basis or as required by law. The General Manager or his/her designee may waive this requirement at their discretion. A written request shall be submitted for consideration of waiver.

### **2.14-2 Related Procedures**

See Section 2.12, District Fees and Charges

### **2.13-3 Definitions**

**Sub-metering** is defined as metering of water to an individual unit that has first been master metered by the District.

**Master Meter** is defined as the water meter, maintained by the District, serving the property.

**Owner** is defined as the owner of a development and/or property.

**Tenant** is defined as the occupant receiving sub-metered service.

**Multi-Family Development** is defined as a land or building development wherein more than one residential unit is included in a structure or group of structures. It includes mobile home parks, condominiums, and apartments; excludes second-family units.

### **2.14-4 PROCEDURES**

If sub-metering is required by the District or requested by the owner, the owner of a multi-family development shall install sub-metering for each unit, under the following conditions:

- (a) Sub-metered accounts billed by the owner shall not exceed the current District commodity rate and base charge as specified in Section 2.12, for the same period. In addition, the total volume of water billed shall not exceed the amount of water on the master meter.
- (b) The owner may be required to provide records substantiating compliance with billing criteria, if requested by District.
- (c) The water system on the private property side of the master meter, including the sub-meters, shall be solely the responsibility of the owner.
- (d) A reasonable cost for administration of sub-meters may be billed to the sub-meter account by the owner. The owner shall clearly delineate on the bill that any cost associated

with the sub-meters is a cost imposed by the property owner and not by Lakeside Water District.

(e) A District furnished application for the use or implementation of sub-meters for distribution of water for multi-family developments shall be submitted by the owner.

(f) The owner shall comply with all state (including California Code of Regulations; Title 4, business Regulations; Division 9, Measurement Standards; chapter 5, billing for Utility Services; Section

(g) The sub-metering accuracy of reading sub-meters, or accuracy of billing and collection is not the responsibility of the District. The sub-metering and sub-billing of water does not relieve or shift the responsibility of the owner from paying the District all fees, charges, and bills associated with water service.

(h) The District may coordinate the inspection of the installation with the owner prior to the connection of the sub-meters to the master meter.

## **SECTION 2.15 METERS AND LATERALS**

### **2.15-1 Policy**

A work order shall be established to account for work performed in the installation of meters and laterals, to facilitate making and following good budgetary practices and to accomplish clear communications between various departments.

### **2.15-2 Related Procedures**

See Section 2.13 – District Fees and Charges

### **2.15-3 Definitions**

A water lateral shall include the pipe from the District's water main to the proposed meter location, a meter, a meter box, an angle meter stop valve for District use only, and a customer ball valve. The District retains ownership of and responsibility for the assembly. The consumer shall be responsible for all piping on the private plumbing side of the meter, to and including the connection to the valve on the consumer's side of the meter. The Uniform Plumbing Code requires a shut off valve on the consumer's plumbing system. The District's customer valve is included as a convenience to the customer. Under no circumstances shall the customer operate the District's meter stop valve.

### **2.15-4 Procedures**

When applying for a meter and lateral installation, the applicant shall;

- A. Furnish legal description (Assessor's Parcel Number) of the property upon which water is to be used and designate the location at which he wishes the

meter placed. The applicant shall advise the District if any street improvement plans are filed.

- A. Pay the deposit for installation, the encroachment permit where required, all connection fees and any other charges due and payable to the District for said property. The District assumes NO responsibility for the delivery of water through private pipelines or for any damage resulting from the operation of same.

#### **2.15-5 Location**

A lateral is installed at right angles to the center line of the right-of-way, clear of driveways, other water meters and other obstacles. Special requirements of agencies having jurisdiction of the roadway may require an alternate location. Meters will not be located on pipelines in easements except where no other pipeline is adjacent to the property. The meter box is located as follows:

- A. Where a concrete or asphalt curb exists, the meter box is located back of the curb.
- B. Where there are no curbs, the location of the box shall be as approved by the staff in a location readily accessible to the District.

#### **2.15-6 METER SIZE CHANGE OR RELOCATION**

##### **2.15-6(A) Increase**

A meter may be increased in size upon payment, if required, of the standard installation charges plus service charges, plus the difference between the capacity fee of the smaller and larger meters.

##### **2.15-6(B) Reduction**

A meter may be reduced in size if appropriate. Where a new lateral is required, the total cost of the new service will be charged. No refund will be allowed for a reduction in meter size or a surrender of service.

##### **2.15-6(C) Relocation**

A meter may be relocated upon payment of the deposit for a new lateral plus a service charge.

Any connection fees for the main to which the meter is to be moved shall be paid prior to the installation of the new lateral.

The District reserves the right to reduce the meter and lateral size in the event a relocation will result in excessive demands on the system.



**2.15-7 Separate Meter for each Ownership**

Not more than one ownership shall be supplied through one meter. Delivery of District water by one owner to another owner in violation of this rule, shall terminate the right to the meter and, after notice, service may be discontinued until the violation is corrected. In the event of division of a parcel that currently has two or more occupancies in one ownership being supplied through one meter, separate meters must be installed for each ownership.

Properties with two or more residences or commercial or industrial establishments which could be divided and sold to separate ownerships shall use a number of meters equal to the number of potential ultimate ownerships.

**2.15-8 District’s Right of Inspection and Access**

Authorized District personnel shall have unrestricted access at reasonable hours to all premises supplied by the District to inspect the supply, meters, or other measuring apparatus and to see that rules and regulations of the District are being observed.

**2.15-9 Meter Size**

The District reserves the right to regulate size, type and location of each meter and lateral.

The following are suggested general guidelines for Apartments, Condominiums, Single Family homes, etc.

| <u>Multiple Dwelling</u> | <u>Size</u>         |
|--------------------------|---------------------|
| <u>Units</u>             |                     |
| 2 to 3                   | ¾"                  |
| 4 to 12                  | 1"                  |
| 13 to 25                 | 1 ½"                |
| 26 to 40                 | 2"                  |
| Over 40                  | Determined by Staff |

Single Family Homes:

|                             |    |
|-----------------------------|----|
| Less than 40,000 sq. ft.    | ¾" |
| Greater than 40,000 sq. ft. | 1" |

Over 1 acre Determined by Staff

Meter size for commercial or industrial development will be determined individually.

## **SECTION 3.1 PURCHASE PROCEDURE**

### **3.1-1 Policy**

All purchases shall be made at the best possible price consistent with quality. Whenever practical, competitive prices shall be obtained. No purchase shall be made that is not authorized in the manner set forth herein.

### **3.1-2 Procedure**

#### **3.1-2(A) General**

The policies and procedures set forth in this section are intended to implement the provisions of Sections 54201-05 of the Government Code.

#### **3.1-2(B) Bond and Limited Assessment Funds**

1. Purchase of material to be furnished or used by the District in the construction of works to be paid for with the proceeds of the sale of bonds or a limited assessment shall be as provided in this subsection. Sealed bids shall be solicited by publication once a week for three weeks in a newspaper of general circulation in the County. All invitations to bid shall include detailed specifications or indicate where they can be obtained, shall specify the time and place where bids will be opened and the time after opening within which an award will be made or all bids rejected.
2. Bids shall be publicly opened at the time and place specified. After the bids are checked for accuracy, they shall be presented to the Board of Directors. Acceptance of any bid shall be by action of the Board.
3. A bidder shall not be relieved of his bid unless by consent of the Board of Directors upon a showing by the bidder to the satisfaction of the Board that:
  - a. a mistake was made;
  - b. the bidder gave the District written notice within five days after the opening of bids of the mistake; specifying in the notice in detail how the mistake occurred.
  - c. the mistake made the bid materially different than the bidder intended it to be; and
  - d. the mistake was made in filling out the bid and not due to error in judgment or carelessness in inspecting the site of the work or in reading the plans or specifications. A bidder who claims a mistake shall be prohibited from participating in further bidding on the proposal on which the mistake was claimed.

3.1-2(C) **Other Sealed Bids**

The Board of Directors may require that purchases to be paid for from other than the proceeds of bonds and limited assessments be on the basis of sealed bids in the manner prescribed in Section 3.1-2 (B) except that newspaper publication need not be required.

3.1-2(D) **All Other Purchases**

1. **General**

- a. All other purchases shall be made by a purchasing agent designated by the General Manager.
- b. Purchases are not to be made unless sufficient funds are available to make payment promptly upon delivery.

2. **Inventory and Supplies**

- a. The designated Purchasing Agent is authorized to buy materials which are primarily stored as inventory and supplies without specific approval from the Board of Directors. Where practical, a minimum of three quotations shall be secured unless the General Manager had approved the material a "standardized item," such as meters. There shall be regular review of all stock in order to eliminate obsolete material, and District shall maintain only a reasonable quantity in line with future needs. Generally, purchases shall be limited to expected requirements not exceeding one year.

Purchases for the Administrative Offices, and the Operations Center shall be initiated by the affected Department Head.

3. **Other Purchases**

- a. All purchases, other than for capital assets or for inventory and supplies, may be purchased on individual orders not to exceed \$8,000 without Board approval. Where practical, three quotations shall be secured on all purchases unless the price is controlled by an official rate-making body such as telephone, gas or electric service. Expenditures over \$8,000 must be approved by the Board of Directors unless purchased under a contract previously approved by the Board of Directors.
- b. A purchase order must indicate name of vendor, exact description and price of each item. All requests shall be reviewed and initialed by the appropriate Department Head or designated alternate. The request will then be reviewed and signed by the numbered and prepared in triplicate. The white copy goes to the vendor, the yellow to the delivery designation, and the pink is retained by the Accounting Department.

- c. The General Manager may authorize specific employees to purchase certain items without his prior approval. Purchases of this type are limited to previously approved firms. The description, quantity, unit price and charge shall be noted on the invoice/delivery ticket.

#### 4. **Petty Cash**

Occasionally, purchases will be required from vendors that require cash payment. Such purchases may be authorized from petty cash funds. Authorization must be secured from the General Manager, or his designee. A designee shall be limited to approving purchases not to exceed \$300, if petty cash funds are available.

### **SECTION 3.2 DISTRICT BIDDING PROCEDURES**

#### 3.2-1 **Policy**

Contracts for the construction of District projects shall be awarded as required by law and in a manner most beneficial to the District.

#### 3.2-2 **Contract Work – Force Account Work**

3.2-2(A) All District construction and capital improvement work, unless performed by force account, shall be led by competitive bidding in accordance herewith unless specifically exempted by the Board of Directors.

3.2-2(B) Force account work shall mean work performed by District personnel. It will include, but not limited to, the following: emergency repairs, normal operations and maintenance work; additions or modifications to the system performed in connection with private land development or other public agency work; installation of laterals and/or meters and other work of capital improvements when authorized by the Board.

#### 3.2-3 **Procedure**

##### 3.2-3(A) **Call for Bids**

1. Any contract of the District work to be paid for with the proceeds of the sale of bonds or a limited assessment, or any other contract shall be let by competitive bidding unless considered impractical by the District Engineer.
2. If competitive bidding is considered impractical, it shall be let in such a manner as the Board of Directors may determine is in the best interest of the District.

3. After preparation of plans and specifications, the Board of Directors shall call for sealed bids on work to be paid from bond or assessment proceeds (See Water Code 22302). A notice inviting bids shall be published in at least three internet plan rooms, commonly used in the industry and shall also be sent to such interested persons as may be determined by the General Manager. For any other District work, the same posting shall apply.

### 3.2-3(B) **Form of Call for Bids**

The invitation for bids shall contain:

1. A statement that the plans and specifications of the works to be constructed may be seen at the District office.
2. A particular description of the portion of the works advertised if less than the whole works are advertised
3. A statement that the Board will receive sealed bids for the construction of the works advertised or any portion of them designated by the Board,
4. A statement that the contract or contracts for the works advertised will be awarded to the lowest responsible bidder or bidders, but that any or all bids may be rejected,
5. A statement of the time and place for opening the bids,
6. A statement indicating that copies of the prevailing wage rates are on file at the District's Office and are available for review,
7. Such other information as may be required by the Board.

### 3.2-3(C) **Submission of Bids**

1. Bids shall be submitted on forms supplied by the District, and each bid shall be accompanied by required supplemental information and a certified or cashier's check or a bid bond in an amount equal to 10 percent of the total bid price payable to the Lakeside Water District.
2. If the contractor's proposal is accepted, the contractor shall execute the contract within the time provided in the contract documents and furnish the necessary certificates of insurance and bonds required by the contract documents.

3.2-3(D) **Opening of Bids**

1. Bids shall be publicly opened at the time and place specified. After the bids are checked for accuracy, they shall be presented to the Board of Directors.
2. Acceptance of any bid shall be by action of the Board which reserves the right to reject all bids or to make such award as it deems to be in the best interest of the District.

3.2-3(E) **Relief of Bidders**

As provided in Government Code Sections 4200 et seq., a bidder shall not be relieved of his bid unless by consent of the Board of Directors nor shall any change be made in his bid because he has given the District written notice within five days after the opening of his bid of the mistake, specifying in the notice in detail how the mistake occurred. A bidder who claims a mistake or who forfeits his bid security shall be prohibited from participating in further bidding on the project on which the mistake was claimed or security forfeited.

3.2-3(F) **Performance and Payment Bonds**

Any bidder to whom a contract is awarded must supply to the District a faithful performance bond in an amount equal to the total contract price, and for any contract in excess of \$25,000 a Laborer and Materialman's Payment bond meeting the requirements of Sections 3247-3252 of the Civil Code of the State of California.

## 4.1 **LAND DEVELOPMENT**

### 4.1-1 **Policy**

Development of land within the District shall occur after landowners have compiled with all applicable rules, regulations, ordinances and other requirements of the County (and any other legally required governmental entity) within which the land is situated. The district will aid landowners and pertinent public authorities in ascertaining the nature and extent of water availability for any parcel of land within the District.

### 4.1-2 **Related Procedures**

The following sections are related to this procedure and should be reviewed for additional information.

Section 2.8 Fire Sprinkler Systems Laterals  
Section 2.13 District Fees and Charges  
Section 4.2 Extension of Water Facilities  
Section 4.3 District Cost Reimbursement Policy

### 4.1-3 **Fees**

Additional charges will be made against land development projects that involve the extension of water facilities. Section 4.2 "Extension of Water Facilities" should be consulted.

### 4.1-4 **Procedures**

#### A. Request for Information and Conditions for Water Service

Upon receipt of a request for information about the availability of water to serve a parcel of land, the District will process such request after being paid the applicable fee. The request may come from the owner/developer, a public agency or other interested person. The District shall be furnished necessary information such as a map showing the parcel, the assessor's number and the owner's name.

#### B. Responses to Requests

1. The District will review requests and make appropriate Responses thereto.
2. County of San Diego- This request will require the District to indicate that it has water available to serve to proposed development. The parcel proposed for development and its relation to existing water facilities will be identified to ascertain if the parcel can be served water at a minimum static pressure of 25 pound per square inch (psi).

3. Planning Department- This request will require additional Information about the requirements to provide water service: the District will identify the parcel and its relation to existing water facilities, ascertain if the parcel can be served water and if any easements, right-of-way, encroachments or other interests in land may be needed to provide water service.
4. Fire Protection - the District will contact the Lakeside Fire Protection District which provides fire protection for the parcel to review and coordinate a determination of the proper facilities needed to provide fire protection.
5. Letter Responses- The District will respond by letter to the appropriate entities with the requested information.

#### 4.1-4(C) **Required Agency Approval**

Prior to extending water service for land development and prior to Ascertaining the estimates of costs and other matters necessary for the preparation of plans and construction of new water facilities pursuant to Section 4.2 hereof, the District will require proof that the land has been approved for the contemplated development as required by the public agency which has jurisdiction thereof.

#### 4.1-4 (D) **Requirements for Land Development**

In order to fulfill the requirements of the County for land Development, it may be necessary to install or construct water facilities. If new water facilities are required, the work shall be performed in accordance with the requirements of the District. (See Section 4.2).

### **4.2 EXTENSION OF WATER FACILITIES**

#### 4.2-1 **Policy**

After approval has been given by the responsible public agency for land development, the District will construct or cause to be constructed the necessary water facilities to provide water service for the land to be developed. The cost for planning and constructing the new facilities shall be borne by the landowner or developer. Upon completion, the facilities shall be contributed to the District.

#### 4.2-2 **Related Procedures**

The following sections are related to this procedure and should be Reviewed for additional information:

|              |   |   |
|--------------|---|---|
| Section 2.8  | - | Fire Sprinkler System Lateral                           |
| Section 2.9  | - | Work Orders   |
| Section 2.13 | - | District Fees and Charges                               |
| Section 4.1  | - | Land Development  |
| Section 4.3  | - | District Cost Reimbursement Policy<br>Refund Agreements |



#### 4.2-3 **Deposits**

##### A. Deposits for Water Main Extension

The District will require advance cash deposits before performing work.

After the District determines what facilities will be necessary for the Provision of water service to land, the owner will submit plans for water main extensions to the District. A plan check fee, as determined by the General Manager will be required.

##### B. Other Cash Deposits

No initial deposit is required to process land development projects involving fire protection facilities on existing mains. However, before construction will be commenced for such facilities, a deposit will be required to cover the estimated installation costs.

#### 4.2-4 **PROCEDURE FOR WATER MAIN EXTENSIONS**

##### 4.2-4(A) **General**

Pipelines shall be installed in all dedicated streets; lots Reserved for future streets and in private roads or easements where the District determines it is necessary to complete a distribution system.

##### 4.2-4(B) **Construction Drawings, Review and Approval**

- (1) Construction drawings shall be prepared by the owner/developer's registered professional civil engineer, who will obtain all field data, prepare cost estimates, develop plans to District standards and provide construction surveying when the facilities are constructed, all at the developer's expense.
- (2) The District shall review the construction drawings for Conformance to its standards. When the construction drawings are complete to the satisfaction of the Engineer, the drawings will be signed by the General Manager. Water Agency Standard Specifications for the Construction of Pipelines will be used for the design standard.

##### 4.2-4(C) **Acquisition of Right-of-Way**

- (1) While construction drawings are being prepared, the Right-of-way requirements will be determined by the District and transmitted to the developer.
- (2) The Developer shall provide the District with a legal Description and 8-1/2" X 13" plat of the necessary right-of-way to be acquired. The plat shall be reproducible transparency with District title block.

- (3) District will review and finalize the right-of-way documents and transmit the documents to the engineer and/or developer for signature. One fully executed copy shall be returned to the District. All right-of-way requirements shall be met by the owner/developer prior to construction.

#### 4.2-4(D) Required Financial Arrangements

1. Prior to issuance of the clearance for Department of Real Estate (see Section 4.1-4 (E) hereof) or commencement of construction, the owner/developer shall make financial arrangements satisfactory to the District which will insure construction of the water facilities in accordance with the approved construction drawings and at no cost to the District.

2. Cash Deposit for District Portion of Estimated cost

The owner/developer shall deposit cash equal to the estimated cost for District work and District charges set forth in letter stating conditions for water service. If final District costs are more than that estimated, the owner/developer shall be responsible to pay the difference.

3. Agreement for Improvement of Water Facilities

The owner/developer shall enter into an agreement to construct or cause to be constructed the water facilities as approved and set forth in the construction drawings. The agreement will require the owner/developer to furnish the District with a faithful performance bond in an amount equal to the water main estimate (excluding District's costs) or an instrument of credit or a cash assignment and if the project is more than \$25,000, a laborers' and materialman's bond in an amount equal to 100% of the faithful performance bond.

- A. Form of Bonds and Agreement

- (I) The District will furnish, upon request, a copy of the form of agreement and bonds which are required to be furnished and executed. The bonding company shall be authorized to do business in the State of California and have a financial standing suitable to the District.

- (ii) The bonds shall remain in effect throughout the duration of the work and the faithful performance bond shall remain in force for a period of one year after the project is accepted by the District.

- (iii) Following acceptance of the new facilities by the District, the developer may reduce the amount of the faithful performance bond for the one year guarantee period by substituting a new bond or security in an amount not less than 25% of the water main estimate.

- B. Execution by County-Joint Bonds & Agreements.

If required by the County, the agreement to construct may be executed by them and the bonds may also secure for them performance of the agreement by faithful performance and laborer and materialman bonds.

#### 4. Other Financial Arrangements

If the owner/developer chooses, a request may be made for different financial arrangements. Such arrangements may be made on a case-by-case basis, but each arrangement must insure to the District's satisfaction that the work will be completed at no cost to the District. Ordinarily, cash or cash assignments will be acceptable.

#### 4.2-4(E) **File Numbers, Encroachment Permits and Environmental Requirements.**

1. After financial arrangements have been completed, a Work Order number will be assigned the project. The owner will secure necessary encroachment permit(s) and provide a project information card for the Inspection Department. The District will complete the Necessary environmental evaluation forms.
2. After the Agreement has been completed, an encroachment permit (s) obtained and the environmental requirements completed, the project can be released for construction. The following will be provided to the Operations Center for construction.
  - a. Seven sets of the construction drawings;
  - b. One copy of the work order card;
  - c. Two copies of the encroachment permit;
  - d. Project information card for the Inspection Department.

#### 4.2-4 (F) **Construction, Inspection and Testing**

District representatives shall have access to all water main extension work for detailed inspection and testing. Pressure testing, compaction testing and bacteriological testing of the new facilities will be performed on all new facilities at the expense of the owner. A 3% (of project cost) inspection fee will be required.

#### 4.2-4 (G) **Notice of Completion and Acceptance of New Facilities**

The new facilities shall be considered complete after all work is performed in accordance with the approved construction drawings and District standards, including adjustment of all valve well covers flush with street pavement and water meter boxes set to finished grade. After all work is completed, the Inspection Department will notify the General Manager that the project is ready for a Notice of Completion Procedure for Fire Protection Facilities on Existing Mains

## **4.2-5 Procedure for Fire Protection Facilities on Existing Mains**

### **4.2-5 (A) General**

When installation of fire protection facilities on existing water mains are required, the work will be performed by the District. The owner/developer must follow the procedures herein and pay for all costs to the District.

### **4.2-5 (B) Determination of Fire Protection Requirements**

The District will contact the appropriate fire agency responsible for fire protection to determine the kind of fire protection facilities which will be required. Generally the requirements fall into three categories:

Installation of new fire hydrants;  
Upgrading of existing fire hydrants;  
Installation of a fire sprinkler lateral.

### **4.2-5 (C) Estimate of Cost**

When the owner/developer requests that the new facilities be installed, the District will prepare an estimate of probable cost and inform the owner/developer of the amount.

The owner/developer shall deposit with the District the amount of the estimated cost of required work.

### **4.2-5 (D) Acquisition of Right-of-Way**

1. The owner/developer shall furnish easements, right-of-way or other interests in land necessary to install the facilities prior to commencement of work by the District.

The requirements of Section 4.2-4 (D) shall apply.

### **4.2-5 (E) Installation of the Facilities**

After all required charges, deposits, agreements, and rights- of-way are provided, the District will perform the work required as soon as practical.

The District will obtain necessary encroachment permits and complete the required environmental analysis.

All costs involved in installing the facilities will be charged to the work order.

### **4.3 DISTRICT COST REIMBURSEMENT POLICY-REFUND AGREEMENT.**

#### **4.3-1 Policy**

Owners/developers may be reimbursed for that portion of the installation costs which are attributable to reservoirs, pump stations and pipelines larger than 10”.

#### **4.3-2 Reimbursement Rules - Oversized Pipelines Procedures**

##### **4.3-2 (A) Oversized Pipelines**

1. The developer shall pay for the cost of all water facilities. The District may allow reimbursements to the developer for pipelines installed at the District’s direction which are sized larger than is necessary (over 10”) for the developers project, and is sized solely for future development.
2. The District may allow reimbursement to developers for future hook-ups to a developer installed pipeline in the form of a special connection fee collected by the District for those fronting on said pipeline. All reimbursement agreements shall be entered into pursuant to a written agreement approved by the Board of Directors.

#### **4.3-3 Procedures**

- 4.3-3(A) The estimated amount and terms of any District reimbursement will be proposed by staff.
- 4.3-3(B) All reimbursement agreements must be approved by the Board of Directors.

### **4.4 PLANS AND SPECIFICATIONS-ISSUANCE AND REFUND**

#### **4.4-1 Policy**

Specifications and contract documents shall be readily available to contractors, engineers, developers and suppliers to encourage the most competitive bidding possible.

#### **4.4-2 Related Procedures**

See Section 2.13-District Fees and Charges

#### **4.4-3 Procedure**

##### **4.4-3(A) General**

1. The intent of this practice is to make available to the contractors, engineers, developers and suppliers adequate materials regarding the District’s standards and needs in order that the District will realize the most responsible price for work or materials purchased.

2. Distribution of excessive copies of either plans or specifications is not in the best interest of the District and should be controlled.

#### **4.4-3(B) Standard Specifications**

Lakeside Water District uses the "Water Agency Standards" for all construction, design and installation standards. The "Standards" are located at [www.sdwas.org](http://www.sdwas.org) and available at no cost.

#### **4.4-3(C) Specific Project Contract Documents**

1. A deposit or fee may be collected for each setoff contract documents (plans and specifications) on projects.
2. Contract documents can be acquired by contractors or suppliers by contacting the Customer Service Staff, who shall be principally responsible for issuing contract documents for District construction projects.
3. All contract documents shall be numerically coded by the Customer Service Staff prior to being issued. The Customer Service Department shall keep a master list which will show the following information on each contractor or supplier acquiring contract documents.
  - a. Names and mailing addresses of the firm taking the contract documents.
  - b. The telephone number of the firm with area code;
  - c. Number of contract documents issued each firm and items issued, especially addenda;
  - d. Amount of the deposit or fee received, if any;
  - e. Date of the transaction.
2. The number of contract documents issued to a particular contractor shall be regulated as follows.
  - a. General contractor-3 copies maximum;
  - b. Subcontractors or suppliers-1 copy maximum.
  - c. Additional copies may be authorized by the Engineer or his designate and a deposit or fee established.
3. Any changes to the contract documents after the notice inviting bids has been published shall be made by addenda. All addenda shall be sent by certified mail with return receipt.
4. The designated deposit or fee if required shall be collected and a receipt issued. A copy of the receipt shall be retained in the records of the Customer Service Department.

5. For documents requiring deposit, if after ten calendar days following receipt of sealed bids, the contract documents are not returned, the deposit shall be forfeited to the District. For contractors submitting bids, the deposit for one set of contract documents shall be refunded upon the return of the remaining documents not returned with the bid. The deposits by the successful bidder and all of his subcontractors expressly listed in the bid document shall be returned automatically without return of contract documents to the District.
6. For documents requiring deposit, upon the return of the contract documents within ten days of the bid opening, a refund will be made to the contractor or supplier. All refunds shall be authorized by the Engineer or his designee.

## **4.6 FIRE PROTECTION POLICY**

### **4.6-1 Policy**

The District provides water to meet the needs of local fire agencies and its customers in order to minimize damage to life and property from fires. The District will use its best efforts to provide sufficient water to meet fire emergencies, but it does not guarantee the availability of any specific quantity of water at a particular time or the proper functioning of fire protection systems.

### **4.6-2 Related Procedures**

See Section 2-13 – District Fees and Charges

### **4.6-3 Design Criteria**

- (A) The District's existing distribution system has been generally designed to meet peak hour demands, including fire flow capabilities.
- (B) Local Fire agencies review new developments to determine fire protection requirements. New water mains will be designed as nearly as practical to accommodate the needs of the fire agencies.

### **4.6-4 Installation of New Fire Protection Facilities**

- (A) Fire Hydrants on District mains are the property of the District. However, payment for new fire hydrant installations or fire hydrant head replacements is the responsibility of the fire protection agency or property owner concerned.
- (B) Charges for the installation of new fire hydrants on existing mains shall be based on actual cost plus overhead and contingencies.

- (C) Installation of private fire protection systems via a fire sprinkler lateral shall be installed consistent with Section 2.8 – fire sprinkler system lateral.
- (D) When possible, new fire hydrants shall be placed in the ultimate location based on information provided by the agency having jurisdiction over the public right-of-way.

#### **4.6-5 Maintenance Criteria**

- 4.6-5 (A) The District will provide all labor and material for major maintenance of fire hydrants within the District to assure water tightness. This includes replacement in kind, if necessary, but does not include upgrading the type or capacity of the fire hydrant.
- 4.6-5 (B) The local fire agency will be responsible for all the minor maintenance. Minor maintenance includes replacement of hydrant caps, tightening packing, removal of weeds around hydrants and periodic painting of fire hydrants and protective posts.
- 4.6-5 (C) When a fire hydrant is damaged in a traffic accident or by vandalism, the District will repair or replace the fire hydrant as necessary at the District's expense.

#### **4.6-6 Fire Hydrant Testing**

- 4.6-6 (A) Before a fire hydrant is accepted by the District, it will be activated by District staff and a record of its location made.
- 4.6-6 (B) The District will cooperate with fire agencies in periodically flow testing all hydrants which can be safely tested without property damage or adverse effect on the District's system. Flow testing shall be done in accordance with Section 7 of the "Agreement to Provide for the installation and Repair of Fire Hydrants" between the District and the appropriate fire agency.
- 4.6-6 (C) Periodically, the Insurance Services Office (I.S.O.) will evaluate the fire protection capabilities of the fire agencies within the District. The District will cooperate in flow testing hydrants, if practical.

#### **4.6-7 Fire Hydrant Relocations**

- 4.6-7 (A) When it is necessary to relocate an existing fire hydrant due to public improvements (contracted and paid for by a public agency), the District will relocate the fire hydrant at the District's expense.



- 4.6-7 (B) When it is necessary to relocate an existing fire hydrant due to private improvements, the District will relocate the fire hydrant at the owner and/or developer's expense.
- 4.6-7 (C) When possible, fire hydrants shall be relocated to the ultimate location based on information provided by the agency having jurisdiction over the public right-of-way. The local fire agency shall make the appropriate contacts when easements are required. The District will prepare the necessary easements documents.

## **4.8 PROCEDURES IMPLEMENTING CALIFORNIA ENVIRONMENTAL QUALITY ACT**

### **4.8-1 Policy**

The District shall comply with the requirements of the California Environmental Quality Act including amendments which may be adopted from time to time.

### **4.8-2 Purpose of Procedures**

These procedures are intended to implement the purposes and provisions of the California Environmental Quality Act (hereinafter referred to as "CEQA"), as set forth in Public Resources Code Section 21,000 et seq., and the Guidelines for Implementation of the California Environmental Quality Act (hereinafter referred to as State CEQA Guidelines) developed by the Office of Planning and Research and adopted by the Secretary for Resources, as set forth in Title 14 of the California Administrative Code Section 15,000 et seq.

### **4.8-3 Short Title**

These procedures may be cited as the "District's CEQA Procedures."

### **4.8-4 Legal Authority for Procedures**

These procedures are adopted pursuant to the requirements of Section 21082 of the Public Resources Code which requires all public agencies to adopt objectives, criteria and procedures for the evaluation of projects and the preparation of environmental documentation and which requires that such objectives, criteria and procedures for the evaluation of projects and the preparation of environmental documentation and which requires that such objectives, criteria and procedures must be consistent with the provisions of CEQA and with the State CEQA Guidelines.

### **4.8-5 Prior District Guidelines**

These procedures shall replace the District's Guidelines Implementing California Environmental Quality Act (January, 1981). These procedures apply prospectively only and shall apply to steps in the CEQA process not yet undertaken on the effective date of these procedures, provided however, that any document meeting the content requirements in effect when the document was set out for public review need

not be revised to conform to any new content requirements in these procedures which take effect before the document is finally approved.

#### **4.8-6 Effective Date**

These procedures shall take effect November 29, 1983

#### **4.8-7 Incorporation of State CEQA Guidelines**

Pursuant to the authority granted by section 15022 (d) of the State CEQA Guidelines, the District adopts and incorporates by reference the State CEQA Guidelines to the extent that they are applicable to local agencies such as the District. A copy of the State CEQA Guidelines shall be maintained on file at the offices of the District with these procedures, and any future amendments to the State CEQA Guidelines shall be deemed automatically incorporated into these procedures on the 120<sup>th</sup> day after the effective date of the amendment, or on such earlier date as may be required by the amendment.

#### **4.8-8 Supplementary Procedures**

These procedures are intended to tailor the general provisions of the State CEQA Guidelines to the specific operations of the District. In the event of any irreconcilable conflict, the State CEQA Guidelines shall prevail over these procedures.

#### **4.8-9 Additional Definitions**

Article 20 (commencing with Section 15350) of the State CEQA Guidelines contains definitions of terms used throughout those guidelines, unless a term is otherwise defined in a particular section. Those definitions shall apply to these procedures, and in addition, thereto, the following definitions shall apply:

- A. "Board means the Board of Directors of the Lakeside Water District.
- B. "Decision-making body," when used in reference to the District, means, the Board.
- C. "District" means the Lakeside Water District.
- D. "Staff " means the District's General Manager or his designee.

#### **4.8-10 Delegation of Responsibilities**

A. Except as otherwise provided in these procedure, in order to expedite the operations of the District all steps and functions involved in the process of preparing environmental documents are delegated to the District's Staff who upon approval of the Board, may be assisted by private consultants and others pursuant to contracts with the District. The foregoing delegation of responsibility to Staff shall govern all projects of the District unless otherwise ordered by the Board. Staff shall advise the Board of steps being taken in the preparation of environmental documents. The Board reserves the right to overrule any decision or conclusion of the Staff, to reassign responsibilities to private consultants or a committee of the Board, or to assume such responsibilities itself.

B. The Board shall not delegate, and hereby reserve to itself the responsibility for:

1. Reviewing and approving a draft EIR before it is sent out for public review.
2. Certifying that a final EIR had been completed in compliance with CEQA and reviewing and considering the information contained in the final EIR prior to approving the project.
3. Approving a negative declaration prior to approving a project.
4. Making of findings as required by Section 15091 of the State CEQA Guidelines.
5. Making of the statement of overriding considerations as required by section 15093 of the State CEQA Guidelines.

#### **4.8-11 Lead Agency Procedures**

A. Preliminary Review. Where the district is the lead agency Staff shall act on behalf of the District in making the preliminary review described in section 15060 of the State CEQA Guidelines.

B. Notice of Exemption. If as a result of the preliminary review Staff determination that a particular activity is exempt from CEQA, Staff may prepare a Notice of Exemption substantially in the form of Appendix E to the State CEQA Guidelines, which shall be filed with the County Clerk of the County in which the project will be located after approval of the project by the Board. However, failure to comply with this section shall not affect the validity of the approval of any of the projects.

C. Initial Study. Where the District is the lead agency, Staff shall prepare an initial Study, as described in Section 15063(d) of the State CEQA Guidelines, to determine if the project may have a significant effect on the environment. However if it can be clearly determined without an initial study that an EIR will be required for the project, an initial study is not required.

D. Decision to Prepare EIR. If staff determines that an EIR is required, it shall file with the Board a copy of its initial study, or if there is no initial study, a statement of its reasons why an EIR is required. If the Board concurs with the Staff recommendation, it shall direct preparation of the EIR either by Staff or pursuant to contract with private consultants.

E. Decision to Prepare Negative Declaration. If Staff determines from the Initial Study that a negative declaration should be prepared, it shall prepare a proposed negative declaration for public review and shall fix a date for a public hearing by the Board. Staff shall give notice to the public at least 15 days prior to the adoption by the Board of the negative declaration by written notice to all organizations and individuals who have previously requested such notice, by posting a copy at the principal office of the District and by publication at least one time in a newspaper of general circulation in the area affected by the proposed project. Staff may provide additional notice by other means. The Public review period for a proposed negative declaration must be submitted to the State Clearinghouse

for review by the state agencies, in which case the public review period shall be at least 30 days. At the time and place set forth in the notice, the Board shall hold a public hearing for the purpose of receiving additional comments from members of the public and interested parties.

F. Consideration and Approval of Negative Declaration. Prior to approving the project, the Board shall consider the proposed Negative Declaration, together with any comments received during the public review and hearing process and shall approve the negative declaration if it finds on the basis of the initial study and any comments received that there is no substantial evidence that the project will have a significant effect on the environment.

G. Notice of Determination. After deciding to carry out or approve a project for which a negative declaration has been approved, Staff shall prepare a Notice of Determination substantially in the form of Appendix D to the State CEQA Guidelines, which shall be filed with the county clerk of the county in which the project shall be located and, if the project requires the discretionary approval from any state agency, with the Secretary of Resources.

H. Notice of Preparation of EIR. If it is decided that an EIR is required for a project, staff shall send by certified mail, return receipt requested, to each responsible agency a Notice of Preparation, substantially in the form of Appendix J to the State CEQA Guidelines. This notice shall also be sent to every federal agency involved in approving or funding the project and to each trustee agency responsible for natural resources affected by the project, as provided in Section 15082 of the State CEQA Guidelines. In order to expedite the process, the Staff may request one or more meetings between representatives of agencies involved, and Staff may also consult directly with any person or organization it believes will be concerned with the environmental effects of the project. (See State CEQA Guidelines, Sections 15082 (c), 15083.)

I. Notice of Completion of Draft EIR. Upon completion of the draft EIR, it shall be presented to the Board for review at a regular or special meeting. If the Board finds the draft EIR to be in order, it shall authorize staff to file with the Secretary for Resources a Notice of Completion, substantially in the form of Appendix C to the State CEQA Guidelines.

J. Public Review and Hearing on Draft EIR. The Board shall fix a time for public review of the draft EIR, which shall be not less than 30 days nor longer than 90 days from the date of the notice unless it is an unusual situation. The Board shall fix a date during the review period for a public hearing by the Board and the contents of the draft EIR. Public notice

K. Preparation of Final EIR. Following the public review period and the public hearing, and before approval of the project, the Board shall direct preparation of a final EIR which shall include matters described in Section 15132 of the State CEQA Guidelines. The Board may, but shall not be required to, provide an opportunity for review by the public of the final EIR before approving the project.

L. Certification of Final EIR. Following preparation of the proposed final EIR, it shall be presented to the Board at a regular or special meeting. If the Board finds the final EIR to be in order, it shall certify that.

1. The final EIR has been completed in compliance with CEQA; and

2. The final EIR was presented to the Board and the Board reviewed and considered the information contained in the final EIR prior to approving the project.

M. Necessity for Findings. The Board shall not approve or carry out a project for which an EIR has been completed which identifies one or more significant environmental effects of the project unless the Board makes one or more written findings described in Section 15091 of the State CEQA Guidelines, based on substantial evidence, for each of those significant effects, accompanied by a brief explanation of the rationale for each finding.

N. Approval of Project and Statement of Overriding Consideration. After considering the Final EIR, and in conjunction with the making of the foregoing findings, the Board may decide whether or how to approve or carry out a project. If the Board determines to approve a project, despite remaining significant effects on the environment found to be unavoidable, it shall state in writing the specific reasons to support this action based upon the final EIR and/or other information in the record, as required by Sections 15092 and 15093 of the State CEQA Guidelines.

O. Notice of Determination. Staff shall file a Notice of Determination, substantially in the form of Appendix D to the State CEQA Guidelines, following each project approval for which an EIR was considered, as provided in Section 15094 to the State CEQA Guidelines.

P. Filing of EIR. Staff shall file copies of the final EIR as provided in Section 15095 of the State CEQA Guidelines.

#### **4.8-12 Responsible Agency Procedures**

A. Consultation and Response. If the District is a responsible agency, staff shall respond to request for consultation by the lead agency and shall designate employees or representatives to attend meetings requested by the lead agency to discuss the scope and content of a proposed EIR. Staff shall review and comment on draft EIR's and negative declarations for projects for which the District would later be asked to approve. If there is adequate time, staff may consult with the Board regarding such comments.

B. Board Consideration of EIR or Negative Declaration. Prior to reaching a decision on the project for which the District is a responsible agency, the Board must consider the environmental effects of the project as shown in the EIR or Negative Declaration and if necessary, adopt the alternatives, mitigation measures of findings referred to in Section 15096 (g) and (h) of the State CEQA Guidelines.

C. Notice of Determination. Upon approval of the project by the Board for which the District is a responsible agency, staff shall file a Notice of Determination, substantially in the form of Appendix D to the State CEQA Guidelines, as provided in Section 15096 (l) of said Guidelines.

#### **4.8-13 Exempt Projects**

A. Categorical Exemptions. The State CEQA Guidelines in Sections 15301 through 15329 list classes of projects which have been determined not to have a significant effect on the environment and which, therefore, have been declared to be categorically exempt from the requirement for the preparation of environmental documents. These exemptions exempt the

District from the preparation of environmental documents for the projects described therein, except as provided in Section 15300.2 of the State CEQA Guidelines. The facilities of the District referred to in Class 1 and Class 2 include, but are not limited to, the District's water conveyance facilities, storage facilities, pump stations and treatment facilities. The decision as to whether or not other projects are categorically exempt, and this outside the scope of CEQA, shall be made by the District on a case-by-case basis.

**B. Ministerial Projects.** Ministerial projects, as defined in Section 15369 of the State CEQA Guidelines, are projects involving governmental decisions with little or no personal judgment by the public official as to the wisdom or manner of carrying out the project, with the public official merely applying the law to the public official merely applying the law to the facts as presented, without using any special discretion or judgment in reaching the decision. A ministerial decision involves only the use of fixed standards or objective measurements, and the public official cannot use personal, subjective judgment in deciding whether or how the project is to be carried out. The decision as to whether or not a proposed project of the District is ministerial in nature, and thus outside the scope of CEQA, shall be made by the District on a case-by-case basis.

#### **4.8-14 Forms**

The State CEQA Guidelines have as appendices the following forms:

Appendix C: Notice of Completion

Appendix D: Notice of Determination

Appendix E: Notice of Exemption

Appendix J: Notice of Preparation

To the extent practical, the District shall use such forms in providing the notices required by these procedures. However, in lieu thereof, Staff may prepare other forms for use by the District, provided they contain the information required by the State CEQA Guidelines and these procedures.

#### **4.8-15 Time Limits**

Insofar as practical, the District shall comply with the time limits set forth in Article 8, commencing with Section 15100, of the State CEQA Guidelines. However, if Board action is required, a special meeting set forth therein. Matters requiring Board action need only be considered at regular meetings of the Board schedules after any period that may be required for public notice and review. A special meeting may be called if deemed appropriate.

#### **4.8-16 Statutes of Limitation**

Inasmuch as these procedures are intended to implement CEQA and the State CEQA Guidelines, court challenges alleging failure to comply with any of these procedures shall be subject to the same limitation periods applicable to proceedings under CEQA. Any court challenge involving these procedures which is

determined not to be subject to the limitations period applicable to proceedings under CEQA shall be subject to provisions of Code of Civil Procedure Section 1094.6 which is hereby declared to be applicable under such circumstances.

## **5.1 PRESSURE PROCEDURE**

### **5.1-1 Policy**

All customers shall be notified in advance when practical when water pressure is to be increased or decreased significantly.

### **5.1-2 Procedure**

#### **A. District Increase in Water Pressure**

When it becomes necessary to increase a customer's water pressure and the District's action results in a pressure of 80 psi or more, the District shall notify the customer in writing at least 30 days in advance. Notification shall be to the mailing address of the account and the service address of the account if different than the mailing address. The customer shall be advised to consult a plumber to determine if private plumbing can withstand the higher pressure.

#### **B. Customer Requested Increase in Pressure**

If a customer requests that service be transferred to a main with higher pressure, customer shall be advised of the resulting water pressure and to consult a plumber to determine if private plumbing can withstand the higher pressure.

#### **C. Customer's Responsibility**

It shall be the customer's responsibility to furnish, install and maintain any required pressure regulators or safety devices necessary to protect the private plumbing system.

## **5.2 SHUTDOWNS – NOTIFICATIONS TO FIRE AGENCY**

### **5.2-1 Policy**

Timely notifications shall be made when practical to customers and fire agencies, prior to any planned system shutdown.

### **5.2-2 Procedure**

#### **A. General**

1. Since property or lives may be in danger due to lack of adequate water supply at fire hydrants or when a portion of the District's system is shut down for modification or repair, notification of the affected fire agency is essential.

2. When it is necessary to have customers out of service for repairs to portions of the systems, all affected customers shall be notified. Every reasonable effort shall be made to minimize the inconvenience to the District's customers.

#### B. Planned Shutdowns

1. Prior to any planned shutdown of the system, the Superintendent or his assistant shall provide for the timely notification of any customer to the best of their ability, who may be temporarily without service because of the shutdown. District personnel shall advise all affected customers of the shutdown, the approximate duration and the reason for the shutdown. A "Notice of Water Shut-Off" card will be left at the customer's home. If notification is required to a large area, notification may be by mail.
2. If any fire hydrants are out of service because of shutdown, the Superintendent or his designees shall notify the affected fire agency by telephone at the time of the shutdown. Notification of fire agencies shall include the area affected, the specific fire hydrants out of service, if known, and the estimated duration of the shutdown.
3. Prior to any planned shutdown during normal working hours the Maintenance and Distribution Department shall advise the telephone operator at the Administrative Office of the area affected, estimated duration and the reason for the shutdown.

#### C. Emergency Shutdowns

1. An emergency shutdown of a portion of the system may become necessary due to a broken main or other system problem. The Duty Manager or Business Office shall notify the affected fire agency as soon as the District becomes aware of the problem. The fire agency shall be notified of the affected areas, the fire hydrants out of service, if known, and an estimate of duration of the shutdown.
2. A record shall be made of the notification call to the fire agency. The record shall reflect the time of the call, information transmitted and the name of the person within the agency notified.
3. If an emergency shutdown is during normal working hours, the personnel at the Administrative Office shall be notified of the shutdown immediately. If the emergency is after normal working hours, the duty manager shall immediately notify the District's answering service of the problem area with an estimate of the duration of the emergency.

#### D. Restoration of Service

1. Immediately following the activation of any portion of the District's system which had been shut down for any reason, the affected fire agency shall be notified.



2. The duty man or Operation Center staff contacting the fire agency shall make a record of the notification indicating the time and person contacted.

### **5.3 CROSS-CONNECTION CONTROL**

#### **5.3-1 Policy**

Lakeside Water District recognizes its responsibility for preventing water from unapproved sources, or any substances, from entering the public potable water system, and shall provide a continuing program of cross-connection control which will systematically and effectively prevent the contamination or pollution of its water system and be consistent with the Public Health Requirements (see California Administrative Code, Title 17).

#### **5.3-2 Definitions**

- A. "Cross-Connection" shall mean any unprotected connection between any part of a water system used or intended to supply water for drinking purposes and any source or system containing water or substance that is not or cannot be approved as safe, wholesome, and potable for human consumption.
- B. "Backflow Prevention Device" shall mean an effective device, approved by Lakeside Water District, used to prevent water, or other liquid material, flowing from the consumer's property from entering the potable water system.

#### **5.3-3 Cross Connection Control**

- A. Lakeside Water District customers that have a potential or existing cross-connection hazard on their property, or an auxiliary water source, such as a well, where cross-connections are known to exist which cannot be presently eliminated, must install an approved backflow prevention device above ground level on the property side of, and adjacent to, the water meter.
- B. The degree of protection from an actual or potential cross-connection and type of backflow prevention device required to be installed shall be determined by the District.
- C. Depending on the degree of hazard, the following are the types of protection that could be required:
  1. Physical separation (air gap)
  2. Reduced pressure principal assembly.
  3. Double Check Valve Assembly.
- D. All new backflow protection devices shall be tested within 60 days after installation. The consumer is responsible to have the device tested annually. The district will notify the customer annually by mail that the test is due. If the customer does not submit the required test certification by the due date identified in the annual "notification to test" letter, the district will test the device and charge the customer for the test. (see section 2.13-12 (L)).
- E. All testing of devices shall be by test that meets the certification requirements of the Southern California Foundation for Cross-Connection

Control, American Water Works Association, or any other agency such as the County of San Diego or State of California with a certification process approved by Lakeside Water District.

F. Installation, maintenance and repair of backflow devices and appurtenances are the responsibility of the consumer. Copies of maintenance and repair reports shall be forwarded to Lakeside Water District.

#### **5.3-4 Investigation Procedure**

##### **A. Inspection of Consumer's Premises**

The owner of property serviced by the Lakeside Water District shall permit detailed inspection of their premises by Lakeside Water District and County and State Health Department personnel to determine if potential or actual hazards to the public water supply are present.

##### **B. Written Report and Recommendation**

A written report of the inspection shall be made by the Lakeside Water District or the Department of Health Service of the County or State and a copy will be given to the consumer. The report shall evaluate existing or potential hazards to the public water supply. Requirements may include meter protection. The consumer will have 30 days to six months (depending on the degree of hazard), as determined by the district, to comply with the requirements specified in the report.

##### **C. Re-inspection for Compliance**

At the end of the period allowed for compliance, the District shall re-inspect the consumer's premises to verify compliance. If a consumer has been found in noncompliance with the requirements specified, delivery of water to the consumer shall be discontinued.

##### **D. Discontinuation of Service**

Delivery of water shall be discontinued if District or county Health Department personnel determines that:

1. The District's water system is being polluted or is in immediate danger of contamination from a cross-connection.
2. A backflow prevention device has not been installed after due notice had been given.
3. A defect found in backflow prevention device has not been corrected after due notice has been given to make repairs.

Service will not be restored until the backflow prevention device has been installed or repaired at the consumer's expense and is in good working order, or the cross-connection is abated to the satisfaction of the District. Any such turnoff shall require the District standard fee to reinstate service. (See Section 2.13).

## **7.3 USE OF DISTRICT RESOURCES FOR EMERGENCY OR ROUTINE USE BY PUBLIC AGENCIES OTHER THAN THE DISTRICT**

### **7.3-1 Policy**

Cooperative assistance among public agencies in time of major disaster or emergency is essential to maintain the highest level of service to the public. The District will within its capabilities assist other public agencies in time of major disaster or emergencies.

### **7.3-2 Definition**

- A. Public Agency(s) (Political Subdivisions) – includes any city, city and county, county, district or other local governmental agency authorized by law.
- B. Local Emergency – means the existence of conditions of major disaster or of extreme peril to the safety of persons and property within the territorial limits of a political subdivision of the State Government caused by such conditions as fire, flood, earthquake, facilities failure, riot or civil disobedience, which conditions are likely to be beyond the capabilities of that public agency and require the combined forces of other public agencies to combat.
- C. Mutual Assistance Agreement – means a written agreement between another public agency(s) and the Lakeside Water District either individual or blanket, which relates to the cooperative assistance of one public agency(s) by the other during the period of a local emergency.
- D. Shared Resources – an agreement adopted by the Board of Directors of local water agencies intended to share designated services and resources which each has available to complete routine business and to assist in the event of emergencies.

### **7.3-3 Procedure**

#### **A. General**

- 1. When requested by other public agencies, the District will make its excess resources available to assist in the response to a major disaster or emergency.
- 2. The District will not commit resources to another agency if such action unduly depletes the District's ability to operate or meet its own emergencies.

#### **7.3-3 (B) Authorization to Commit District Resources to Emergency Use by Other Public Agencies**

- 1. The Board of Directors authorizes the General Manager to act regarding the commitment of excess District resources for emergency use by other public agencies.
- 2. The General Manager is authorized to approve the use of District resources for emergency use only within San Diego County. Requests for use of District

resources outside San Diego County may only be given when the General Manager has received verbal approval from the President of the District or his alternate.

3. At the next regular Board meeting following authorization for emergency use of District resources by other public agencies the General Manager will report the matter to the Board.
4. When any District employee receives a request for use of District resources (i.e. personnel, material and/or equipment) it shall immediately be referred to the General Manager for his authorization. If the General Manager cannot be reached, the request shall be referred to the Superintendent, the President of the District may approve the use of District resources for emergency use by other public agencies.

**7.3-3 (C) Guidelines Pertaining to Commitment of District Resources**

1. It is not the intent of the District to make a profit on the use of District resources for emergency use by other public agencies. It is the District position that any costs the District reimbursable by the borrower.
2. Generally, no District construction equipment shall be authorized for use by another agency without District operator.
3. The conditions under which reimbursement for the use of resources is made to the District may be as established by mutual assistance agreements.
4. Where a valid mutual assistance agreement is not in effect between the District and the borrowing agency, the following guidelines may prevail regarding reimbursement for use of District resources by the borrowing agency.
  - a. Personnel – Direct labor costs including the District’s normal overhead allowances may be billed to the borrowing agency. Overtime allowances shall be considered as direct labor costs.
  - b. Equipment – Use of District equipment shall be at the District’s current equipment rate and subject to the following conditions.
    - i. Major equipment items shall only be loaned with a District operator who shall be the only operator of the subject equipment.
    - ii. The District’s equipment shall be returned with 24 hour notice.
    - iii. The borrowing agency shall supply all required fuel, lubrication and maintenance at its own cost.
  - c. Supplies – The borrower shall reimburse the District in kind or at the actual replacement cost plus the District’s normal handling charges

for use of all non-returnable supplies (i.e. chemicals, sand, gravel, etc.). Reusable items (i.e. hi-line pipe, valves, fittings, etc.) which are returned to the District in a clean, damage-free condition shall not be charged to the borrower and no rental fee will be charged. District cost related to the transportation handling and loading/unloading of equipment shall be chargeable costs to the borrowing agency.

d. Miscellaneous Items – The following general items shall also govern the reimbursement or use of District resources by other public agencies:

- i. Costs to feed and house (if necessary) District personnel assigned to work with other public agencies during an emergency shall be chargeable to the borrowing agency.
- ii. District personnel working for other public agencies in connection with an emergency shall be covered by all District benefits and insurance since they are on authorized District business.

## **8.1 EMPLOYMENT GUIDELINES AND BENEFITS**

### **8.1-1 POLICY**

8.1-1 (A) As the supplier of a vital utility service in the community, the District has obligations and responsibilities above and beyond those of most other business organizations. How well the District measures up to the expectations of the community depends on the job performance of each employee whatever his assignment may be.

(B) It is important to keep in mind that the public's opinion of the Lakeside Water District is based largely on impressions of individual employees. In many instances, a lasting impression may result from a single contact with just one employee. Thus, every employee, not only those whose regular duties bring them in contact with customers, has the opportunity and shares with his fellow employees the responsibility to contribute to the good relations the District has with the public.

(C) This section contains a statement of District objectives as well as the many benefits that are available to employees. Also, it sets forth the rules and regulations which are considered essential to the orderly conduct of the District's business. The observance of these rules will enable us to work harmoniously and with a true cooperative spirit in maintaining a high standard of efficient service to the District's customers.

## 8.1-2 HISTORY

### Brief History of the Lakeside Water District

Lakeside Irrigation District was formed in 1924 to supply water to 320 acres including what is now the central part of the town of Lakeside. Water was supplied by a well in the San Diego River bed and by the Cuyamaca Water Company. The latter connection was the source of supply for several lemon and orange groves which were a part of Lakeside Irrigation District.

In the late 1920's the city of San Diego, in a suit against the Cuyamaca Water Company, secured all rights to the San Diego River water but agreed to allow Lakeside and two mutual water companies to pump water from their wells for the lands within their boundaries. This agreement prevented them from expanding their service areas.

Until the San Diego County Water Authority was formed in 1944, Lakeside Irrigation District which was a founding member of the Authority, remained a district of 320 acres. With a firm water entitlement of imported water, Lakeside expanded rapidly.

The first large annexation came November 5, 1951, when water was delivered to Eucalyptus Hills. In 1973, Lakeside Farms Water District consolidated with Lakeside Irrigation District. The district is residential with a very small agricultural area. For that reason, in 1979 Lakeside has dropped the word "Irrigation" in its name and is now known as "Lakeside Water District".

The effect of the Great Depression of the 1930's on the District were nearly devastating, but strong leadership enabled the organization to remain solvent and continue its operations. By the early 1940's the rapid population growth in San Diego County, coupled with a series of dry years, brought water leaders to the realization that imported water would be necessary for the survival of the area. Steps had been taken earlier by the City of San Diego to acquire water rights on the Colorado River. In 1944, the San Diego County Water Authority was organized, with the Lakeside Irrigation District among its nine original members. Because of the emergency status of the water shortage and because of the importance of the area to the war effort, the Water Authority was annexed to the Metropolitan Water District of Southern California. The Navy constructed the first pipeline of the San Diego Aqueduct system to connect to MWD's Colorado River Aqueduct which had been completed in 1941. The first water from this system arrived in the Lakeside in 1947.

The District provides fully treated water to its customers through a system of transmission and distribution lines that have been expanded and kept up to date to provide service to an active thriving community. In 2006 a series of changes were implemented in the "Upper San Diego River Reorganization" to allow Lakeside Water District to rejoin the San Diego County Water Authority. Conditions to rejoin the Water Authority required Lakeside WD to consolidate with neighboring Riverview Water District and detach from its water wholesaler, the Padre Dam MWD (formerly Rio San Diego MWD). Coming full circle, we now receive water through the Water Authority, directly from the Helix Water District's, R.M. Levy Treatment and Filtration Plant. This arrangement is very advantageous to Lakeside Water District in that it is assured of a

consistent supply of high quality water. A small percentage of groundwater is also pumped, treated and delivered into the Lakeside system by Lakeside Water District.

### **8.1-3 MISSION STATEMENT**

The Lakeside Water District is committed to providing its customers with high quality water, fairly priced, and served through an efficient and reliable water system.

### **COMMITMENTS TO OUR CUSTOMERS AND COMMUNITY**

- To provide a reliable water supply through the orderly maintenance and construction of District facilities.
- To provide high quality water meeting all appropriate standards.
- To operate the District on a sound financial basis and provide service at the least cost.
- To provide service in a courteous, efficient and professional manner.
- To develop a staff of employees committed to the efficient operation of District facilities.
- To recognize our responsibility to the public and the need for a positive public image.
- To consider the environmental impact of any District action.
- To keep the community informed on issues affecting its water supply and its responsible use.

### **COMMITMENTS TO OUR EMPLOYEES:**

- To hire and promote without regard to age, sex, race religious belief, national origin, marital status or physical handicaps.
- To value the safety of all employees.
- To promote qualified personnel from within the organization whenever possible.
- To provide employment stability in a pleasant working environment.
- To foster an atmosphere of team spirit and open communication.
- To provide a compensation program that is fair and equitable.
- To take pride in our standards of excellence regarding quality and service.

#### 8.1-4 PERSONAL CONDUCT – RULES AND GUIDELINES

- A. The success of any organization depends on the employee – how he conducts himself, how well he knows and does his job, and how he works with others. He should endeavor to find new and better ways to accomplish a job. He should acquaint himself with related work so that he will be able to do his work should the opportunity or the necessity present itself.
- B. It is essential that employees be punctual with respect to working hours and appointments they make with others.
- C. Personal cleanliness is the first rule governing good health and to assist the employee in this respect, the District provides adequate facilities.
- D. Desks and files of the District should not be used for any purpose other than to accommodate District materials. The District assumes no responsibility for the loss personal effects of an employee.
- E. Computers, copy machines, fax machines, telephones, and any other electronic communication devices are property of the District and tools for business communication. The District reserves the right to access electronic mail, voice mail and computer files at any time. Please refer to the Computer Use Policy in the Administrative Manual for specific guidelines.
- F. The purpose of the District's computer resources and tools are to conduct business communication and assist employees in the performance of their jobs. The District's computer, internet, and email systems shall not be used for commercial ventures, religious or political causes, outside organizations, or other non-business related matters. The computer, internet, and email systems are not to be used in a way that may be disruptive, offensive to others, or harmful to morale. For example, sexually explicit images, ethnic slurs, racial epithets, or anything else that may be construed as harassment or disparagement of others based on any classifications protected by law, may not be transmitted. See Section 8.1-5(H) for classifications protected by law.
- G. At all times, users have the responsibility to use computer resources in a professional, ethical, and lawful manner. Personal use of the computer system is a privilege that may be revoked at any time. Specific guidelines for use of District computers are in the Administrative Manual.
- I. Operations and Maintenance employees are not allowed in the business office (except to transact business involving work orders and meter books). There are no exceptions.
- J. Employees shall not use alcoholic beverages during working hours or on district property nor report for work under the influence of alcohol.
- K. Employees shall not engage in gambling, or unauthorized solicitations or schemes while in District premises or while at work.
- L. Employees are expected to take care of personal financial obligations in a responsible manner to avoid garnishments and creditors calling the work place.



- M. Employees shall not engage directly or indirectly in any other business or gainful employment on a regular basis which would interfere with their ability to perform efficiently, safely and without conflicts of interest in carrying out the requirements of employment with the District.
- N. Employees are encouraged to take part in community and professional activities insofar as such are possible without interference with normal duties. In case such outside activity may require attendance at meetings during activity may require attendance at meetings during regular working hours, the employee should obtain approval from the Manager before engaging in the activity.
- O. Employees should discourage personal telephone calls and visitors during working hours and should refrain from having their personal mail addressed in care of the District. An employee must keep the District informed of his latest address and telephone number and address and telephone number of the person to be notified in case of accident.
- P. Since the public's opinion of a public service entity such as Lakeside is largely formed from impressions created by its employees, it is important that both in personal contacts and in all daily activities each employee conduct himself in an exemplary manner.
- Q. On all occasions, employees should be courteous to the public and to other employees.
- R. Employees who call on the public and who enter upon private premises are furnished official uniforms.
- S. All tools, keys, uniforms and other property of the District must be returned to the proper department when employment terminates.
- T. Employees are cautioned against entering into disputes with the public. Allowances must be made for the public's unfamiliarity with District practices. Efforts to explain District policies should avoid argumentative statements. If criticism is justified or otherwise constructive, the District will appreciate receiving a report from the employee through his department head.
- U. If a serious objection is made by a member of the public to any work which is being undertaken, the employee should always refer the matter to his supervisor. The supervisor will then consult the General Manager and a settlement with the protesting persons will be made.
- V. Employees shall not accept gratuities or tips for service rendered a customer or prospective customer.
- W. The foregoing rules of conduct have proved, through practice and custom, the most satisfactory basis for good employee relationships and working conditions for all concerned, and full cooperation is important. An employee's effort to conform to these rules is considered when the employee is in line for a promotion or pay increase. Violation of these rules may be deemed sufficient cause for the dismissal of any employee.

## **8.1-5 EMPLOYMENT POLICIES**

### **A. Requirements**

1. All successful applicants for employment must pass a medical examination given by a doctor of the district's choice, the expense of which will be borne by the District, and a check will be made of applicant's driving and any conviction records, except that such conviction may be disregarded if it is determined that mitigating circumstances exist, or that related to the employment in question.

### **B. Probation and Layoffs**

#### **1. Probationary Employees**

Employment with the District is on a probationary basis for the first twelve months of employment and employee serves at the pleasure of the District and may be terminated with or without cause.

#### **2. Regular Employees**

A regular employee is an employee who has successfully completed the probationary period and has received a satisfactory review by his or her supervisor. A regular employee shall be subject to disciplinary action under the procedures set forth in Section 8.1-14.

#### **3. Layoff or Reduction of Force**

Notwithstanding any other provisions of these rules, nothing provided herein shall prohibit the District from discharging, suspending or transferring an employee upon a determination by the District that the needs of the district do not require continuance of the employee's position. Thirty working days before the effective day of any layoff, the General Manager notify the employee of the intended action and reasons therefore and a statement certifying whether or not the service of the employee has been satisfactory. If certified as having given satisfactory service, the name of the employee laid off shall be placed on a re-employment list, which shall be maintained for 90 days, and he or she, if qualified shall be given priority recognition for return to employment should an opening become available during that period. If an employee is laid off after five years satisfactory employment, and he or she is re-employed within 90 days of termination in the classification the employee formerly was assigned, he or she shall be re-employed as a regular employee rather than as a probationary employee. Any such employee rehired shall be eligible to use previous service in retaining vacation accrual.

### **C. Hours of Work**

#### **General**

1. Working hours and rules shall be established to provide employees with consistent standards with which to comply. District working hours shall be based upon the needs of the District. The General Manager may authorize exceptions to work hours for particular positions when improved efficiency of operations will result. An employee who, for any reasons, is not able to report to work at the scheduled time should contact the supervisor as soon as possible with an explanation of the

absence and anticipated duration. He/she shall also advise the supervisor of any changed condition in the duration of absence.

Coffee breaks are a rest between work periods and cannot be accumulated or used in conjunction with other time off.

2. Administrative Office – The hours for the Administrative Office are established at 8:00 a.m. to 5:00 p.m., Monday through Friday. A one-hour lunch period and two 15 minute break periods will be designated. Lunch and break periods will be staggered to provide efficient continuous service to the public.
3. Operations Center – the hours for the Operations Center are normally 7:00 a.m. to 4:00 p.m. with a one-hour lunch period. The designated lunch time shall be 11:00 a.m. to 12:00 p.m. Two 15-minute coffee breaks shall be allowed. If a crew is in transit near the designated times, it is permissible to stop for refreshments however congregating of District vehicles should be avoided. Employees may be assigning to a shift other than the hours above at the convenience of the District and its operation.

#### **8.1-5 (D) Uniforms**

Uniforms are made available to all District employees, except office staff. Wearing of Orange Shirts (uniforms) is mandatory for all field employees.

#### **8.1-5 (E) Employee Expenses**

In determining the eligibility of employees' expenses incurred on District business, the principle applied is that employees shall neither lose nor profit. Reasonable expenses incurred on District business shall be reimbursed but must have the prior approval of the General Manager.

#### **8.1-5 (F) Temporary Employment**

Any employee expected to work for six months or less shall be considered temporary. Temporary employees shall only be compensated at an established hourly rate. Temporary employees will not be eligible for any fringe benefits that accrue to regular employees, including vacation, sick leave or holidays.

#### **8.1-5 (G) Part-time Employment**

Part-time employees are those expected to work a regular schedule of less than 40 hours per week. Any part-time employees expected to work less than six (6) months shall be considered temporary. Part-time employees working (20) hours per week or less, shall accrue no benefits.

## 8.1-5 (H) Unlawful Harassment Policy

The District is committed to providing a work environment that is free of unlawful discrimination. In keeping with the commitment, the District strictly prohibits unlawful harassment on the basis of an employee's race, sex, religious creed, color, national origin, ancestry, age (over 40), marital status, sexual orientation, gender identification, genetic history or physical or mental disability and other bases protected by federal, state or local law, ordinance or regulation. Discrimination of anyone in or from the District, on any of these bases, is strictly prohibited.

This policy prohibits discrimination in any form, including:

- Verbal harassment such as epithets, jokes, derogatory comments or slurs based on the person's race, sex, religious creed, color, national origin, ancestry, age (over 40), marital status, sexual orientation, or physical or mental disability;
- Physical harassment such as assault, impeding or blocking movement, or any physical interference with normal work or movement when directed at an individual based on one of the categories above; and
- Visual harassment such as derogatory posters, cartoons or drawings based on one of the categories above. Also included are emails/text messages, social network sites that may be inappropriate, offensive, harassing, and/or creating a hostile work environment.

If you believe you have been or are being subjected to this kind of discrimination, and are unable to resolve (or uncomfortable attempting to address) the problem with the individual, you should promptly report it to your manager, or District. All such claims will be investigated in a manner designed to protect the privacy and confidentiality of all involved and appropriate action will be taken. When appropriate, the District may seek to resolve the matter informally. Any employee found to have discriminated against anyone in or from the District work environment, based on one of the categories above will be disciplined, from verbal reprimand to dismissal, based on the circumstances.

If you have any questions about this policy, or want more information about it, please contact the General Manager.

### 1. **Sexual Harassment**

Sexual harassment of the District employees, by any person in or from the work environment, is strictly prohibited. Sexual harassment includes, but is not limited to, unwelcome sexual advances, requests for sexual favors, or other verbal, visual, or physical conduct of a sexual nature when:

- Submission to such conduct is made either expressly or by implication a term or condition of an individual's employment;
- Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting the individual; or
- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance; creating an intimidating, hostile, threatening or

offensive working environment; or adversely affecting the employee's performance, evaluation, assigned duties, or any other condition of employment or career development.

Sexual harassment also includes any act of retaliation against an employee for reports of violation of this policy or for participating in the investigation of a sexual harassment complaint.

Other examples of sexual harassment include unwelcome sexual flirtations or propositions; verbal abuse of a sexual nature; graphic verbal comments about an individual's body; sexually degrading words used to describe an individual; and the display in the work environment of sexually suggestive objects or pictures, posters, jokes, cartoons, or calendar illustrations.

## **2. Guidelines for the Employee**

If you think you are being sexually harassed:

- Say NO! Make it clear to the offender that the behavior is unacceptable to you. The harasser may not realize the advances or behavior are offensive. Sometimes a simple confrontation will end the situation.
- Don't let confusion and self-doubt stop you from speaking out.
- Keep a record of dates, times, places, witnesses and nature of harassment. Such records will be very helpful if you find it necessary to pursue a formal grievance.
- If you feel that you have been or are being sexually harassed or are aware of or suspect the occurrence of sexual harassment, or you desire counseling on coping with sexual harassment, you should immediately contact your manager, or any other manager.
- Maintain strict confidentiality ensuring the privacy of all parties concerned.

**This procedure is your exclusive remedy for prevention and resolution of any issues of harassment at the District.**

In addition to notifying the District about harassment or retaliation complaints, affected employees may also direct their complaints to the California Department of Fair Employment and Housing ("DFEH"), which has the authority to conduct investigations of the facts. The deadline for filing complaints with the DFEH is one year from the date of the alleged unlawful conduct. If the DFEH believes that a complaint is valid and attempts to resolve the dispute fail, the DFEH may seek an administrative hearing before the California Fair Employment and Housing Commission ("FEHC") or file a lawsuit in court. Both the FEHC and the courts have the authority to award monetary and nonmonetary relief in meritorious cases. Employees can contact the nearest DFEH office or the FEHC at the locations listed in the District DFEH poster or by checking the State Government listings in the local telephone directory.

### **3. Disciplinary and/or Corrective Action**

Any employee found to have sexually harassed anyone in or from the District work environment will be disciplined, from verbal reprimand to dismissal, based on the circumstances.

#### **8.1-5 (I) Voluntary Resignation**

Any employee who is absent for three days without notifying the district is considered to have voluntarily resigned without notice as of the close of the third day.

#### **8.1-5 (J) Workplace Violence**

The safety and security of employees and customers are very important to the District. Threats, threatening behavior, acts of violence, or any related conduct which disrupts another's work performance or the District's ability to execute its daily business will not be tolerated.

Any person who makes threats, exhibits threatening behavior, or engages in violent acts on District property may be removed from the premises pending the outcome of an investigation. Threats, threatening behavior, or other acts of violence off District property, but directed at District employees, District members or the public while conducting business for the District, is a violation of this policy.

Off-site threats include but are not limited to threats made via telephone, fax, electronic or conventional mail, or any other communication medium. Violations of this policy will lead to disciplinary action that may include dismissal, arrest, and prosecution. In addition, if the source of such inappropriate behavior is a member of the public, the response may also include barring the person(s) from District property, termination of business relationships with that individual, and/or prosecution of the person(s).

Employees are responsible for notifying their Manager of any threats which they have witnessed, received, or have been told that another person has witnessed or received. Employees should also report any behavior they have witnessed which they regard as threatening or violent when that behavior is job related or might be carried out on District property or in connection with employment.

Any employee that receives a protective or restraining order that lists District premises as a protected area is required to provide the General Manager with a copy of such order.

## **8.1-6 COMPENSATION**

### **8.1-6(A) Paydays**

All employees will be paid monthly on the last working day of each month. If the last business day of the month falls on a weekend or holiday, payment will be on the preceding business day.

### **8.1-6(B) Payroll Deductions**

Payroll deductions may be authorized by an employee for several purposes, including an employees credit union, a 457 deferred compensation program, etc.

### **8.1-6(C) Classification**

The Board of Directors establishes the rate of pay for all employees. In establishing salary ranges for classifications, consideration is given to the prevailing rates for similar positions in the metropolitan area of the County of San Diego, adjusted as necessary to recognize the differences, if any, in work responsibility at the Lakeside Water District. Most employees are paid according to rate classifications established by the District. Individual job descriptions shall be maintained for each employee classification.

### **8.1-6(D) Overtime**

The General Manager is not subject to the following overtime provisions:

If, in order to complete a particular job or in an emergency, it is necessary to continue to work beyond the end of the regular shift, or to recall an employee after the regular shift, overtime will be paid for all time after the work shift. Callback overtime shall consist of a minimum of one hour paid at time and a half commencing when an employee is called to come into work until released upon end of work. In addition, double time will be provided (no compensatory time provided) for any hours worked on observed Holidays, and between 10:00 p.m. and 7:00 a.m. – seven (7) days a week. Consecutive hours worked after 7:00 a.m. shall be compensated at the rate of time and one-half. If the overtime work begins on or after 5:30 a.m. compensation for time worked between 5:30 a.m. and 7:00 a.m. shall be at the rate of time and one-half.

Additionally, any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a work week shall be compensated at the rate of no less than twice the regular rate of pay for an employee.

Except in the case of an extreme emergency, as declared in writing by the General Manager or Superintendent, no employee will work more than 16 consecutive hours. A minimum of eight consecutive hours off duty will be provided for any employee who has worked 16 consecutive hours or more, before such an employee returns to work on either a regular shift or on callback. An employee who

intends to leave work after 16 hours should notify the job supervisor at least one hour in advance, so as to allow the supervisor to obtain a replacement employee. Where overtime of more than one hour beyond the end of the regular work shift is contemplated, oral notice of such overtime will be provided at least one hour prior to the end of the shift, wherever possible, so as to notify families, change personal schedules, etc.

If an employee is called back to work and is required to work more than three hours, he will be required as a safety precaution, to be off recuperating for eight hours before returning to work. If the required time off extends into the employee's regular work shift, the employee will not be required to use personal time to meet the requirement.

If an employee is called back, and works three hours or less, he will be required to report to work at his normal starting time, unless time off is approved by the supervisor.

Individual work days prearranged (i.e. at least 2 days ahead of time) may be modified as to schedule or work hours but, if the employee is required to work over 40 hours in the week, the excess time will be calculated at an overtime rate.

Alterations in work schedules or hours that are not prearranged shall be paid at an overtime rate for hours outside the normal work schedule.

## **8.1-7 INSURANCE**

### **A. Group Health Insurance**

On the first of the month following one month employment with the District, non-temporary full-time employees are eligible to participate in a group health insurance program. Unless applied for when first eligible, evidence of insurability at employee expense will be required before being covered. The District provides this insurance at no cost to the employee for his/her dependents.

Medical insurance for the family would be continued after the death of an employee, one month for each full year of active employment, whether an employee is active or disabled at death, with a six-month minimum.

Employees and/or their dependents that would normally lose their medical or dental insurance due to changes in family or employment status may be eligible to continue in the group plan. Continuation would be for a limited period and at the employee's or dependent's cost plus an administrative fee.

### **B. Group Dental Insurance**

On the first of the month following two months of employment, non-temporary full time employees and or their dependents are eligible to participate at no cost. The coverage is provided through ACWA. Information booklets are available to all employees.



### **C. Group Life Insurance**

After two months of employment, on the first of the following month, non-temporary full time employees are eligible for life insurance coverage at no cost. This program provides life insurance at the rate of one times annual salary rounded up to the next even \$1000 with a maximum of \$50,000.

### **D. Disability Benefit Plan**

The District has both Short and Long Term Disability Plans available for full time employees upon completion of two (2) month's employment at no cost. The District's Short Term Disability Plan has a 30 day waiting period and will provide 66 2/3% of the regular monthly salary, not to exceed \$7,500 per month. Sick leave and/or vacation may be used to provide full pay during the waiting period. No sick leave or vacation time will accrue after the 30 day waiting period.

Long Term Disability Benefit provides 66 2/3% of the first \$7,500 of your monthly Pre-Disability earnings; the benefit waiting period is 180 days. No sick leave or vacation time will accrue after the 180 day waiting period.

### **E. Workers Compensation**

Any employee injured on the job will be entitled to benefits under the District's Workers Compensation Insurance coverage. It begins with the fourth (4<sup>th</sup>) calendar day off the job and continues until the employee is considered able to return to work.

### **F. Unemployment Insurance**

The District provides Unemployment Insurance. To apply for benefits or to determine eligibility, employees should contact their nearest Employment Development Department office.

### **G. Premium Refund Reward Program**

At the Discretion of the Board, premium refunds received from the District's insurance provider the Joint Powers Insurance Authority may be distributed among District personnel as determined by the Board. Refunds of premium insurance costs are only paid back to the District when there is zero or low loss claims against District.

## **8.1-8 SICK LEAVE**

### **A. Accrual**

The District provides non-temporary full-time employees with eighty (80) hours sick leave per year, with a limit of two hundred forty hours (240), which may be accrued. Absence from work due to non-work related illness or injury may be deducted from accumulated sick leave. Any accumulation of sick leave over the maximum will be paid on the basis of 50 percent of the current pay rate of the employee in January of each year. If an employee has

no sick leave or vacation credit he/she shall not receive compensation for days not worked. Sick leave may be taken in increments of one (1) hour.

**B. Conversion to Family Leave**

Available sick leave can be converted to family leave, a maximum of five days' per year due to sickness in the immediate family where the employees presence at home is required to give care to the family member (i.e. spouse; son or daughter; parents, brother, sister; in-laws, grandchildren or any person over which employee acts as legal guardian).

**C. Termination**

Upon termination of employment (either voluntary or involuntary less than 15 years' service), other than death or retirement, any accumulated sick leave will be paid on the basis of 25 percent of the current pay rate of the employee, at the time of termination. In the event of retirement or in the event of death, any accumulated sick leave will be paid for on the basis of 50 percent of the current pay rate of the employee at the time of death or retirement of employee. A minimum of 15 years' service with the District is required for a retirement payout of 50%.

**D. Short and Long Term Disability Benefit Plans**

The District has both Short and Long Term Disability Plans available for full time employees upon completion of two (2) month's employment at no cost. The District's Short Term Disability Plan has a 30 day waiting period and will provide 66 2/3% of the regular monthly salary, not to exceed \$7,500 per month. Sick leave and/or vacation may be used to provide full pay during the waiting period. No sick leave or vacation time will accrue after the 30 day waiting period.

Long Term Disability Benefit provides 66 2/3% of the first \$7,500 of your monthly Pre-Disability earnings; the benefit waiting period is 180 days. No sick leave or vacation time will accrue after the 180 day waiting period.

**8.1-9 VACATION**

**A. Accrual**

Full time non-temporary employees shall be credited vacation time after the completion of one (1) year employment. Vacation shall be earned in accordance with the following schedule.

| <u>Years of Service Completed</u>             | <u>Earned Vacation Days Per Year</u> |
|---|--------------------------------------|
| Over One (1) but less than Two (2)            | 5                                    |
| Over Two (2) but less than Five (5)           | 10                                   |
| Over Five (5) but less than Seven (7)         | 15                                   |
| Over Seven (7) but less than Nine (9)         | 16                                   |
| Over Nine (9) but less than Eleven (11)       | 17                                   |
| Over Eleven (11) but less than Thirteen (13)  | 18                                   |
| Over Thirteen (13) but less than Fifteen (15) | 19                                   |
| Over Fifteen (15) but less than Eighteen (18) | 20                                   |
| Over Eighteen (18) but less than Twenty (20)  | 21                                   |
| Over Twenty (20)                              | 22                                   |

Vacation schedules are subject to approval of the General Manager.

Vacation time is intended to provide a rest and change for the employee. For this reason, all employees are encouraged to take at least five (5) consecutive workdays vacation during each year of their employment. Vacation time cannot be accrued in excess of the amount, which could have been earned for the previous two (2) years. Vacation time will therefore not be accrued after 2 years accumulation.

Supervisors shall receive an additional five (5) days' vacation each year. Upon termination of employment accumulated vacation will be paid in full at the employee's rate of pay in effect at termination.

Vacation time shall be requested and approved in thirty (30) days advance of the requested vacation date(s). The General Manager may authorize a maximum of ten (10) days payment in one year in lieu of vacation time. Vacation time may be converted to sick leave, subject to approval by the General Manager.

## B. Holidays

The following holidays are recognized:

|                  |  |
|------------------|--|
| New Year's Day   | January 1 <sup>st</sup>                              |
| Presidents Day   | Third Monday in February                             |
| Memorial Day     | Last Monday in May                                   |
| Independence Day | July 4 <sup>th</sup>                                 |
| Labor Day        | First Monday in September                            |
| Veterans Day     | November 11 <sup>th</sup>                            |
| Thanksgiving Day | Fourth Thursday in November and the following Friday |
| Christmas        | December 25 <sup>th</sup>                            |

### Three Floating Holidays (Optional)

When one of the official holidays falls on Sunday, the Monday following will be observed as a holiday. When one of the official holidays falls on Saturday, the Friday before will be observed. All regular employees are granted the official holidays without reduction in their regular pay provided they are not off without pay on the last work day before the holiday.

### **8.1-9 (C) Compensatory Time Off**

Employees may accumulate a maximum of 40 hours of compensatory time off (CTO) for future use, above which any additional overtime will automatically be paid to the employee. Compensatory time off will accrue at the same applicable rate as overtime. All requests for CTO will be subject to supervisor approval as for any other leave requests. CTO shall be paid off at termination of employment at the employee's current rate of pay.

## **8.1-10 LEAVES OF ABSENCE**

### **A. Emergency Leave**

#### Bereavement Leave

An employee may charge absences, not in excess of three (5) days to sick leave when there is a death of an employee's immediate family member (Le. spouse, son or daughter, parents, brother, sister, grandchildren, current spouse's parent, or any person for whom the employee acts as legal guardian.) Such leave shall be subject to Social Security (FICA) withholding.

#### Business Funeral Leave

For the funeral of an individual related to the District business, the General Manager may authorize a maximum of two (2) hours off, with no reduction in pay, to the employee.

### **B. Civic or Military Duty**

Jury Duty – All employees, who receive notice of required service on a jury or notice to appear in court as a witness, will observe the following points.

Employees must notify their supervisor and the General Manager immediately.

The employee will continue to receive his/her regular District paycheck for the duration of such service.

Any employee excused for any part of a day must report back to their supervisor for the balance of the day.

The District may require the employee to request a postponement of jury duty if an absence would be detrimental to the District.

An employee shall keep his/her supervisor advised daily of their jury duty status. Upon completion of service, the employee shall again advise his supervisor and the Personnel Department.

Any compensation received by the employee from the court for jury duty, not including mileage and parking reimbursement, must be given to the District.

Military Leave - Employees who participate in military service or military reserve organization shall be eligible for such benefits as may be established by applicable State or Federal laws or regulations.

Emergency Duty - Any employee unable to attend work due to emergency duty, to which he has been ordered for necessary Civil Defense or other civic activities such as Sheriffs Reserve, etc., will not be penalized for his/her absence from work.

### **C. Medical Leave – Inactive Status**

This defines employment status during a disability resulting from illness or other physical condition. A disability includes pregnancy, miscarriage and childbirth.

The District is very concerned about the health and well-being of all its employees. This is evidenced by the many benefits provided to help an employee, including sick leave, vacation, health insurance, dental insurance, workers compensation insurance and long-term disability insurance. When an employee is off work, he or she has whatever benefits they have accrued to assist them. Additionally, Lakeside is subject to California FMLA/CRFA. As such Pregnancy Disability Leave is subject to section 8.1-10 (E), Extended Medical Leave.

### **D. Leave Without Pay**

Employees may request a leave without pay. All request must be made through the employee's supervisor and receive written approval from the General Manager. Leave without pay, to a maximum of thirty (30) calendar days, will be approved only if the absence can be afforded by the affected department. Approved leaves cannot be used in conjunction with Medical Leave-Inactive Status (see section 8.1-10 (C)). Employees on leave without pay exceeding forty (40) hours will be responsible for reimbursing the District from the first day for the cost of group insurance which continues during approved leave.

Vacation or sick leave will not accrue during leave without pay.

### **E. Extended Medical Leave**

Provisions for Extended Medical Leave Extended medical leave may be provided to a regular status employee when an employee or employee's spouse, registered domestic partner, child or parent experiences a serious illness or medical condition in which the employee is likely to exhaust his/her accrued paid time off at the time the illness or medical condition arises. Extended medical leave is a four-month period during which the employee is primarily on unpaid leave and the employee's position in his/her regular job classification is held for his/her return.

Unlike Family and Medical Leave Act/California Family Rights Act, extended medical leave is only applied when an employee is in an unpaid status.

The four-month allowance for extended medical leave is available for any qualifying medical condition, or complication related to it only once per backward rolling 12-month period. An exception is separate pregnancies that can occur more than once in a 12-month period. Each pregnancy is covered under extended medical leave.

The four-month allowance for extended medical leave can run concurrently with federal and California laws regarding family and medical leaves. However, California Pregnancy Disability Leave cannot run concurrently with the California Family Rights Act.

In accordance with California Family Rights Act (CFRA) and Family Medical Leave Act, (FMLA) employees may be eligible to take an unpaid family care leave for any of the following purposes:

- the birth or adoption of a child, or the placement of a child in foster care;
- to care for the employee's child (including adult child over 18 years of age), spouse, registered domestic partner, child of a registered domestic partner, parent, grandparent, grandchild, or sibling with a serious health condition;
- a serious personal health condition that prevents the employee from performing an essential function of his/her job; or
- military spousal, and military caregiver and exigency leave, including leave for next of kin (the district will comply with state and federal law, see administrative manual for details).

For purposes of this policy, a serious health condition is defined as an illness, injury, impairment, or physical or mental condition of the employee covered family member that involves either inpatient care or continuing treatment, including treatment for substance abuse.

Family care leave is a maximum of 12 weeks in a backward rolling 12-month period during which the employee's position is held for his/her return. For military caregiver leave (under FMLA), employees may take 26 workweeks of family care leave during a single 12-month period, which begins on the first day the employee takes leave for this reason and ends 12 months later. Family care leave (Family Medical Leave Act/California Family Rights Act) may run concurrently with the district's extended medical leave.

Employees will be required to use any accrued paid time off balances in place of unpaid leave within the approved period of family care leave, unless the leave is due to an injury or illness on the job or is not otherwise unpaid. In a situation where family care leave is running concurrently with California Pregnancy Disability Leave, the employee will have the option to use accrued paid time off. Employees are entitled to reinstatement to return to the same or comparable positions following a family care leave, except under very limited exceptions. Employee health benefits will be continued on the same cost-share basis as while working their regular schedule during a family care leave.

If the situation qualifies under the district's extended medical leave benefit, the provisions set forth in the district's extended medical leave policy would pertain. Please refer to the extended medical leave policy in the administrative manual for specific guidelines.

**Leave Associated with Pregnancy/Childbirth.** Medical conditions associated with pregnancy, miscarriage or childbirth will be treated like any medical or temporary disability under the district's regular leave and extended medical leave policies. Under the California Fair Employment and Housing Act, if an employee is disabled by pregnancy, childbirth or related medical conditions, the employee is eligible to take a Pregnancy Disability Leave of up to four months (17½ weeks). Time off needed for prenatal or postnatal care, severe morning sickness, doctor-ordered bed rest, gestational diabetes, pregnancy-induced hypertension, preeclampsia, childbirth, recovery from childbirth, post-partum depression and loss are all covered. Under the federal Family Medical Leave Act and California Family Rights Act, employees returning from medical leave associated with childbirth may also be eligible to request additional leave time.

If an employee is affected by pregnancy or related medical condition, the employee is also eligible for a reasonable accommodation and/or a transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, if this reasonable accommodation and/or transfer is medically advisable.

Employees with pregnancy-related leaves are allowed and encouraged, but not required, to use any accrued and available paid time off. Employees' health benefits will be continued during a Pregnancy Disability Leave under California law.

#### **F. Time Off to Vote**

In accordance with California State law, if your work hours do not allow sufficient time off to vote in California general, direct or presidential elections, the District will offer two (2) hours paid time off for you to vote. To receive time off for voting, you must notify your manager 10 days before the election and present a valid voters' registration card. When you return from voting, it will be necessary to present the voters' receipt to your manager. Time taken for the purposes of voting must be either at the beginning or end of the normal work day.

### **8.1-11 RETIREMENT**

#### **A. Public Employee Retirement System**

The District is a member of the Public Employees Retirement System of the State of California (PERS) and its regulations apply to all employees hired to work more than one half time for more than thirty (30) days. All employees who meet these qualifications are covered from the beginning date of their employment. For employees who were hired and began participating in PERS prior to 2013 are Classic Employees. The Public Employees' Pension Reform Act of 2013 (PEPRA), employees first hired after 2012 who are considered new members to PERS as defined in PEPRA (New Members) are required to pay one-half of the normal cost of the plan.

After five years of employment and after attaining age fifty (50) years, a Classic Employee may elect to retire from PERS and choose certain retirement benefits as established by PERS. In addition to the pension retirement benefits, there are death benefits payable to your beneficiary. New Members may retire after five years of employment and after attaining age fifty-two (52). New Members have a different benefit formula than Classic Employees. The New Member formula is 1.5% at age 65. The formula for Classic Employees is 3% at age 60.

No attempt is made here to outline all the provisions of this retirement program due to its complex nature. The terms of the plan are set forth in the plan contract, and the Government Code provisions relating to PERS, as amended by PEPRA. Should there be a conflict between those documents and this administrative code, the plan documents shall prevail. Any questions should be directed to the Personnel Department or the local PERS office for clarification.

#### **B. 457 Deferred Compensation Program**

As mentioned above, employees may participate in the District's 457 deferred compensation retirement plan (457 Plan) by having contributions deducted from their salary. In addition, for new full-time employees who are also New Members hired after January 1, 2013., the District will provide a dollar for dollar matching contribution for elective deferrals to the District's 457 Plan up to 6% of the employee's current regular wages up to the federal

Social Security Taxable Wage Base (\$113,700 for 2013) and limited by the total annual contributions (elective and matching) permitted to be made to a 457 plan under the Internal Revenue Code. This matching contribution is only for New Members that are full time employees. Classic Employees and part-time employees are not eligible for the matching contribution under the 457 Plan. This benefit may be rescinded in the future upon Board action and, as provided in PEPRRA, no employee receiving a matching contribution shall have a vested right to continued matching contributions under the 457 Plan. The terms of 457 Plan are set forth in the plan document. Should there be a conflict between that document and this administrative code, the plan document shall prevail. Any questions should be directed to the Personnel Department.

### **C. Post-Retirement Health Insurance Benefits**

The District is a member of the California Employers' Retiree Benefit Trust (CERBT) Fund with PERS. The District will fund limited reimbursement of health insurance through CERBT for employees and 1/2 of spouse benefits if employee retires with 25 or more years with the District and has reached age 60 as follows:

1. District will provide coverage for retired employee under ACWA Group insurance to age 65,
2. After the employee's 65th birthday and at the age at which employee can obtain Medicare, District will reimburse annually thru CERBT in January for the prior calendar year an amount not to exceed \$4,832 for the cost of Medicare Supplement insurance and Medicare Part D insurance.

## **8.1-12 SAFETY**

### **A. Accident Prevention**

1. The District attaches utmost importance to the prevention of accidents. Each employee is required to perform their work with due regard for their own safety, fellow employees and the general public (see Lakeside Water District Injury and Illness Prevention Program).
2. Employees should learn to recognize the hazards of the job to which they are assigned and how best to eliminate these hazards, and protect themselves and fellow workers from injury. Employees should make adequate use of protective devices and personal protective equipment furnished by the district. The safest work methods should be practiced at all times and employees are urged to report all unsafe conditions or practices to their supervisor or department head.
3. The District provides safety equipment for the employees when required for the type of work being performed. In addition, the district pays up to \$150 of the cost of safety shoes for employees in hazardous work areas.
4. The District expects that employees and supervisors will comply at all times with applicable State and Federal safety laws and regulations.



## B. District Vehicles

Employees operating District vehicles are responsible for their safe operation in accordance with the law. Traffic citations, except due to faulty equipment, are the employee's responsibility. See Section 1.4-Operation of District Vehicles, for additional information.

## C. Accident Procedure

When an employee is involved in an accident, he/she should immediately notify their supervisor, department head or the business office and should not make any statement concerning the responsibility for the accident to anyone but a District representative. Cooperation should be extended to law enforcement officers.

## 8.1-13 PERSONNEL POLICIES

### A. Problem Solving/Grievances

If an employee is dissatisfied with any aspect of their employment, he/she should review the matter with their supervisor. Most problems are resolved at this level. However, if the matter cannot be so settled, employees may discuss the problem with the General Manager.

## 8.1-14 DISCIPLINARY ACTION

### 8.1-14 A. Disciplinary Actions Subject to Notice and Hearing Procedures

The following disciplinary actions may be taken against a regular employee either by the General Manager or such management personnel as he may designate.

1. Suspension from Duty: An ordered interruption of duties for more than five days without pay.
2. Salary Reduction: A reduction in pay from the employee's current step within a pay range to any lower step within that same range, as such rate is recorded in the District's current salary schedule.
3. Demotion: A reduction from a position in one class to a position in another class having lower salary range effected for disciplinary purposes. (Demotions resulting from employee's organizational changes, or layoffs are not disciplinary).
4. Dismissal: Discharge from District service.

### 8.1-14 B. Disciplinary Actions Not Subject to Notice and Hearing Procedures.

1. Reprimand, which may be oral or in writing or both.
2. Suspension for up to five days without pay.
3. Suspension for more than five days with pay.

4. Change in working hours.

5. Reassignment not entailing a salary reduction or demotion.

#### 8.1-14 C. **Causes for Disciplinary Action**

It is intended that discipline be imposed primarily for corrective purposes and to address deficiencies in work performance. The following is a nonexclusive list of the more common reasons for disciplinary action:

1. Actions contrary to the rules of the District.
2. Inefficiency or incompetence.
3. Willful disobedience or insubordination.
4. Self-inflicted abuse of physical or mental ability to perform the job.
5. Dishonesty.
6. Consumption of alcoholic beverages while on duty or on District premises.
7. Intoxication while on duty.
8. Use of non-prescribed drugs or narcotics while on duty or on District premises.
9. Disorderly conduct while on duty or while in District uniform.
10. Discourteous treatment of the public or supervisors.
11. Conviction of a Felony.
12. Unauthorized absence from work.
13. Neglect of duty.
14. Falsification of records.
15. Failure to follow safe working practices.
16. Failure to report an injury promptly.
17. Failure to report significant unsafe working practices to supervisor.

#### 8.1-14 D. **Disciplinary Procedures for Regular Employees**

##### 1. **Purpose**

To insure that all regular employees are fairly treated when subjected to disciplinary action, this section sets forth the procedure for taking such action.

## **2. Notice of Proposed Action**

Before dismissing or otherwise disciplining a regular employee, the District shall deliver to the employee a written notice of its intention to dismiss or otherwise discipline the employee. Such notice shall be personally served on the employee or sent by registered or certified mail to the employee's place of residence as shown on the records of the District. The notice shall be served or mailed not less than seven days prior to the proposed disciplinary action and shall contain the following.

- a. The kind and effective date of the proposed disciplinary action.
- b. The specific charges upon which such an action has been proposed and the reason why such an action is being taken. Such charges shall contain any information essential to give the employee a fair opportunity to answer the charges made. Such information shall include, but is not limited to names, times, dates, places or numbers that may be pertinent to the charges made.
- c. If such charges are based upon documents or materials, the notice shall inform the employee of this fact, and shall inform the employee as to the location of such documents or materials. If available and subject to duplication, copies of such documents and materials shall be furnished to the employee with the notice.
- d. A time and date for the filing by the employee of a written response and the presentment of any oral response, which date shall not be less than seven days after the notice is served on or mailed to the employee, whichever occurs first.

## **3. Response of Employee**

The employee shall have the right to respond, either orally or in writing, or both, no later than the time and date provided in the notice to the employee. The time for response may be extended by the General Manager for a reasonable period if the General Manager determines it to be necessary to provide the employee with a fair opportunity to answer the charges made. Written Response shall be delivered to the General Manager. If the employee desires to make an oral response, the employee shall give written notice to the General Manager of this fact at least two days before the time and date stated in the notice for presentment of the oral response. Failure of the employee to give such notice shall constitute a waiver by the employee of any right to present an oral response.

## **4. Oral Response**

If the employee gives notice the oral response of the employee shall be presented to the General Manager. At the time of the employee's oral response, the employee shall have the right to be represented by counsel. The employee shall have the right to present evidence and to examine adverse witnesses. If the employee desires to have any other available employee present at the time of the oral response in order to present evidence or to examine adverse witnesses, the employee shall, at least two days before the time scheduled for the oral response, file a written request with the General Manager requesting the presence of such persons at the time scheduled for the oral response. If such persons

can be made available without unduly interfering with the operations of the District, the General Manager shall cause such persons to be present at the time of the oral response. The General Manager may continue the matter for a reasonable period until such persons can be present. The proceedings at which the oral response is presented shall be preserved in summary form, but may be recorded and transcribed in full.

#### **5. Determination by General Manager**

Upon expiration of the period of time set forth in the District's notice to the employee, or if an oral response is presented, upon completion of the response, whichever is later, the General Manager shall review the matter, including any response of the employee and his representatives and any evidence presented, and shall make a determination as to whether to discharge or otherwise discipline the employee. The General Manager shall notify the employee in writing of his determination. Such notice shall be personally served on the employee or shall be sent by registered or certified mail to the employee's place of residence as shown on the records of the District.

#### **6. Disqualification of General Manager**

If prior to the time set for consideration of the response the General Manager has become so involved in the matter as to create an actual bias against the employee which prevents the General Manager from fairly considering the response of the employee, the General Manager shall so advise thereupon appoint another person to act on behalf of an in place of the General Manager. However, mere prior knowledge of the factual background of the matter shall not, in and of itself, disqualify the General Manager.

#### **7. Appeal of Decision of General Manager**

An employee or former employee dissatisfied with the determination made by the General Manager may appeal the determination to the Review Committee, provided that a written notice of appeal is filed with the Secretary of the District no later than thirty (30) calendar days after the date of personal service or mailing of the notice of the General Manager's determination, whichever is sooner. The Review Committee shall consist of one or two members of the Board of Directors or such person or persons as may be designated by the President of the Board of Directors. If a timely appeal is filed with the Secretary of the District, the Review Committee shall schedule a hearing within thirty days of the date of filing of the notice of appeal, and the Secretary of the District shall notify the employee or former employee of the time and date fixed for hearing. At the hearing, the employee shall have the right to be represented by counsel. The employee shall have the right to present evidence or to examine adverse witnesses, the employee shall, at least two days before the scheduled hearing, file a written request with the General Manger requesting the presence of such persons at the hearing. If such persons can be made available without unduly interfering with the operations of the District, the General Manager shall cause such persons to be present at the time of the hearing. The Review Committee may continue the hearing for a reasonable period until such persons can be present. The hearing shall be recorded and transcribed in full.

## **8. Determination of Appeal**

If an appeal is taken, upon conclusion of the hearing, the Review Committee shall review the matter, including any evidence presented at the hearing, and shall make a final determination as to whether to confirm the determination of the General Manager. The Review Committee shall have the power to reinstate a discharged employee and/or to impose different discipline on the employee. If the Review Committee is unable to make a decision, the matter shall be referred to the Board of Directors for final determination, and the Board of Directors may decide the matter on the basis of the record made at the hearing or may conduct a new hearing.

## **9. Status of Employee**

During the period prior to the determination of the matter by the General Manager, the employee may be suspended from performance of his or her duties with pay or may be reassigned to other duties. If the final determination of the General Manager is to discharge the employee, the effective date of the discharge shall be the date that the notice of determination is personally served or mailed pursuant to Paragraph 5 (e) hereof.

## **10. Judicial Review**

Judicial review of any decision of the District, or of any commission, committee, board, officer, or agent thereof dismissing or otherwise disciplining an employee, which decision is subject to review under Code of Civil Procedure Section 1094.5 may be had pursuant to the code of Civil Procedure Section 1094.5 only if the petition of writ of mandate is filed within the time limit specified in Code of Civil Procedure Section 1094.5.

## **8.1-15 DISTRICT EQUIPMENT AND FACILITIES, USE OF**

### **A. District Tools**

No employee may do any personal work in the shops of the District or on District premises, or use District equipment and facilities for such work without first securing permission from the General Manager.

### **B. Bulletin Boards**

The District maintains bulletin boards in conspicuous places and encourages every employee to examine these boards frequently for newly-posted bulletins.

### **C. Computer and Tablet Use, Electronic Mail, Voice Mail, Personal Digital Assistant, and Internet Use**

The District permits employees to use various electronics communication devices such as its electronic mail system, voice mail system, district-assigned personal computers, tablets, PDAs, and the Internet subject to the following:

Users of these systems should be aware that they are tools provided by the District to facilitate its business activities. As such, they may be monitored in the course of evaluation

of the system performance, problem solving, and to maintain adequate service. In using the Internet, electronic and voice mail system, PDAs, computers, and tablets, employees understand that the content of such messages are not guaranteed privacy, and by using these systems they acknowledge and give consent to this fact.

District management reserves the right to enter an employee's district issued computer, tablet, PDAs, and E-Mail files and voice mail and tests, but will not do so unless there is a legitimate business need. System security features, including passwords and message delete functions, do not neutralize the District's ability to access any messages at any time. Employees must be aware that the possibility of such access to employees' computer and computer accounts, texts, electronic and voice mail always exists. Refer to the Computer Use Policy in the Administrative Manual for more detailed information, guidelines and prohibited uses.

## **8.1-16 EMPLOYEE INFORMATION**

### **A. Personnel Files**

1. The District maintains a file on each employee and Director. The purpose of the file is to maintain a complete work history pertinent to each employee. Examples of information which are part of the file:

- Employee evaluations
- Copies of correspondence
- Commendations/newspaper articles/photographs
- Disciplinary actions
- Social Security/PERS information
- Copies of certificates/grades, etc. from completed courses

2. An employee is entitled to review his/her individual personnel file in the presence of the General Manager, at which time the employee may request copies of individual items from the file. No items may be permanently removed from the file without the written approval of the General Manager.

3. Interview panels may make arrangements with the personnel Supervisor to review the performance evaluations of an applicant.

### **B. Administrative Manual**

There is a collection of Policies and or memorandums related to Administrative procedures that is maintained in addition to the Administrative Code. Policies and memorandums are available for employees review.

## **8.1-17 REORGANIZATION**

Periodically, the board may review the organizational structure of the district and determine that certain positions are no longer required for the efficient operation of the district, or, that certain positions should be created in order to maintain efficiency due to changing technological, economic or other conditions. Such determinations may result in loss or addition of personnel.

## **SECTION 9.1 ANNEXATION OF LAND TO THE DISTRICT**

### **9.1-1 Policy**

Land not previously included within the boundaries of the District will be considered for annexation to the District for retail water service by the Board of Directors if it is determined that there is a need for service, and that the District will not be harmed by the provision of service to the land.

### **9.1-2 Factors to be Considered**

- A. Compliance with the California Environmental Quality Act and the District's guidelines adopted pursuant thereto;
- B. The District's ability to provide service to the land requesting annexation;
- C. Compliance with the applicable sections of the California Government Code and approval by the San Diego County Local Agency Formation Commission;
- D. Inclusion within the Metropolitan Water District of Southern California, and the San Diego County Water Authority.
- E. Inclusion within the District's adopted sphere of influence boundary.

### **9.1-3 Terms and Conditions**

Prior to the annexation of any territory to the District, the Board shall fix and determine such terms and conditions, including payment fees, costs and other charges as it may deem appropriate.

### **9.1-4 Facilities Needed for Service**

All facilities and system improvements necessary to deliver water to the property will be paid for by the owner of the annexing property.

### **9.1-5 Payment of Fees for Annexation**

- A. Payment of fees will be determined based on a buy-in equity concept. Based on this concept, annexation fees of the District are determined by requiring territory being annexed to pay an amount equal to its proportionate share of the net assets

of the District, which is determined on an acreage basis. The formula for calculating the acreage charge is determined by dividing the Total Fund Balance of the District, or the Fund Equity, by the total number of acres in the General Service Area of the District. The computed theoretical interest for each acre is then multiplied by the total number of acres of parts thereof to be annexed for the total acreage annexation fee.

- B. The acreage fees may be revised annually by the Board based upon the completion of the annual audited financial statements of the District.
- C. The District will require a processing fee for administrative services including staff time, legal, engineering, and other professional services, publishing, etc. The Local Agency Formation Commission processing fee will be required in addition to the District processing fee. Extra and unforeseen costs incurred in the processing of annexations will be paid by the owners requesting annexation.
- D. The acreage fee, District processing fee and LAFCO processing fee combined equal the total annexation fee of the District. The fee is due and payable upon formal application for annexation.
- E. The fees will be established by Policy of the District.

## **SECTION 9.2 DETACHMENT OF LAND FROM THE DISTRICT**

### **9.2-1 Policy**

Land included within the boundaries of the District will be considered for detachment from the District if it is determined that the land can be more efficiently and economically served by another agency and that the District will not be negatively impacted hydraulically or economically.

### **9.2-2 Factors to be Considered**

- A. Compliance with the California Environmental Quality Act and the District's guidelines adopted pursuant thereto;
- B. Fiscal issues relative to the immediate and long term economic impact to the District;
- C. Service issues relating to storage, transmission and distribution system capacities and the impact thereto;
- D. Fire flow requirements of the Lakeside Fire Protection District and the ability of the District to provide them;
- E. Compliance with the applicable sections of the California Government Code and approval by the San Diego County Local Agency Formation Commission;



F. Approval by the Helix Water District or the Padre Dam Municipal Water District.

### **9.2-3 Procedure**

The applicant will submit a written request to the District including the assessor's parcel number(s) of the land proposed to be detached, a detailed map including topographical information, proposed development plan, required fire flows, existing boundaries and any other relevant information. The staff will study the request from the standpoint of the "Factors to be Considered" (sec. 9.2-2) and issue a report to the Board of Directors. A deposit will be required to pay the costs of the study.

### **9.2-4 Determination of the Board**

Based upon the results of the study by district staff, the Board will make a determination to approve or disapprove the request, and shall fix and determine such terms and conditions, including payment of fees, costs and other charges as it may deem appropriate.

## **10.1 WATER SHORTAGE CONTINGENCY PLAN**

### **10.1-1 DECLARATION OF NECESSITY AND INTENT**

(a) This policy establishes water management requirements necessary to conserve water, enable effective water supply planning, assure reasonable and beneficial use of water, prevent waste of water, prevent unreasonable use of water, prevent unreasonable method of use of water within the Lakeside Water District in order to assure adequate supplies of water to meet the needs of the public, and further the public health, safety, and welfare, recognizing that water is a scarce natural resource that requires careful management not only in times of drought, but at all times.

(b) This policy establishes regulations to be implemented during times of declared water shortages, or declared water shortage emergencies. It establishes six levels of demand reduction targets in compliance with CA Water Code 10632 to be implemented in times of shortage, with increasing restrictions on water use in response to worsening conditions and decreasing available supplies. The San Diego County Water Authority (CWA) is the regional supplier. Reference CWA Water Shortage Contingency Plan for analysis of supply, demand, reliability, growth, and further analysis.

(c) As per California State law and Executive Order B-37-16, and the States goal to "Make Water Conservation a California Way of Life", certain provisions of conservation are in effect at all times. Recognizing the severe effects of the 2012 to 2017 prolonged drought, the following prohibitions remain in effect during non-shortage periods.

1. No outdoor watering during a rain event or within 48 hours after measurable rainfall.
2. No watering down a sidewalk with a hose instead of using a broom or a brush except to alleviate safety or sanitary conditions.
3. No washing of automobiles with hoses not equipped with a shut-off nozzle.
4. No overwatering a landscape in a manner that causes runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures.
5. Home owners associations (HOAs) and local governments may not penalize homeowners for certain outdoor conservation practices during a declared shortage.
6. No use of a non-recirculated potable water in fountain or other decorative water feature.
7. No serving of drinking water other than upon request in eating or drinking establishments, including but not limited to restaurants, hotels, cafes, cafeterias, bars, or other public places where food or drink are served and/or purchased
8. No irrigation with potable water of ornamental turf on public street medians
9. No irrigation with portable water of landscapes outside of newly constructed homes and buildings in a manner inconsistent with regulations or other requirements established by the California Building Standards Commission and The Department of Housing and Community Development.

(d) Level 1 measures are voluntary and will be reinforced through local and regional public education and awareness measures that may be funded in part by Lakeside Water District. During Levels 2 through 6, all conservation measures and water-use restrictions are mandatory and become increasingly restrictive in order to attain escalating conservation goals.

(e) During a Level 2 condition or higher, the water conservation measures and water use restrictions established by this policy are mandatory and violations are subject to criminal, civil, and administrative penalties and remedies specified in this policy and as provided in Lakeside Water District Administrative or Municipal Code.

### **10.1-2 DEFINITIONS**

(a) The following words and phrases whenever used in this chapter shall have the meaning defined in this section:

1. "Grower" refers to those engaged in the growing or raising, in conformity with recognized practices of husbandry, for the purpose of commerce, trade, or industry, or for use by public educational or correctional institutions, of agricultural, horticultural or floricultural products, and produced: (1) for human consumption or for the market, or (2) for the feeding of fowl or livestock produced for human consumption or for the market, or (3) for the feeding of fowl or livestock for the purpose of obtaining their products for human consumption or for the market. "Grower" does not refer to customers who purchase water subject to the Metropolitan Interim Agricultural Water Program or the Water Authority Special Agricultural Rate programs.
2. "Water Authority" means the San Diego County Water Authority.
3. "Metropolitan" means the Metropolitan Water District of Southern California.
4. "Person" means any natural person, corporation, public or private entity, public or private association, public or private agency, government agency or institution, school district, college, university, or any other user of water provided by the Lakeside Water District.

### **10.1-3 APPLICATION**

(a) The provisions of this policy apply to any person in the use of any water provided by the Lakeside Water District.

(b) This policy is intended solely to further the conservation of water. It is not intended to implement any provision of federal, State, or local statutes, policy, or regulations relating to protection of water quality or control of drainage or runoff. Refer to the local jurisdiction or Regional Water Quality Control Board for information on any storm water policy and storm water management plans.

(c) Nothing in this policy is intended to affect or limit the ability of the Lakeside Water District to declare and respond to an emergency, including an emergency that affects the ability of the Lakeside Water District to supply water.

(d) The provisions of this policy do not apply to use of water from private wells or to recycled water.

(e) Nothing in this policy shall apply to use of water that is subject to a special supply program, such as the Metropolitan Interim Agricultural Water Program or the Water Authority Special Agricultural Rate programs. Violations of the conditions of special supply programs are subject to the penalties established under the applicable program. A person using water subject to a special supply program and other water provided by the Lakeside Water District is subject to this policy in the use of the other water.

#### **10.1-4 LEVEL 1 – Demand Reduction Up to 10%**

(a) A Level 1 condition applies when the Water Authority notifies its member agencies that due to supply reductions, there is a reasonable probability there will be supply shortages and that a consumer demand reduction of up to 10 percent is requested in order to ensure that sufficient supplies will be available to meet anticipated demands. The General Manager or designee shall declare the existence of Level 1 and take action to implement the Level 1 conservation practices identified in this policy.

(b) During a Level 1 condition, Lakeside Water District will increase its public education and outreach efforts to emphasize increased public awareness of the need to implement the following water conservation practices. [The same water conservation practices become mandatory if Lakeside Water District declares a Level 2 condition]:

1. Do not irrigate between 10 a.m. and 6 p.m.
2. Three (3) day a week watering is recommended if landscape is mature and healthy.
3. Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
4. Repair all water leaks within five (5) days of notification by the Lakeside Water District unless other arrangements are made with the General Manager or designee.
5. Use recycled or non-potable water for construction purposes when available.

(c) During a Level 2 condition or higher, all persons shall be required to implement the conservation practices established in a Level 1 condition.

#### **10.1-5 LEVEL 2 – Demand Reduction Up to 20%**

(a) A Level 2 condition applies when the Water Authority notifies its member agencies that due to cutbacks in supplies, a consumer demand reduction of up to 20 percent is required in order to have sufficient supplies available to meet anticipated demands. The Lakeside Water District Board of Directors shall declare the existence of a Level 2 condition and implement the mandatory Level 2 conservation measures identified in this policy.

(b) All persons using Lakeside Water District water shall comply with Level 1 water conservation practices during a Level 2 and shall also comply with the following additional conservation measures:

1. Limit residential and commercial landscape irrigation to no more than three (3) days per week. This section shall not apply to commercial growers or nurseries.
2. Limit lawn watering and landscape irrigation using sprinklers to no more than ten (10) minutes per watering station per day. This provision does not apply to landscape irrigation systems using water efficient devices, including but not limited to: weather-based controllers, drip/micro-irrigation systems and stream rotor sprinklers.
3. Water landscaped areas, including trees and shrubs located on residential and commercial properties, and not irrigated by a landscape irrigation system governed by section 5 (b) (1), on the same schedule set forth in section 5 (b) (1) by using a bucket, hand-held hose with positive shut-off nozzle, or low-volume non-spray irrigation.
4. Repair all leaks within five (5) days of notification by the Lakeside Water District unless other arrangements are made with the General Manager or designee.
5. Stop operating ornamental fountains or similar decorative water features unless recirculated water is used.

#### **10.1-6 LEVEL 3 – Demand Reduction Up to 30%**

(a) A Level 3 condition applies when the Water Authority notifies its member agencies that due to increasing cutbacks caused by reduction of supplies, a consumer demand reduction of up to 30 percent is required in order to have sufficient supplies available to meet anticipated demands. The Lakeside Water District Board of Directors shall declare the existence of a Level 3 condition and implement the Level 3 conservation measures identified in this policy.

(b) All persons using Lakeside Water District water shall comply with Level 1 and Level 2 water conservation practices during a Level 3 condition and shall also comply with the following additional mandatory conservation measures:

1. Limit residential and commercial landscape irrigation to no more than two (2) assigned days per week on a schedule established by the General Manager or designee and posted by the Lakeside Water District. During the months of November through May, landscape irrigation is limited to no more than once per week on a schedule established by the General Manager or designee and posted by the Lakeside Water District. This section shall not apply to commercial growers or nurseries.

2. Water landscaped areas, including trees and shrubs located on residential and commercial properties, and not irrigated by a landscape irrigation system governed by section 6 (b) (1), on the same schedule set forth in section 6 (b) (1) by using a bucket, hand-held hose with a positive shut-off nozzle, or low-volume non-spray irrigation.

3. Stop filling or re-filling ornamental lakes or ponds, except to the extent needed to sustain aquatic life, provided that such animals are of significant value and have been actively managed within the water feature prior to declaration of a shortage level under this policy.

4. Stop washing vehicles except at commercial carwashes that re-circulate water, or by high pressure/low volume wash systems.

5. Repair all leaks within three (3) days of notification by the Lakeside Water District unless other arrangements are made with the General Manager or designee.

(c) Upon the declaration of a Level 3 condition, no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as, will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:

1. A valid, unexpired building permit has been issued for the project; or
2. The project is necessary to protect the public's health, safety, and welfare; or
3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water connection to the satisfaction of Lakeside Water District.

This provision shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

Upon the declaration of a Level 3 condition, Lakeside Water District will suspend consideration of annexations to its service area.

(d) The Lakeside Water District may establish a water allocation for property served by the Lakeside Water District. If the Lakeside Water District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for the fee or charge or by any other mailing to the address to which the Lakeside Water District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the Lakeside Water

District, any person that uses water in excess of the allocation shall be subject to a penalty in the amount of \$ \_\_\_ for each billing unit of water in excess of the allocation. The penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of this policy.

#### **10.1-7 LEVEL 4 – Demand Reduction Up to 40%**

(a) A Level 4 condition applies when the Water Authority Board of Directors declares a water shortage emergency pursuant to California Water Code section 350 and notifies its member agencies that Level 4 requires a demand reduction of up to 40 percent in order for the Lakeside Water District to have maximum supplies available to meet anticipated demands. The Lakeside Water District shall declare a Level 4 Demand Reduction up to 40% in the manner and on the grounds provided in California Water Code section 350.

(b) All persons using Lakeside Water District water shall comply with conservation measures required during Level 1, Level 2, and Level 3 conditions and shall also comply with the following additional mandatory conservation measures:

1. Stop all landscape irrigation, except crops and landscape products of commercial growers and nurseries. This restriction shall not apply to the following categories.

A. Maintenance of trees and shrubs that are watered on the same schedule set forth in section 6 (b) (1) by using a bucket, hand-held hose with a positive shut-off nozzle, or low-volume non-spray irrigation;

B. Maintenance of existing landscaping necessary for fire protection as specified by the Fire Marshal of the local fire protection agency having jurisdiction over the property to be irrigated;

C. Maintenance of existing landscaping for erosion control;

D. Maintenance of plant materials identified to be rare or essential to the wellbeing of rare animals;

E. Maintenance of landscaping within active public parks and playing fields, day care centers, school grounds, cemeteries, and golf course greens, provided that such irrigation does not exceed two (2) days per week according to the schedule established under section 6 (b) (1);

F. Watering of livestock; and

G. Public works projects and actively irrigated environmental mitigation projects.

2. Repair all water leaks within forty-eight (48) hours of notification by the Lakeside Water District unless other arrangements are made with the General Manager or designee.

(c) The Lakeside Water District may establish a water allocation for property served by the Lakeside Water District. If the Lakeside Water District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for the fee or charge or by any other mailing to the address to which the Lakeside Water District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the Lakeside Water District, any person that uses water in excess of the allocation shall be subject to a penalty in the amount of \$\_\_\_ for each billing unit of water in excess of the allocation. The penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of this policy.

#### **10.1-8 LEVEL 5 – Demand Reduction Up to 50%**

(a) A Level 5 condition applies when the Water Authority Board of Directors declares a water shortage emergency pursuant to California Water Code section 350 and notifies its member agencies that Level 4 requires a demand reduction of up to 50 percent in order for the Lakeside Water District to have maximum supplies available to meet anticipated demands. The Lakeside Water District shall declare a Level 5 demand reduction up to 50% in the manner and on the grounds provided in California Water Code section 350.

(b) All persons using Lakeside Water District water shall comply with conservation measures required during Level 1, Level 2, Level 3 and Level 4 conditions and shall also comply with the following additional mandatory conservation measures:

1. Stop all landscape irrigation, except crops and landscape products of commercial growers and nurseries. This restriction shall not apply to the following categories.

A. Maintenance of trees and shrubs that are watered on the same schedule set forth in section 6 (b) (1) by using a bucket, hand-held hose with a positive shut-off nozzle, or low-volume non-spray irrigation;

B. Maintenance of existing landscaping necessary for fire protection as specified by the Fire Marshal of the local fire protection agency having jurisdiction over the property to be irrigated;

C. Maintenance of existing landscaping for erosion control;

D. Maintenance of plant materials identified to be rare or essential to the wellbeing of rare animals;

E. Maintenance of landscaping within active public parks and playing fields, day care centers, school grounds, cemeteries, and golf course greens,



provided that such irrigation does not exceed two (2) days per week according to the schedule established under section 6 (b) (1);

F. Watering of livestock; and

G. Public works projects and actively irrigated environmental mitigation projects.

2. Repair all water leaks within twenty-four (24) hours of notification by the Lakeside Water District unless other arrangements are made with the General Manager or designee.

(d) The Lakeside Water District may establish a water allocation for property served by the Lakeside Water District. If the Lakeside Water District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for the fee or charge or by any other mailing to the address to which the Lakeside Water District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the Lakeside Water District, any person that uses water in excess of the allocation shall be subject to a penalty in the amount of \$\_\_\_ for each billing unit of water in excess of the allocation. The penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of this policy.

#### **10.1-9 LEVEL 6 – Demand Reduction Over 50%**

(a) A Level 6 condition applies when the Water Authority Board of Directors declares a water shortage emergency pursuant to California Water Code section 350 and notifies its member agencies that Level 6 requires a demand reduction of more-than 50 percent in order for the Lakeside Water District to have maximum supplies available to meet anticipated demands. The Lakeside Water District shall declare a Level 5 demand reduction over 50% in the manner and on the grounds provided in California Water Code section 350.

(b) All persons using Lakeside Water District water shall comply with conservation measures required during all previous shortage levels and shall also comply with the following additional mandatory conservation measures:

1. Stop all landscape irrigation, except crops and landscape products of commercial growers and nurseries. This restriction shall not apply to the following categories.

A. Maintenance of trees and shrubs that are watered on the same schedule set forth in section 6 (b) (1) by using a bucket, hand-held hose with a positive shut-off nozzle, or low-volume non-spray irrigation;

B. Maintenance of existing landscaping necessary for fire protection as specified by the Fire Marshal of the local fire protection agency having jurisdiction over the property to be irrigated;

C. Maintenance of existing landscaping for erosion control;

D. Maintenance of plant materials identified to be rare or essential to the wellbeing of rare animals;

E. Maintenance of landscaping within active public parks and playing fields, day care centers, school grounds, cemeteries, and golf course greens, provided that such irrigation does not exceed two (2) days per week according to the schedule established under section 6 (b) (1);

F. Watering of livestock; and

G. Public works projects and actively irrigated environmental mitigation projects.

2. Repair all water leaks within twenty-four (24) hours of notification by the Lakeside Water District unless other arrangements are made with the General Manager or designee.

(e) The Lakeside Water District may establish a water allocation for property served by the Lakeside Water District. If the Lakeside Water District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for the fee or charge or by any other mailing to the address to which the Lakeside Water District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the Lakeside Water District, any person that uses water in excess of the allocation shall be subject to a penalty in the amount of \$\_\_\_ for each billing unit of water in excess of the allocation. The penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of this policy.

#### **10.1-10 PROCEDURES FOR DETERMINATION AND NOTIFICATION OF RESPONSE LEVEL**

(a) The existence of a Level 1 condition may be declared by the General Manager or designee upon a written determination of the existence of the facts and circumstances supporting the determination. A copy of the written determination shall be filed with the Clerk or Secretary of the Lakeside Water District and provided to the Lakeside Water District Board of Directors. The General Manager or designee may publish a notice of the determination of existence of Level 1 condition in one or more newspapers, including a newspaper of general circulation within the Lakeside Water District. The Lakeside Water District may also post notice of the condition on their website.

(b) The existence of Level 2 or Level 3 conditions may be declared by policy of the Lakeside Water District Board of Directors adopted at a regular or special public meeting held in accordance with State law. The mandatory conservation measures applicable to Level 2 or Level 3 conditions shall take effect on the tenth (10) day after the date the response level is declared. Within five (5) days following the declaration of the response level, the Lakeside Water District may publish a notice of declared shortage level in a newspaper used for publication of official notices.

(c) The existence of a Level 4, 5 and 6 condition may be declared in accordance with the procedures specified in California Water Code sections 351 and 352. The mandatory conservation measures applicable to Level 4 - 6 conditions shall take effect on the tenth (10) day after the date the response level is declared. Within five (5) days following the declaration of the response level, the Lakeside Water District shall publish a notice of declared response level in a newspaper used for publication of official notices. If the Lakeside Water District establishes a water allocation, it shall provide notice of the allocation by including it in the regular billing statement for the fee or charge or by any other mailing to the address to which the Lakeside Water District customarily mails the billing statement for fees or charges for on-going water service. Water allocation shall be effective on the fifth (5) day following the date of mailing or at such later date as specified in the notice.

(d) The Lakeside Water District Board of Directors may declare an end to a Shortage Level by the adoption of a policy at any regular or special meeting held in accordance with State law.

#### **10.1-11 HARDSHIP VARIANCE / APPEALS**

(a) If, due to unique circumstances, a specific requirement of this policy would result in undue hardship to a person using agency water or to property upon which agency water is used, that is disproportionate to the impacts to Lakeside Water District water users generally or to similar property or classes of water uses, then the person may apply for a variance to the requirements as provided in this section.

**(b) The variance may be granted or conditionally granted, only upon a written finding of the existence of facts demonstrating an undue hardship to a person using agency water or to property upon which agency water is used, that is disproportionate to the impacts to Lakeside Water District water users generally or to similar property or classes of water use due to specific and unique circumstances of the user or the user's property.**

1. Application. Application for a variance shall be in writing and may be required to be accompanied by a non-refundable processing fee in an amount to cover administrative expenses. Applications must be received prior to a bill or fine becoming delinquent.
2. Supporting Documentation. The application shall be accompanied by photographs, maps, drawings, and other information, including a written statement of the applicant.
3. Required Findings for Variance. An application for a variance shall be denied unless the approving authority finds, based on the information provided in the application, supporting documents, or such additional information as may be requested, and on water use information for the property as shown by the records of the Lakeside Water District, all of the following:
  - A. That the variance does not constitute a grant of special privilege inconsistent with the limitations upon other Lakeside Water District customers.

B. That because of special circumstances applicable to the property or its use, the strict application of this policy would have a disproportionate impact on the property or use that exceeds the impacts to customers generally.

C. That the authorizing of such variance will not be of substantial detriment to adjacent properties, and will not materially affect the ability of the Lakeside Water District to effectuate the purpose of this chapter and will not be detrimental to the public interest.

D. That the condition or situation of the subject property or the intended use of the property for which the variance is sought is not common, recurrent or general in nature.

4. Approval Authority. The Water Conservation Coordinator or designee shall exercise approval authority and act upon any completed application no later than 10 days after submittal and may approve, conditionally approve, or deny the variance. The applicant requesting the variance shall be promptly notified in writing of any action taken. Unless specified otherwise at the time a variance is approved, the variance applies to the subject property during the term of the mandatory water shortage.

5. Appeals to the General Manager. An applicant may appeal a decision or condition of the Water Conservation Coordinator or designee on a variance application to the General Manager or designee on a variance application within 10 days of the decision upon written request for a hearing. The request shall state the grounds for the appeal.

6. Appeals to the Appeals Committee. An applicant may appeal a decision or condition of the General Manager or designee on a variance application to the Appeals Committee, consisting of two members of the Board of Directors within 10 days of the decision upon written request for a hearing. The request shall state the ground for the appeal. The request shall be accompanied by a non-refundable processing fee in the amount of \$100 to cover administrative expenses.

7. Appeals to Lakeside Water District Board of Directors. An applicant may appeal a decision or condition of the Appeals Committee on a variance application to the Lakeside Water District Board of Directors within 10 days of the decision upon written request for a hearing. The request shall state the grounds for the appeal. At a public meeting, the Lakeside Water District Board of Directors shall act as the approval authority and review the appeal de novo by following the regular variance procedure. The decision of the Lakeside Water District Board of Directors is final.

## **10.1-12 VIOLATIONS AND PENALTIES**

(a) Any person, who uses, causes to be used, or permits the use of water in violation of this policy is guilty of an offense punishable as provided herein.

(b) Each day that a violation of this policy occurs is a separate offense.

(c) Administrative fines may be levied for each violation of a provision of this policy as follows:

1. A warning for a first violation.
2. One hundred dollars for a second violation.
3. Two hundred dollars for a third violation of any provision of this policy within one year.
4. Five hundred dollars for each additional violation of this policy within one year.

(d) Violation of a provision of this policy is subject to enforcement through installation of a flow-restricting device in the meter.

(e) Each violation of this policy may be prosecuted as a misdemeanor punishable by imprisonment in the county jail for not more than thirty (30) days or by a fine not exceeding \$1,000, or by both as provided in Water Code section 377.

(f) Willful violations of the mandatory conservation measures and water use restrictions as set forth in Section 7.0 and applicable during a Level 4 condition may be enforced by discontinuing service to the property at which the violation occurs as provided by Water Code section 356.

(g) All remedies provided for herein shall be cumulative and not exclusive.

## **10.2 Metropolitan Water District of Southern California Interim Agricultural Water Program Administration**

**10.2 Removed by Board Action 11/4/08**

## **10.3 Regulatory Plan for New Development Conservation**

### **10.3-1 Purpose**

The District hereby establishes a comprehensive water efficiency program for new development or redevelopment within the District. The District finds that water efficiency in all new development or redevelopment is essential to the District's continued ability to provide water to new and redeveloped areas and avoid or minimize the effects of any future shortage.

### **10.3-2 New Developments**

All new developments are encouraged to install only high-efficiency appliances, use only high efficiency technologies, and landscape use low water use plants:

- (1) Indoor
  - a. High efficiency toilets (1.28 gal. per flush or less)
  - b. High efficiency dishwashers

- c. High efficiency clothes washers and dryers
  - d. Low flow shower heads.
- (2) Outdoor – in common areas, parks and residential landscapes with one or more acre(s) of irrigated landscape.
- a. Low-water use plants.
  - b. Dedicated irrigation meters and high-efficiency, matched-precipitation rate sprinkler nozzles.
  - c. Weather-Based Irrigation Controllers, automatic rain shut-off sensors, or soil-moisture-sensors for irrigation systems.
  - d. Artificial turf.

### **10.3-3 Development requiring a water main extension**

A new development or redevelopment that requires a water main extension shall:

1. Install high-efficiency toilets (1.28 gal. per flush or less) in all residential areas (houses, condominiums, apartments):
2. Utilize California-friendly plant materials (low water use) in all parks, common areas, and residential landscapes;
3. Install dedicated irrigation meters and high-efficiency, matched-precipitation rate sprinkler nozzles in all common areas and parks
4. Ensure that Covenants, Conditions, and Restrictions (CC&Rs) pertaining to the proposed subdivision/development for not prohibit the use and maintenance of low-water-use plant materials, and/or the use of artificial turf;
5. Certify that all units, common areas, and parks comply with all of the above requirements;
6. Schedule inspection for compliance with water efficiency requirements;
7. Provide all required information for tracking water use efficiency for six years following installation/development;
8. Install “smart” irrigation controllers, irrigation controllers with soil-moisture sensors, or irrigation controllers with automatic rain-shut-off sensors for all homes (residential areas), common areas, and parks
9. Install high-efficiency, matched-precipitation rate sprinkler nozzles in all residential landscapes where conditions permit;
10. Install dedicated irrigation meters in residences with one or more acre(s) or irrigated landscape.

## **11.1 MISCELLANEOUS**

### **11.1-1 Distribution Systems**

Line velocities shall not exceed five feet per second. Grid systems shall be used with sufficient cross ties and supply lines to provide two-way feed to fire hydrants where practical.

### **11.1-2 Director's Compensation**

Directors shall be compensated by the District for attendance at District Board of Directors meetings in the amount of \$125 per diem.

### **11.1-3 Authorization for Conferences and Seminars**

1. All Directors must submit requests for registration to conferences, seminars, meetings, including expenses or per-diems to the Board prior to the event taking place. Only events listed as pre-approved do not need prior Board approval for per-diem payments or expense reimbursements.
2. The General Manager may approve all employee attendance in conferences, seminars or meetings, including lodging, travel and expenses up to \$2,000. The General Manager shall report any attendance requiring overnight lodging to the Board at a regularly scheduled Board meeting as soon as practical after attendance or registration. All requests greater than \$2,000 shall require Board approval.
3. **Reimbursement of Expenses**
  - (A) Each Director/Employee will be reimbursed for reasonable expenses incurred while traveling on District business or to pre-approved meetings or events. Such expenses shall include registration when not paid for by the District, lodging, economy class airfare, meals and other minor expenses. Mileage reimbursement for each mile actually traveled in a private automobile will be provided at the standard IRS allowance. If a Director chooses to travel in his or her private automobile, rather than by scheduled airline, and the distance traveled requires overnight lodging and meals exceeding the number of meals which would be involved if air transportation has been utilized, no reimbursement for such lodging and meals will be paid. Non-reimbursement expenses include alcoholic beverages, entertainment, parking or traffic violations or any expenses incurred on behalf of a spouse. All events for which reimbursement is provided must be accompanied by a detailed report to the Board.
  - (B) If a spouse travels with the claimant, and expenses are pre-paid by the District for the spouse, those pre-paid expenses must be reimbursed to the District as soon as is practical upon the Board Member's return. Generally, they are deducted from the Board Member's check, through the payroll cycle subsequent to submittal of the expense report.

- (C) All reimbursed expenses require receipts to be attached to the expense claim form. If a receipt is not provided by a vendor or is lost, an explanation of the expenditure shall be included on the expense claim form and approved by the Board for payment.
- (D) If claimant expenses are prepaid by the District and are not used, the District will require reimbursement unless the reason for not attending was due to personal illness or an event that impeded good faith efforts to attend. Such events could include flight or other public transportation delays or cancellations, meeting cancellations or date changes, or sudden events within Lakeside Water District which would serve the District's best interest that the individual not be away. Claimant would still be responsible for prepaid spouse expenses.
- (E) The District does not make credit cards available to Board Members. Payment for Board expenses will be made through departmental credit cards, purchase orders, checks, or reimbursement through accounts payable or payroll.

4. **Pre-Approved Meeting Summary.** The following activities/events are preapproved for all Board Members in attendance to receive a per diem or expense as noted.

Regular and Special Lakeside Water District Board Meetings (Per-diem)  
California Special Districts Association – Quarterly dinner meetings (No per-diem, Registration Expense Only, maximum 2 meetings per year)  
Council of Water Utilities – Monthly Meetings (No per-diem, Registration Expense Only, maximum 6 meetings per year)

5. Board Members may seek authorization to attend other functions that constitute the performance of official duties including but not limited to, tours of other agency facilities, tours of Lakeside facilities, dedication ceremonies, open houses, groundbreaking ceremonies, receptions for officials, retirement celebrations for other agency officials, anniversary celebrations, ribbon cutting ceremonies, State of the County/City addresses, legislative roundtables, public hearings project update meetings, meetings of ACWA Regions 1-10, and association dinners and lunches. Board Members desiring to attend events of this nature would require approval from the Board in order to receive a per diem and/or an expense reimbursement.
6. The following activities/events are not eligible for per diem or expense claims:
- a) Attending other district's Board meetings (unless directed by the Board)
  - b) Employee appreciation functions
  - c) Retire receptions for Lakeside employees/Board Members
  - d) Harassment Awareness or Ethics training.
  - e) Local Chamber of Commerce Business Mixers
7. At the following Board meeting, each Board Member shall briefly report on meetings attended at District expense. If multiple Board Members attended, a joint report may be made.



#### **11.1-4 Credit Unions**

One credit union is available. Employees are eligible for membership in accordance with Credit Union Rules. Payroll deductions as desired by the employee may be arranged. Further information is available from the Business Office.

#### **11.1-5 TUITION REIMBURSEMENT POLICY**

The intent of the program is to encourage all employees to increase the scope of their knowledge, to maintain or renew their previous academic learning and to utilize this knowledge in the effective performance of current assignments or in preparation for positions of greater responsibility within the District.

##### **A. Eligibility**

Requirements for Educational Assistance include the following:

Only full-time employees are eligible;

The employee must not be eligible to receive educational benefits from other sources, such as Veterans Administration; and

The employee must meet the educational, professional, or other prerequisites established by the enrollment.

##### **B. Procedure**

Employees should obtain approval for Educational and Related Reimbursement via a fully completed Request for Educational Reimbursement Form (District) prior to payment of enrollment fees and other costs to avoid financial hardship should their request not be approved.

The following factors will be considered when reviewing a request for Educational Assistance;

The nature and purpose of the course of study;

The benefits to be derived by the employee and the District.

The level of responsibility and length of service of the employee;

The estimated cost; and

The potential lost time or productivity while the employee attends the program.

Reimbursement is provided up to the authorized maximum number of courses when the courses meet one or more of the following conditions.

Courses taken for academic credit, CEU, or other professional education units which are job related; that is, they are undertaken by employees primarily for the purpose of maintaining or improving skills required by employees on their present assignments.

Courses taken which are part of a curriculum leading to certification in a field which is job related or for future District assignments which the employee might be expected to qualify.

Courses taken for academic credit which will help prepare the employee for future assignments within the District for which the employee might be expected to qualify.

Course(s) approved and successfully completed utilizing state supported educational programs such as Community Colleges, will be reimbursed at 100% of expenses.

Educational assistance up to \$400 a year may be provided as specified above for courses in programs that are certification related.

There will be no assistance for a grade lower than "C".

Seminars are to be covered by administration/technical conference expense.

Employees are encouraged to check with their tax accountant for information relating to the tax liability of any monies they may receive under tuition reimbursement.

Upon completion of the approved course, the employee is to submit to the General Manager a certified transcript of grades received and receipts for expenses incurred. The District will then reimburse the employee the cost of tuition, textbooks, registration, and miscellaneous fees.

A promissory note to repay the District should the employee voluntarily terminate, or be terminated for cause, is required.

Employees who take courses at the specified request or direction of management, may be reimbursed for all costs in advance.

#### Non-Interference

The class attendance and completion of study assignments are to be accomplished outside of the employee's regular working hours.

It is expected that educational activities will not interfere with the employee's work, and unsatisfactory job performance during enrollment may result in forfeiture of educational Assistance and/or termination or employment.

Education Reimbursement Procedure

| <u>RESPONSIBILITY</u> | <u>STEP</u> | <u>ACTION REQUIRED</u>   |
|-----------------------|-------------|--|
| Employee              | 1           | Prior to enrolling in a course of study, apply for all Veterans or other outside assistance and, if applicable, prepare a request for reimbursement form.                            |
|                       | 2           | Submit form to immediate Supervisor for approval.  |
|                       | 3           | After obtaining approval of immediate supervisor, submit form to the General Manager for approval/disapproval.   |
| General Manager       | 4           | Review, approve/disapprove, and send copy to employee indicating approval or disapproval.  |
| Employee              | 5           | Upon satisfactory completion of the course(s) submit the following to the General Manager. Submit receipt(s) for tuition, fee or book(s) Grade card, and Copy or reimbursement form. |
| General Manager       | 6           | Complete lower half of form and forward to the Accounting Dept. for payment.   |
| Accounting            | 7           | Prepare check and forward to employee.   |

### **SECTION 12.1 TERMINATION OF EMPLOYMENT (Educational Reimbursement)**

An employee who is terminated during enrollment because of a reduction in force or elimination of the job, will be reimbursed for the full amount of the cost incurred up to the date of termination or transfer.

An employee who voluntarily leaves the District or is terminated for reasons other than those reasons listed above, prior to completing a course **will not** be reimbursed for the expenses associated with the course.

If the employee leaves the District voluntarily or is terminated for cause within 3 years of completion of the course, the employee must repay the **full amount** reimbursed by the District for Educational Assistance.

If the employee leaves the District voluntarily or is terminated for cause between 3 years and 5 years after completing the course, **one-half** of the amount will be repayable.

### **13.1 ETHICS TRAINING**

- 13.1-1 All directors of the Lakeside Water District shall receive two hours of training in general ethics principle and ethics laws relevant to public service within one year of election or appointment to the board of directors and at least once every two years thereafter, pursuant to Government Code Sections 53234 through 53235.2.
- 13.1-2 All ethics training shall be provided by entities whose curricula has been approved by the California Attorney General and the Fair Political Practices Commission.
- 13.1-3 Directors shall obtain proof of participation after completing the ethics training.
- 13.1-4 District staff shall maintain records indicating both the dates that directors completed the ethics training and the name of the entity that provided the training. These records shall be maintained for at least five years after directors receive the training, and are public records subject to disclosure under the California Public Records Act.

### **SECTION 14.1 RETURN TO WORK POLICY**

In an effort to minimize serious disability due to on-the-job injuries and illnesses and to reduce workers' compensation costs, Lakeside Water District has developed a return to work program.

This policy is consistent with the district's Member's responsibilities under the Fair Employment & Housing Act to provide reasonable accommodations to persons with disabilities.

The program will consist of a team effort made by supervisors, the JPIA claims representative, the medical provider, the injured employee, and company management. All team members will be asked to take an active role in returning the injured/ill employee to a productive status.

Supervisors will assist by directing the employee to appropriate care and assisting in proper reporting of the injury or illness while maintaining a positive and constant flow of communication with the injured worker. They will also assist in arranging work which meets "light duty" restrictions, as needed, to reduce lost time for up to 90 days. The risk manager or designated person will work with the JPIA claims representative to assist with the assessment of the employee's ability to return to work. Together they will actively encourage the treating physician to release the injured worker to work as soon as possible.

By this joint effort, the district will help the injured/ill worker recover at a more rapid rate, gain production for wages paid, minimize the employees' wage loss, and reduce workers' compensation costs.

### **SECTION 15.1 BOARD OF DIRECTORS GUIDELINES FOR CONDUCT**

### **15.1-1 PURPOSE AND SCOPE**

The policy of the Lakeside Water District is to maintain the highest ethical standards for its Board Members. The proper operation of the District requires decisions and policy to be made within the proper channels of governmental structure, that public office not be used for personal gain, and that Board Members remain objective and responsive to the needs of the public they serve. Accordingly, it is the policy of the District that Board Members and district employees will maintain the highest standard of personal honesty and fairness in carrying out their duties. This policy sets forth the basic ethical standard to be followed by the Board of Directors of the Lakeside Water District. The objectives of this policy are to (1) provide guidance for dealing with ethical issues, (2) heighten awareness of ethics and values as critical elements in Board Members' conduct, and (3) improve ethical decision-making and values-based management.

### **15.1-2 CODE OF CONDUCT AND DECORUM**

The District Board of Directors has adopted the following code of Conduct and Decorum for Members of the District Board in order to promote and maintain the highest standards of personal and professional conduct in the District's governance. While recognizing conflict and disagreement are sometimes a part of the public process, the District Board acknowledges and values its duty to model ethical and civil behavior for the District's customers and staff. District Board decisions and work, therefore, must meet the most demanding ethical standards and demonstrate the highest levels of achievement in following this Policy.

#### **15.1-2(A) Conduct of Public Meetings**

Each member of the District Board of Directors has a duty to:

- (1) Diligently prepare for meetings by understanding the background, purpose, and arguments for and against items of business before a meeting.
- (2) Seek background information about agenda items and operational matter by contacting the District's General Manager prior to a Board Meeting. If the General Manager is unavailable, contact the General Manager's designee or the Board Secretary.
- (3) Respect confidence and information designated as "confidential". Do not disclose information received during any Closed Session of the District Board held pursuant to state law.
- (4) Treat everyone with respect by actively listening to other viewpoints, and do not interrupt, ignore, or belittle the contributions of others. Members of the Board will use professional language.
- (5) State views briefly and clearly during District Board and committee meetings. Refrain from discussing non-agenda items.

- (6) Refrain from abusive conduct, personal charges, or verbal attacks upon the character, motives, ethics, morals, or comments of other Members of the Board, staff, or the public.
- (7) Make impartial decisions in the best interest of Lakeside Water District, free of narrow political interests, financial, and other personal interests that impair independence of judgement or action, and are consistent with, but not limited to the requirements of the Political reform Act, Regulations of the Fair Political Practices Commission, and other state and local laws.
- (8) Recognize and accept legitimate differences of opinion. Act with integrity in accepting, supporting, and defending the District Board. Once the Board takes action, Board Members should respect the decision of the Board and not create barriers to the implementation of said action. The dissenting Member(s) may continue to oppose the decision, however, when speaking publicly, the dissenting Member(s) should acknowledge the decision of the Board and current policy of the District.
- (9) Provide fair and equal treatment of all persons and matters coming before the Board.

#### **15.1-2(B) Conduct in Office**

Each member of the District Board of Directors has a duty to:

- (1) Support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; bear true faith and allegiance to the Constitutions of the United States and State of California; and will well and faithfully discharge the duties of the office.
- (2) Board Members will strive to work in cooperation with other public officials unless prohibited from so doing by law or officially-recognized confidentiality of their work.
- (3) Abide by and defend all applicable laws and policies, especially the political campaign, lobbying, and conflict of interest laws enforced by the Fair Political Practices Commission, state laws, and Lakeside Water District's Policies and Procedures Manual.
- (4) Carefully consider whether an action exceeds or appears to exceed authority of the office for personal or financial gain. When in doubt, avoid actions that create in the mind of a reasonable observer the appearance of impropriety, ethical lapses, legal violations, or actions inconsistent with the Policy.
- (5) Refrain from making unauthorized commitments or promises of any kind purporting to bind the District. Refrain from any gratuitous comments that may harm the District's position in litigation or potential litigation.

### **15.1-3 BOARD OFFICERS**

The Board shall elect by Resolution one of its members as President and one of its members as Vice President. A Board Member can elect not to serve. The President and Vice President shall serve a two-year term and shall serve at the pleasure of the Board. A majority of the Board may remove the President or Vice President from their position during their term. Elections shall be held the first meeting after the first Friday in December of even-numbered years when a full Board is present. At this meeting, the Board shall also appoint by Resolution appropriate staff members as Secretary to the Board.

The General Manager shall chair the proceedings for election of the President. The newly-elected President shall assume office immediately and shall chair the proceedings for the election of the Vice President. The President shall call for nominations from members of the Board. Board Members shall not nominate themselves. No second shall be required. Once all nominations have been made, the President shall call for a roll call vote and Board members shall state the name of the candidate for whom they cast their vote. Three votes shall be required for election. If only one person should be nominated for an office, the Board may act by motion to elect such nominee.

#### **15.1-3(A) Duties of President**

The President shall preside over and conduct all meetings of the Board and hearings before the Board using the latest Robert's Rules of Order as a guideline for meeting protocol. The President shall carry out duties as required or imposed by law or a majority vote of the Board. In so doing, the President shall have the following powers and responsibilities:

- (1) To assure that business of the Board is conducted in an orderly and businesslike manner and to enforce reasonable rules of decorum
- (2) To set and follow a prepared agenda unless the Board concurs to changes.
- (3) To appoint committees as needed to accomplish goals of the District
- (4) To set reasonable limits upon the length of time a member of the public may speak at meetings.
- (5) To recognize board Members who wish to be heard and allow them the opportunity to speak without interruption, in order to completely convey their position.
- (6) To restate, where necessary, and to put to a vote all questions properly before the Board and to announce the result of each vote.
- (7) To request termination of debate after there has been reasonable opportunity for full discussion of any issue and further debate would be needlessly repetitive or otherwise not useful, and where proper, to put the matter to a vote.
- (8) To rule out-of-order any comment by Board Members, staff, or members of the public not germane to the issue before the Board.

- (9) To declare the meeting adjourned if in his/her judgment an emergency exists requiring adjournment.
- (10) To authenticate by signature official records of the District and to sign letters of support or opposition to legislators when time does not allow for consideration by the full Board.
- (11) The President's authority is granted by the full Board and he/she represents the full Board in any public announcements, and should speak on behalf of the board only in support of the decisions of the full Board.
- (12) The President shall have the same rights as the other members of the Board to vote, introduce motions, and participate in discussion.

**15.1-3(B) Duties of Vice President**

The Vice President shall exercise the duties of the President if the President is absent or unable to act.

**15.1-3(C) Duties of Secretary**

The Secretary shall take and prepare minutes of the Board, and attest to the minutes' ordinances, resolutions, and other documents of the Board. The Secretary shall prepare, post, and publish notices as required by law. The Secretary shall declare a meeting adjourned to a stated time and place if there is a lack of quorum. The Secretary shall maintain official records of the Board and carry out other duties as required or imposed by law or a majority vote of the Board.

**15.1-4 AGENDA PREPARATION AND DISTRIBUTION**

15.1-4(A) The General Manager or his/her designee, will be responsible for developing the agenda for each Board meeting. Agenda items will be generated by the need to conduct the District's business in a timely manner.

15.1-4(B) By contacting the General Manager, any Board Member may place an item on the agenda of the Board meeting for initial discussion provided the request posting requirements.

If an agenda item placed by an individual Board Member on the agenda for initial discussion would require a significant expenditure of staff time or other resources, such as the engagement of an outside consultant, the majority of the Board must authorize the agenda item and preparation of the Board Report to be presented at a future agenda.

15.1-4(C) A member of the public has the right to present items to the Board under the agenda item "Opportunity for member of the public to address the Board" as long as those items are under the subject matter jurisdiction of the District. At that time, the Board may discuss placing the item on the future agenda. As provided in (B), any Board Member may place this item on a future agenda for initial discussion.



A member of the public may also request that a matter be placed on the Board agenda by making a written request to the General Manager, who will obtain the approval of the Board President before placing the item on an agenda for initial discussion.

- 15.1-4(D) The Board Secretary shall be responsible for the preparation and distribution of Board Meeting agendas and shall coordinate the assembly of supporting documents.

#### **15.1-5 USE OF CONFIDENTIAL INFORMATION**

- 15.1-5(A) A Board Member is not authorized, without approval of the Board of Directors, to disclose information that qualifies as confidential information under applicable provisions of law to a person not authorized to receive it, that (1) has been received for, or during a closed session meeting of the Board, or (2) is protected from disclosure under the attorney/client or other evidentiary privilege.

- 15.1-5(B) This section does not prohibit any of the following (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the District, an elected official or employee, (2) expressing an opinion concerning the propriety or legality of actions taken by the District in closed session, including disclosure of the nature and extent of the allegedly illegal action, or (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (1) or (2) above, however, a Board Member will first bring the matter to the attention of either the President of the Board or the full Board, to provide the Board an opportunity to cure an alleged violation.

- 15.1-5(C) A Board member who willfully and knowingly discloses for pecuniary gain confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code Section 1098. (California Government Code Section 54963).

#### **15.1-6 CONFLICT OF INTEREST**

- 15.1-6(A) A Board Member will not have a financial interest in a contract with the District, or be a purchaser at a sale by the District or a vendor at a purchase made by the District, unless the Board member's participation was authorized under Government Code Sections 1091 or 1091.5, or other provisions of law. (See the Lakeside Water District Conflict of Interest code under separate cover).

- 15.1-6(B) A Board Member will not recommend the employment of a relative to any person known by the Board Member to be bidding for or negotiating a contract with the District.

- 15.1-6(C) A Board Member who knowingly asks for, accepts, or agrees to receive any gift, reward or promise thereof for doing an official act, except as may be authorized by law, may be guilty of a misdemeanor under Penal code Section 70. (Government Code Sections 1090 and following and Penal Code Sections 68 and 70).

### **15.1-7 SOLICITING POLITICAL CONTRIBUTIONS**

Board Members are prohibited from soliciting political contributions from District employees or officers at District facilities or during District work hours. Board Members shall not solicit political contributions from (a) district employees or officers or (b) contractors, vendors, or consultants qualifying as “designated employees” under the District’s Conflict of Interest Code, unless the solicitation is part of a solicitation made to a significant segment of the public which may include officers, employees, contractors, vendors, or consultants of the District. A Board Member will not use the District’s seal, trademark, stationery or other indicia of the District’s identity, or facsimile thereof, in any solicitation for political contributions contrary to state or federal law. (Government Code Section 3205 and District Employee Political/Election Related Activities Policy).

### **15.1-8 INCOMPATIBLE OFFICES**

A Board member shall not hold a public office, the duties of which may require action contradictory or inconsistent with his or her duties as a Board member (as determined under applicable law). (See, generally, 73 Cal.Op.Atty.Gen.357 (1990). See also Government code Section 53227).

### **15.1-9 BOARD MEMBER-GENERAL MANAGER RELATIONSHIP**

- 15.1-9(A) The Board of Directors, acting as a Board, is the governing body of the District and sets policy for the District. The Board shall act only at its regular, regular adjourned, special, or emergency meetings. All powers of the District shall be exercised and performed by the Board as a body. Individual Board Members, except as otherwise authorized by the Board, shall have no power to act for the District, or the Board, or to direct the staff of the District.
- 15.1-9(B) The District’s General Manager (a) has full charge and control of the construction, maintenance, and operations of the water system and other facilities of the District, (b) has full power and authority to employ and discharge employees, consistent with District policy and other provisions of law, (c) prescribes the duties of employees, consistent with District policy, and (d) fixes and alters the compensation of employees, subject to approval by the Board.
- 15.1-9(C) The District’s General Manager serves at the pleasure of the Board. The Board will provide policy direction and instruction to the General Manager on matters within the authority of the Board by majority vote of the Board during duly-convened Board and Board Committee Meetings. Members of the Board will deal with matters within the authority of the General Manager through the General Manager, and not through other District employees, except as it pertains to the functions of the Financial Officer/Treasurer. Members of the

Board will refrain from making requests directly to District employees (rather than to the General Manager) to undertake analyses perform other work assignments, change the priority of work assignments, or request information.

## **15.1-10 COMPLIANCE WITH THE BROWN ACT**

The members of the Board of Directors and persons elected but who have not yet assumed office as members of the Board, will fully comply with the provisions of the state's open meeting law for public agencies (the Brown Act). (Government Code Sections 54950 and following, and 54952.1 and 54959).

## **SECTION 16.1 GOALS AND POLICIES FOR COMMUNITY FACILITIES DISTRICTS**

### **16.1-1 INTRODUCTION**

Section 53312.7(a) of the California Government Code requires, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), that Lakeside Water District (the "District") consider and adopt local goals and policies concerning the use of the Act prior to the initiation of proceedings to establish a new community facilities district ("CFD") under the Act. The following goals and policies are intended to meet the minimum requirements of the Act and may be amended or supplemented by resolution of the Board of Directors of the District (the "Board") at any time.

### **16.1-2 GOALS**

Except as otherwise provided, only those public improvements that enable the District to serve new or existing customers of its water utility will be considered for financing. Such improvements include, but are not limited to, water transmission, pumping and storage facilities, water meters and hydrants, and related facilities and improvements. The District shall make the determination as to whether a proposed CFD shall proceed under the provisions of the California assessment laws or the Act. The District may confer with consultants and counsel to learn of any unique CFD requirements prior to making any final determination. The District in its discretion may advance funds for District, consultant and counsel costs in connection with the establishment of a CFD provided that such advances shall be reimbursed, directly or indirectly, by or on behalf of the CFD.

### **16.1-3 ELIGIBLE PUBLIC FACILITIES AND SERVICES**

Generally, the improvements eligible to be financed by a CFD must have a useful life of at least five years. The development of facilities for a CFD must be consistent with applicable planning and zoning requirements. A CFD shall not vest any rights to future land use on any properties, whether or not such properties are responsible for the payment of special taxes. The list of eligible public facilities includes, but is not limited to, the types of facilities specified in Government Code section 53313.5, as it currently exists or as may hereafter be amended. Except as otherwise authorized by the Board, no CFD shall be established to fund public facilities to be owned and operated by public agencies other than the District. The District will consider on a case-by-case basis CFDs established for the provision of services eligible to be funded under the Act.

### **16.1-4 PRIORITIES FOR CFD FINANCING UNDER THE ACT**

Priority for CFD financing shall be given to public facilities which enable the District to provide for the health and safety of its current and future customers.

#### **16.1-5 CREDIT QUALITY REQUIREMENTS FOR CFD FINANCING**

It is the policy of the District to comply with all provisions of the Act including, but not limited to, Section 53345.8, as such Section may be amended from time to time. It is the goal of the District to conform, as nearly as practicable, to the California Debt and Investment Advisory Commission's Appraisal Standards for Land-Secured Financings, as such standards may be amended from time to time; provided, however, that the board may additionally modify such standards or their application from time to time as it deems necessary and reasonable, in its discretion, to provided needed public improvements within the District, while still accomplishing the goals set forth herein. Unless otherwise specifically approved by the Board as provided in Section 53345.8(b) or (c) of the Act, the CFD property value-to-lien ratio shall be at least 3:1 after calculating the value of the public facilities to be financed and considering any prior or pending special taxes or assessment liens. The District may require a higher value-to-lien ratio in its discretion, in consideration of current market and related conditions.

Property value may be based either on an appraisal or on assessed values as indicated on the County Assessor's tax roll. The District shall select the appraiser, and the appraisal shall be based on standards promulgated by the State of California and otherwise determined by District staff and consultants. The appraisal must be dated within six months of the date indebtedness is incurred by or on behalf of the CFD. The public debt amount shall include the amount of such indebtedness plus any other public indebtedness secured by a lien on real property currently existing against the properties to be taxed.

Less than a three-to-one property value to public lien ratio, excessive tax delinquencies, or projects of poor economic viability may cause the District to disallow the indebtedness or to require credit enhancement of such indebtedness prior to its issuance. The District may consider exceptions to the above policies for indebtedness that does not represent an unusual credit risk, either due to credit enhancement or other reasons specific by the District, and which otherwise provide adequate public benefits.

If the District requires letters of credit or other security, the credit enhancement shall be issued by an institution, in a form and upon terms and conditions satisfactory to the District. Any such security may be discharged by the District upon the opinion of a qualified appraiser, retained by the District, that a value-to-lien ratio of three to one has been attained per land use category, including any overlapping special assessment or special tax liens.

#### **16.1-6 DISCLOSURE REQUIREMENTS FOR PROSPECTIVE PROPERTY PURCHASERS**

a. Disclosure Requirements for Developers. If developers are selling lots or parcels within a CFD, they shall provide disclosure notice to prospective purchasers that comply with all of the requirements set forth in Section 53341.5 of the Act. The disclosure notice must be provided to prospective purchasers of property at or prior to the time the contract or deposit receipt for the purchase of property is executed. Developers shall keep an executed copy of each disclosure document as evidence that disclosure has been provided to all purchasers of property within a CFD.

b. Disclosure Requirements for the Resale of Lots. Pursuant to Section 53340.2 of the Act, the District shall provide a notice of special taxes to sellers of property (other than developers) which will enable them to comply with their notice requirements under

Section 1102.6 of the Civil Code. The District shall provide this notice within five business days of receiving a written request for the notice. The District may charge a reasonable fee for providing the notice, not to exceed any maximum fee specified in the Act.

#### **16.1-7 EQUITY OF SPECIAL TAX FORMULAS AND MAXIMUM SPECIAL TAXES**

Special tax formulas for CFDs shall provide for minimum special tax levels which satisfy the following: (a) 110 percent debt service coverage for all CFD indebtedness and (b) the reasonable and necessary annual administrative expenses of the CFD. Additionally, the special tax formula may provide for the following: (i) any amounts required to establish or replenish any reserve fund established in connection with CFD indebtedness; (ii) the accumulation of funds reasonably required for future debt service payments; (iii) amounts equal to projected delinquencies of special tax payments; (iv) the costs of remarketing, credit enhancement and liquidity facility fees, if any; (v) the cost of acquisition, construction, furnishing or equipping of public facilities; (vi) lease payments for existing or future public facilities; and (vii) any other costs or payments permitted by law. In structuring the special tax, projected annual interest earnings on any bond reserve funds may not be included as revenue for purposes of any calculation.

The special tax formula shall be reasonable and equitable in allocating public facility costs to parcels within the CFD. Exemptions from the special tax may be provided for parcels which are publicly owned, are held by a property owners' association, are used for a public purpose such as open space or wetlands, are affected by public utility easements making impractical their use for other than the purposes set forth in the easements, or have insufficient value to support indebtedness.

The maximum annual special tax, together with ad valorem property taxes, special assessments or special taxes for an overlapping financing district, including such potential taxes and assessments relating to authorized but unissued debt of public entities other than the District (collectively, the "Overlapping Debt Burden"), in relation to the expected assessed value of each parcel upon completion of the improvements to the parcel is of great importance to the District in evaluating any proposed financing.

For residential parcels, the Overlapping Debt Burden at the time of issuance of indebtedness shall not exceed 2.0 percent of the projected assessed value of each improved parcel within the CFD. As it pertains to commercial, industrial or other nonresidential parcels within the CFD, the District reserves the right to exceed the 2.0 percent limit if, in the District's sole discretion, it is fiscally prudent. The District, in its discretion, may allow an annual escalation factor on parcels within the CFD.

Special taxes will be levied only on an entire County Assessor's parcel, and any allocation of special tax liability of a County Assessor's parcel to leasehold or possessory interest in the fee ownership of such County Assessor's parcel shall be the responsibility of the fee owner of such parcel (except where the District is the fee owner of the parcel and has leased the parcel pursuant to a lease with a term of at least 5 years, in which case the lessee shall have the responsibility for the special tax liability) and District shall have no responsibility therefor and has no interest therein. Failure to pay or cause to be paid any special taxes in full when due shall subject the entire parcel to foreclosure in accordance with the Act.

The District shall retain a special tax consultant to prepare a report which: (a) recommends a special tax for the proposed CFD and (b) evaluates the special tax proposed to determine

its ability to adequately fund identified public facilities, District administrative Costs, services (if applicable) and other related expenditures. Such analysis shall also address the resulting aggregate tax burden of all proposed special taxes plus existing special taxes, ad valorem taxes and assessments on the properties within the CFD.

#### **16.1-8 APPRAISALS**

The definitions, standards and assumptions to be used for appraisals shall be determined by the District on a case-by-case basis, with input from District consultants and by reference to relevant materials and information promulgated by the State of California, including the Appraisal Standards for Land-Secured Financings prepared by the California Debt and Investment Advisory Commission. In any event, the value-to-lien ratio shall be determined based upon an appraisal by an independent Member Appraisal Institute appraiser of the proposed CFD. The appraisal shall be coordinated by and under the direction of the District. All costs associated with the preparation of the appraisal report shall be reimbursed to the District by the CFD.

#### **16.1-9 ABSORPTION STUDY**

In the case of any CFD established with respect to a proposed development project, an absorption study may be required. The absorption study shall be used as a basis for verification that sufficient revenues can be produced and to determine if the public financing of the public facilities is appropriate given the timing of the development. Any projected absorption rates shall be provided to the appraiser, if any.

#### **16.1.10 TERMS AND CONDITIONS OF INDEBTEDNESS**

The District shall establish the terms and conditions of any indebtedness incurred with respect to the CFD. The District will control, manage and invest all proceeds of such indebtedness. Each borrowing shall be structured to adequately protect the lender and to not negatively impact the bonding capacity, credit rating or financial condition of the District. Relevant provisions may include a combination of credit enhancement, foreclosure covenant, special reserve fund or deposits and/or contractual commitments of property owners to pay the special taxes and assessments. The District shall have the sole discretion to determine any and all such provisions. Neither the faith and credit nor the taxing power of the District shall be pledged to secure or repay any such indebtedness. The sole source of pledged revenues to repay CFD indebtedness shall be special taxes, proceeds of indebtedness and related reserve funds, and the proceeds of foreclosure proceedings and additional security instruments, if any.

The District shall have no obligation to issue or incur indebtedness. The ability to issue or incur indebtedness depends on the particular facts and circumstances of each CFD.

#### **16.1.11 CFD COST DEPOSITS AND REIMBURSEMENTS**

In the case of any CFD established pursuant to a petition or application of landowners or land developers, all District and consultant costs incurred in the evaluation of such petitions and applications shall be funded by an advance deposit with the District as, when and in the amount determined by the District. The District shall have no obligation to incur non-reimbursable expenses for processing and administering CFDs. The District may require that expenses not chargeable to the CFD be borne directly by the applicant, if any. The initial deposit in the amount determined by the District to fund initial staff and consultant costs associated with CFD review and implementation shall accompany each petition or application for formation of a CFD. If additional funds are needed to offset costs and expenses incurred

by the District, the District shall make written demand upon the petitioners or applicant for such funds. If any such demand shall not be satisfied, the District may suspend all proceedings until receipt of such funds. The District shall not accrue or pay any interest on any portion of any deposit refunded to any petitioner or applicant or any costs and expenses reimbursed to any petitioner or applicant. Neither the District nor the CFD shall be required to reimburse any property owner or applicant from any funds other than the proceeds of indebtedness issued or incurred by or with respect to the CFD.

#### **16.1-12 CONTINUING DISCLOSURE**

In the case of any indebtedness issued subject to the requirements of continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission, any landowner owning land in a CFD which is responsible for 20 percent or more in aggregate of the special taxes and assessments must agree to provide such disclosure until the aggregate special tax of such landowner is less than 20 percent. The District may establish a threshold higher or lower than 20 percent of the aggregate special taxes, depending on the facts and circumstances of the financing.

#### **16.1-13 CONSULTANTS**

The District shall select all consultants necessary for the establishment of the CFD and any related indebtedness, including the underwriter(s), bond counsel, financial advisor, appraiser, absorption consultant and special tax consultant. Prior consent of any petitioner or applicant shall not be required in the determination by the District of the consulting and financing team.

#### **16.1-14 PROCESS**

The District shall work with petitioners and applicants in the preliminary stages of deciding whether to establish a CFD and throughout the process of formation. The District shall be responsible for cost estimates for infrastructure improvements and maintenance costs. The District shall be responsible for the review and acceptance of infrastructure improvements and administration of maintenance programs as may be applicable to the CFD.

#### **16.1-15 EXCEPTIONS TO THESE POLICIES**

The District may find, in limited and exceptional instances, that a waiver or modification of any of the above-stated policies is reasonable given identified special benefits to the District to be derived from such waiver or modification. Any such waiver or modification shall be made only by action of the Board.

#### **16.1-16 MODIFICATION OF THESE POLICIES**

The Board reserves the right to modify or amend these policies from time to time.