

Title 1 – FINANCE	Chapter 4 – Rural Water System	Section 4.101 Rural Water System's Domestic Water Policy
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#### **PURPOSE**

This policy details Oakdale Irrigation District's (District) administrative actions for the service of Domestic Water through the Rural Water System. This policy will be made available to the public on the District's website.

#### **SCOPE**

The District, as a public agency and irrigation district, is governed by Division 11 of the Water Code of the State of California. According to the provisions of Water Code Section 22280, the District has the authority to fix and collect charges to any service furnished by the District. Furthermore, as a community water system that supplies water to more than 200 service connections, the District is further governed, effective by law April 1, 2020, by Chapter 6 of the Health and Safety Code, added in 2018 by Senate Bill 998 (SB8998). SB998 provides rules and procedures for community water systems to follow before the shut off of residential water service by the District. A separate policy, the Rural Water Collection and Discontinuation Policy (Section 1.402), follows this policy in the Miscellaneous Policies and Procedures manual.

#### **POLICY AND PROCEDURE**

#### 1. Statement of Policy

This policy sets forth District fees, charges, and other conditions relating to the District's Rural Water System. All such fees and charges will be reviewed annually and may be adjusted to reflect the cost to the District of providing the service. The income generated will support operations of the Rural Water System and future system replacement.

### a. <u>New Customer Security Deposit</u>

All new residential and commercial customers are required to:

- 1. Submit to the District, at the customers expense, a credit report indicating a reliable credit history, or;
- 2. Post a cash security deposit to guarantee payment of unpaid bills in the event of discontinuance of service or District lockout. This security deposit will be held for minimum 12 consecutive months (1 year). If the customer has no outstanding amounts owed the District, and has not been delinquent during past 12 consecutive months, the deposit shall be refunded to the customer.



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NOTE: These 12 twelve consecutive months start over whenever the customer's account becomes delinquent.

The amount of the deposit shall be as follows:

Service Connection	<u>Deposit</u>
Residential 3/4"-1"	\$100.00

The deposit shall be determined on a case-by-case basis by District Staff for Commercial Accounts or Connections larger than 1", but in no event will the deposit be less than that indicated for a Residential Service Connection.

#### b. <u>Existing Customer Deposit</u>

Existing residential and commercial customers which have two or more late payments on their account during a twelve consecutive month period of time, starting after the implementation date of January 1, 1997, will be required to post a cash security deposit as set forth in Section 1(a)(2).

#### c. Temporary Meter Deposit

A deposit shall be collected from those who make temporary use of the water meter furnished by OID, Temporary use shall be deemed as any use of less than six months in duration to a permanent site. A typical temporary meter deposit is to cover the cost of furnishing, installing and removing the meter and to guarantee payment of bills. If, after the end of the temporary use, the meter is returned in an undamaged condition, is reusable and all bills paid, the customer shall be entitled to a refund of 50% of the amount of the deposit.

<u>Meter Size</u>	<u>Deposit</u>	
3/4" - 1"	\$500.00	

Note: Temporary meter deposit for meters in excess of 1" size will be determined on a case-by-case basis by OID Staff, but in no event will the deposit be less than that indicated for a Residential Service Connection



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#### d. <u>Meter Test Deposit</u>

Customers who question their water usage and request their meter to be tested, shall be required to post a deposit prior to the testing. This deposit reflects the actual cost to remove, test and reinstall a water meter. If upon the customer's request to test, the meter test proves the meter to be inaccurate, the customer shall be entitled to a full refund of the total amount of the deposit. If, on the other hand, the meter is accurate, the deposit shall be retained by the District to reimburse the cost of the procedure. The meter test deposit shall be as follows:

Meter Size	<u>Deposit</u>
3/4" - 1"	\$45.25

Note: The test deposit for meters over 1" will be determined on a case-by-case basis by OID Staff.

#### 2. Fees

#### a. Water Service Connection Fees

A fee shall be collected for each new service connection solely utilizing OID's Rural Water System's service capacity. This fee represents the customer's share of the capital costs of providing community-wide facilities such as source of supply, pumping, storage and transmission lines. All connection fees for dwelling units are charged on a "per unit" basis and shall become payable at the time the application for service is received and are as follows:

- 1. Single Family Residence (3/4"-1") = \$5,000.00/connection
- The connection fees for connections over 1" will be determined on a caseby-case basis by OID Staff, and based on the allocated cost for the supply demand.

The fee for nonresidential connections shall be determined on a case-by-case basis by OID Staff and shall be based upon the gross area served, the type of development and the demand generated, but in no case shall it be less than the rate for a single family residence.



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NOTE: Fees collected fund the designated "Rural Water Capital/Special Project Improvement Fund."

#### b. Private Fire Service Connection Fee

Private fire service connections such as fire hydrants, fire sprinkler systems or other fire suppression systems which are connected to OID's Rural Water System benefit by the system's capacity reserved for this use. The following fee shall be collected for each new fire service connected to OID's Rural Water System.

#### Fire Service Fee

The connection fees for any type of fire suppression services will be determined on a case-by-case basis by OID Staff, and based on the estimated cost to purchase the materials and complete the installation thereof.

NOTE: Fees collected fund the designated "Rural Water Capital/Special Project Improvement Fund."

#### c. New Meter Connection Installation Fee

All water service connections shall be furnished with a meter. All meters shall be sized for the anticipated flow in accordance with OID Standards. The New Meter Connection Installation fee shall be collected at the time service is requested or prior to placement of the meter and shall be as follows:

<u>Meter Size</u>	<u>Fee</u>
3/4"-1"	\$50.50

Note: The installation fees for meters over 1" in size will be determined on a case-by-case basis by OID Staff, and based on the estimated cost to purchase the meter and complete the installation thereof.

#### d. New Customer Connection Fee

A change of ownership on an account which the property is currently equipped with a meter shall be charged a fee covering Clerical Staff time to set up the new account plus



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Field personnel time to read the meter. The New Customer Connection fee shall be collected at the time service is requested:

Meter Size Fee

All Sizes \$25.25

#### e. Customer Complaint Call-Out Fee

Customers registering a complaint and requesting field personnel to investigate water problems, whether on their property or not, maybe subject to a "call-out" fee. If the problem is determined to be the customer's responsibility, the customer shall be charged a fee for the call-out. Fees shall be as follows and added to the customer's next monthly billing:

- 1. During the working hours of 7:00 a.m. to 3:30 p.m. the fee shall be: \$40.00/ hr. (1 hour minimum) plus \$10.00 for each additional 15 minutes after the first hour.
- 2. Other than normal working hours, weekends, holidays, etc. the fee shall be: \$100.00 (minimum) plus \$13.00 for each additional 15 minutes after the first 2 hours.

#### f. Extension Fee

In most cases the developer will be required to install all on-site as well as off-site piping which is necessary or required In cases where OID installs the piping extension, the fees will be charged on a time and materials basis, including administration, consulting, legal, engineering and clerical staff time plus any other related expenses.

#### 3. Service Charges

The collection of service charges represent the repayment of costs incurred to operate and maintain OID's Rural Water System. The service charges are broken down into two basic elements:

"Immediate Availability" charge recovers the cost of depreciation expense, indebtedness and other long term obligations; and



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"Minimum Monthly Rate" charge recovers the cost of delivering potable water. These costs represent water quality testing, routine operation and maintenance and maintaining a cross connection/backflow prevention control program.

### a. "Immediate Availability" Charge

Depreciation and debt costs for OID's Rural Water System are fixed costs and do not vary according to the quantity of water delivered. This charge is applied to all properties, including properties that are currently supplied with a water service connection but which are not in active service. The "Immediate Availability" charge shall be as follows:

Connection Size Monthly Charge 3/4" - 1" \$14.40

"Immediate Availability" charges for connections over 1" in size shall be determined on a case-by-case basis by OID Staff

NOTE: Presently 90% of all fees collected as "Immediate Availability" charge shall fund the designated "Rural Water Capital/Special Project Improvement Fund". This percentage is reviewed and adjusted annually by District staff.

#### b. "Minimum Monthly Rate" Charge

The "Minimum Monthly Rate" charges shall be billed in cubic feet. Readings from meters which register in gallons will be converted to cubic feet by dividing the usage reading by 7.48. Fees collected from this rate are to be deposited in the Rural Water Systems operating fund to pay for routine operation and maintenance costs. This charge applies to all properties supplied with a service connection equipped with a water meter. The "Minimum Monthly Rate" charges shall be as follows:

Quantity	<u>Rate</u>
0 – 1000 cubic feet (monthly minimum)	\$5.70
Per each additional 100 cubic feet	\$0.52



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#### c. <u>Temporary Service Fee</u>

The monthly service fee for a temporary service (Section II(C)) shall be the same as the "Minimum Monthly Rate" charge.

#### d. <u>Turn On/ Off Fees</u>

The fee to unlock and turn-on and/or turn-off and lockout a service shall be as follows:

- 1. During the working hours of 7:00 a.m. to 3:30 p.m. the fee shall be: \$20.00
- 2. Other than normal working hours, weekends, holidays, etc. the fee shall be: \$100.00

#### e. <u>Delinquent Account Fees</u>

All language regarding the administrative actions for the collection of delinquent accounts, including notifications, fee assignments and discontinuation of service can be found in the Collection and Termination Policy for Delinquent Accounts within the Rural Water System, Section 4.102.

#### f. Construction Water Fees

The fees for the use of water for the construction of subdivisions, buildings, or other types of development shall be as follows:

- 1. Water may only be taken fr om a fire hydrant specifically designated by OID for that purpose.
- 2. The fire hydrant will be equipped with a flow meter to record water usage for billing purposes. A \$500.00 retainer shall be submitted to OID prior to the installation of the flow meter and water delivery. This retainer guarantees that any unpaid portion of the bill or costs incurred to repair or replace items damaged by the user will be paid prior to refunding the balance of the retainer.
- The fire hydrant may be required to be equipped with a backflow prevention assembly if OID's Cross Connection Control Specialist deems it necessary.



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- 4. A \$50.50 fee shall be charged for the installation, monitoring and removal of the fire hydrant flow meter. When the service is no longer needed this fee may be deducted from the \$500.00 retainer if the customer so desires.
- 5. A minimum usage rate of \$25.00 will be charged. This rate includes the first 2,000 cubic feet of water. Additional water used after the initial 2,000 cubic feet is billed at a rate of \$0.52/100 cubic feet. When the service is no longer needed these fees may be deducted from the \$500.00 retainer if the customer so desires.
- 6. 48 hour notice shall be given to OID:
  - i. Prior to the commencement of activities requiring the use of the fire hydrant.
  - ii. When the use of the fire hydrant is no longer needed.
- 7. Due to system demands during times of peak water usage, OID may place restrictions on the days and times that water may be drawn from the system.

#### 4. Service Provisions

#### a. Well Abandonment

Prior to connecting any property to OID's Rural Water System, any privately owned well on said property shall be disconnected and abandoned as per State and/or County regulations.

#### b. <u>Cross Connection Control Policy</u>

Any connection to OID's Rural Water System is subject to OID's Cross Connection Program. For further information consult OID's Domestic Water Specifications Manual.



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### c. <u>OID's Domestic Water Specifications</u>

The materials used, as well as the construction of any addition or connection to OID's Rural Water System shall be completed in compliance with OID's Domestic Water Specifications Manual.