



OAKDALE IRRIGATION DISTRICT'S
RURAL WATER SYSTEM'S
DOMESTIC WATER POLICY

Adopted by the Board of Directors
on
December 17, 1996
for
Implementation January 1, 1997

OAKDALE IRRIGATION DISTRICT'S
RURAL WATER SYSTEM'S DOMESTIC WATER POLICY
PREFACE

The following policy includes several programs as well as specific fees and rate structures to generate additional income from the Rural Water Systems for present operation and future system replacement.

The policy includes such items as:

1. "New Customer Deposits" which insure payment to the District of any outstanding or delinquent accounts.
2. Special fees for "Delinquent Accounts".
3. "Immediate Availability" charges for all lots including those that are inactive, which retain the benefits of having water service and fire protection availability.
4. Addressing future sources of income such as stand by fees for "Fire Suppression Systems".
5. Charging the customer for actual cost of processing the application for service, as well as the actual installation costs.

Implementation of this policy will generate funds for:

1. Normal system operation and maintenance on a daily basis
2. Funds specifically designated for future equipment repair and replacement.

All fees, retainers and deposits indicated are reflective of District 1996 labor, equipment, material and related costs. All such fees will be reviewed annually by District Staff and adjusted to reflect the current cost of providing the service provided, without the need for further approval of the Board of Directors.

OAKDALE IRRIGATION DISTRICT'S
RURAL WATER SYSTEM'S DOMESTIC WATER POLICY

SECTION I – DEPOSITS

A. NEW CUSTOMER SECURITY DEPOSIT

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.

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

The amount of the deposit shall be as follows:

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

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

B. EXISTING CUSTOMER DEPOSIT

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 IA.

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% (percent) 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.

D. METER TEST DEPOSIT

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 customers 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:

<u>Meter Size</u>	<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.

SECTION II – 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
2. The connection fees for connections over 1" will be determined on a case-by-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.

NOTE: Fees collected, fund the designated "Rural Water Capital/Project 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 systems 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/Project 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 Field personnel time to read the meter. The New Customer Connection fee shall be collected at the time service is requested:

<u>Meter Size</u>	<u>Fee</u>
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, may be 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 customers 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.

SECTION III – SERVICE CHARGES

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

1. “Immediate Availability” charge recovers the cost of depreciation expense, indebtedness and other long term obligations.
2. “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 debit 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:

<u>Connection Size</u>	<u>Monthly Charge</u>
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 percent of all fees collected as “Immediate Availability” charge shall fund the designated “Rural Water Capital/Project 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:

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

C. TEMPORARY SERVICE FEE

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

D. TURN ON OR OFF FEES

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. DELINQUENT ACCOUNT FEES

Overdue accounts create additional Staff hours for Administration and Finance Department Personnel. Also, customers who pay their bills (Exhibit “A”) in a timely and responsible manner should not be penalized by subsidizing delinquent accounts. Therefore, the following tier structure of additional fees shall be followed when dealing with delinquent accounts:

1. "Delinquent Account Notice" – This is the first step in notifying the customer that their account is 30 days past due. (Exhibit "B")
*Additional fee added to the delinquent account = \$6.00
2. "Second Delinquent Account Notice" – This is the second step in notifying the customer that their account is overdue. It is sent to the customer 15 days after the "Delinquent Account Notice". (Exhibit "C")
*Additional fee added to the delinquent account = \$12.00
3. "48 Hour Shut-Off Notice" – This is the third and last step in notifying the customer that their account is drastically over due and termination of the water service will occur in 48 hours if the account is not paid in full. This notice is sent by registered mail and/or hand delivered by OID Staff to the customer, 15 days after the "Second Delinquent Account Notice". (Exhibit "D")
* Additional fee added to the delinquent account = \$32.50
*Additional fees cover the Clerical Staff time and special postage rates.

All fees associated with turning-off and/or turning-on the service (Section III D), and customer deposit (Section I A or B), shall be imposed.

Note: OID may require that the delinquent account be paid by cash or certified check.

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 followed:

1. Water may only be taken from 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.
3. The fire hydrant may be required to be equipped with a backflow prevention assembly if OID's Cross Connection Control Specialist deems it necessary.
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 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:
 - a. Prior to the commencement of activities requiring the use of the fire hydrant.
 - b. 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.

SECTION IV – 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. CROSS CONNECTION CONTROL POLICY

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.

C. OID'S DOMESTIC WATER SPECIFICATIONS

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.