



**ELSINORE
VALLEY**

MUNICIPAL WATER DISTRICT

ADMINISTRATIVE CODE

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Updated and Reprinted as needed

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The policies of this Administrative Code are subject to change through Board action. Although we try to update the Code as soon as possible following Board action, the changes are not immediate. The most recently adopted version of a policy is the official version.

Elsinore Valley Municipal Water District

Administrative Code

INTRODUCTION

Elsinore Valley Municipal Water District is an agency of the State of California, duly organized under the Municipal Water District Act of 1911. Recognizing the need for a reliable supply of water, local citizens approved formation of the district in an election held on December 5, 1950.

The powers of the district are vested in a board of directors made up of five members elected by voters from five separate divisions. The directors are responsible for the selection of the general manager, legal and fiscal consultants, and for the establishment of procedures for the employment of all district personnel. The board sets policies related to all actions taken and all services rendered by the district.

This Administrative Code is a compendium of board-adopted rules, regulations, practices, charges, fees and policies. It incorporates, where necessary and appropriate, many of the laws and regulations established by the State of California and the United States Government which must be adhered to by the district.

The basic tenets which the Board of Directors seeks to follow are: 1) that adopted policies and rules comply with all applicable state and federal laws; 2) that said policies and rules allow for the provision of adequate water and sewer service to all consumers within the district in an efficient and business-like manner; 3) that the allocation of the costs incurred in the providing of such services among the users and taxpayers be administered in a fair, equitable and consistent manner; and 4) that the public is provided with access to the board and district personnel as needed.

These policies and procedures are subject to change by the Board of Directors as new circumstances and new regulations may warrant or require.

ELSINORE VALLEY MUNICIPAL WATER DISTRICT
ADMINISTRATIVE CODE

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SECTION 100. GENERAL PROVISIONS**§ 101. Purpose.**

The purpose of this Administrative Code is to provide a statement regarding the organizational structure of the District, the duties and powers of the Board of Directors, the duties and functions of the management staff and employees, and the policy and procedures by which the work of the District is carried out. It is the purpose of the adoption of this Administrative Code to codify operative provisions of existing ordinances, resolutions, actions recorded in minute orders and of other matters heretofore adopted by the Board of Directors to the extent such provisions have continuing effect.

§ 102. Adoption.

This Code was adopted by reference on December 14, 1994 and placed on file in the office of the Secretary of the District. Existing rules, regulations, procedures, charges, fees and policies in conflict with the provisions of this Code were repealed concurrently with its adoption.

§ 103. Changes in Wording.

Any change in wording from the wording found in any ordinance, resolution, minute order or other matter from which a provision of this Administrative Code is derived has been made solely for editorial reasons and was not and shall not be construed to have had as its purpose a change in intent, meaning or purpose of any such pre-existing document.

§ 104. Severability

It is hereby declared to be the intention of the Board that the sections, paragraphs, sentences, clauses, and phrases of this Code are severable; and if any phrase, clause, sentence, paragraph, or section of this Code shall be declared unconstitutional or otherwise invalid by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Code.

§105. Revisions or Additions.

It is anticipated that, from time to time, revisions, changes or additions will be required in this Code to cover changes in procedure or new activities of the District. Such revisions, changes or additions shall be accomplished only by resolution, ordinance or minute order adopted by a majority of the Board of Directors at a duly constituted meeting. Said resolution, ordinance or minute order will provide for the insertion into the Code and the removal, as required, from the Code of applicable sections.

Whenever possible, resolution, ordinance and minute order numbers have been included in parentheses for reference purposes, i.e., (R-21-11-02), (O-82) or (M-572), and in some cases, the date of the minutes in which the action of the Board is recorded is stated. When these references appear in a heading or subheading, it applies to the entire section or paragraph thereunder. Likewise, when the reference applies only to a paragraph, it will appear as the last entry of the paragraph. In some cases, such as rates or fees, it will appear directly adjacent to the number or listing, meaning it applies only to that entry.

All policies, procedures, rates and fees contained herein are subject to change without notice. This document should not be used as a development or project-planning tool. Anyone requiring information about District services or fees should contact the appropriate department for current information. Updates to any sections of this Code can be obtained from the Secretary of the District.

SECTION 200. PRINCIPLE PLACE OF BUSINESS *(R-1068)*

The principal office for the transaction of the business of the District and the location at which all regular and special meetings of the Board of Directors shall be held is located at 31315 Chaney Street, Lake Elsinore, California, designated as “Operations Facility”, Elsinore Valley Municipal Water District.

SECTION 300. MISSION STATEMENT (M-3812, M-5681)

The mission of the Elsinore Valley Municipal Water District is:
“The EVMWD team delivers total water management that powers the health and vibrancy of its communities so life can flourish.”

SECTION 301. VISION STATEMENT (M-3812, M-5681)

“EVMWD is Southern California’s most innovative, diverse and trusted public utility partner.”

By 2030 we will be...

- Innovative, creative, proactive, and technologically advanced.
- Managing “One Water:” water sourcing, wastewater treatment, water recycling.
- Trusted and recognized for positive relationships: Customers, Community, Staff.
- Fiscally fit and delivering the highest value.

SECTION 302. VALUE ACTIONS (M-3812, M-5681)

To succeed, we prize above all...

PROFESSIONALISM

Perseverance, Productivity, Reliability, Poise, Quality Work, Competence
This means we show knowledge, effectiveness, and competency with coworker and customer interactions. We maintain a calm, professional outward demeanor, upholding a reputation for accuracy, dependability, expertise, efficiency, and high quality through information, services, and product delivery.

ENTHUSIASM

Learning, Innovation, Compassion, Sense of humor, Humility, Excitement, Mindfulness
This means we possess a strong drive and desire for learning, innovation, forward-thinking, and the overall desire to do our job well.

INTEGRITY

Loyalty, Courage, Insight, Transparency, Openness
This means we are sincere and demonstrate high moral standards in principles, intentions, and actions; we have an honest and open approach to all conduct aspects that encourages loyalty, transparency, fairness, and trust.

INCLUSIVENESS

Communication, Appreciation, Diversity, Teamwork, Respect

This means we conduct ourselves in a manner promoting respect and teamwork. Inclusiveness means communication with and appreciation for all, understanding each person is unique. We strive to understand how to work with our differences, provide better service, work products, and enhance organizational culture.

STEWARDSHIP

Fiscal responsibility, Environmental responsibility, Customer service, Resource management, Safety consciousness

This means we take responsibility for and ownership of assigned responsibilities; we value public health and the environment, we consider customer expectations, both internal and external; we demonstrate a proactive, positive willingness to serve, service to others).

SECTION 400. ORGANIZATION**§ 401. Board of Directors.** *(M-4987, M-5610)*

The District is governed by a five-member Board of Directors elected by the voters of the District from five separate Divisions.

All Powers, privileges, and duties vested in or imposed upon the District by law and the Municipal Water District Act shall be exercised and performed by the Board of Directors, except as such Board shall delegate executive, administrative and ministerial powers to officers and employees of the District, as hereinafter provided in this Administrative Code. The policy decisions of the Board constitute an action of the Board of Directors.

The Board of Directors has three (3) major responsibilities:

1. Promote the best interests of the District's customers by establishing policies that support the vision and mission of the District and by ensuring the implementation of those policies. Policies include the governing principles, plans and approved actions of the organization. Policy-making is the process of visionary planning and should reflect the broadest possible principles and provide parameters within which staff can operate. Policy-making sets the overall direction of the District.
2. Assure the fiscal health of the District. The Board establishes policies that ensure fiscal stability and the effective use of funds. In order to achieve this, the Board adopts a two-year budget covering the anticipated revenues and expenditures. Additionally, the Board annually adopts and monitors cash reserve and investment policies.
3. Hire a General Manager to manage the day-to-day operations for the effective operations of the District. The Board holds the General Manager accountable for the effective operational leadership and management of the District. It also has a responsibility to properly evaluate the General Manager on an annual basis.

§ 402. Officers. *(R-1132, M-4987, M-5610)*

The officers of the Board shall consist of the President, Vice-President, Treasurer and Secretary. They shall serve a one-year term or until their successors are elected or appointed. Elections shall be held the first regular meeting which occurs in December of each year.

A. President. The President of the Board of Directors shall:

1. Preside over all meetings of the Board ensuring decorum and order using the following guidelines:
 - a. Remain as one member of the Board and has no rights or authority different from any other member of the Board.
 - b. Vote with the Board members and votes last on a roll call vote, when done verbally.
 - c. Be knowledgeable of material at hand.
 - d. Encourage open discussion.
 - e. Exhibit individual style and encourage diversity.
 - f. Chairs the meeting of the Board of Directors, calls the meetings to order, presides over the meeting, including the conduct of the Board of Directors and those in attendance, entertains and repeats motions properly before the Board of Directors, puts motions to a vote, and announces the result.
 - g. Acts as the ceremonial head or representative of the District at various civic functions.
 - h. Encourage public input at the appropriate time.
 - i. Is the designated spokesperson for the Board of Directors to the general public. The President may elect to appoint one of the other Board members to serve in this capacity.
 - j. Provide a stabilizing influence and provide consistent leadership.
 - k. Makes appointments to Ad Hoc Committees as necessary.
 - l. Coordinates efforts of committees.
 - m. Integrates committee work with that of the board.
 - n. To the extent possible, the President advises the Board of any informal communication or correspondence sent or received regarding District business.

- o. Regularly communicates with the General Manager and keeps other Board members fully informed on matters of District business.
 - p. Provides guidance to the Board fairly and impartially.
 - q. Suggest agenda items to management for future consideration by the Board or for a Committee.
 - r. Personally addresses the issues between the members of the Board. The Directors or the General Manager informs the President on any issue or concern brought to their attention.
 - s. May request to review Standing Committee, Study Session and Board Meeting agendas prior to distribution and posting.
2. Authenticate all official records of the District where required by law or as directed by a majority of the board.
 3. Represent the District at events and functions as requested by a majority of the Board.
 4. Solicits director inputs to committee appointments, balances needs, and presents results to board for any discussion and subsequent approval.
 5. Other duties and responsibilities as required or imposed by law or by a majority of the Board.
- B. Vice President. The Vice President of the Board of Directors shall:
1. Exercise the powers and duties of the President if the President is absent or unable to act.
 2. Remains as one member of the Board and has no rights or authority different from any other member of the Board.
 3. In the event the position of the President is vacated prior to the expiration of the term, becomes the President for the remaining term, unless otherwise directed by the Board.

4. In the event of an early vacancy in the position of Vice-President, the Board determines, by vote, a replacement for the remaining term.
 5. The Vice-President serves in the capacity of the President of the Board of Directors in their absence.
 6. In the absence of the President, may request to review all Standing Committee, Study Session and Board Meeting agendas prior to distribution and posting.
- C. Treasurer. The Treasurer, or such other person or persons as may be authorized by the Board of Directors, shall draw checks or warrants to pay demands when such demands have been audited and approved in the manner prescribed by the Board of Directors. To the extent such other person or persons have been so authorized by the Board of Directors, then the Treasurer shall not assume fiduciary responsibility for such responsibilities, nor for any other responsibilities imposed upon the Treasurer by the State of California, provided such person or persons have given bonds to the District conditioned upon the faithful performance of their duties.
- D. Secretary. The Secretary shall:
1. Authenticate all official records of the District.
 2. Maintain in a safe location the official records of the District.
 3. Certify all records wherever required and where necessary.
 4. Perform such other duties and responsibilities as imposed upon the Secretary by law or by a majority of the Board of Directors.

The Board may appoint one or more persons to serve as Assistant Secretary to carry out the duties of the Secretary if the Secretary is absent or unable to act. The District Secretary/Administrative Services Supervisor normally fills this role due to certifications required.

§ 403. Committees. *(R-06-03-07, M-4987, M-5610)*

There may be committees created from time to time to take care of matters which arise and require committee study and recommendation. Standing Committees are established by resolution. Ad Hoc Committees are appointed by the Board President. Each committee, having authority only to recommend to the Board, shall meet at times to be agreed upon by the committee members and shall consider matters referred to it by the Board, or matters within the scope of its duties which are presented to it by its members or the General Manager. The committee format allows the Board to conduct its business more effectively.

General Guidelines:

1. Any standing committee may be formed, renamed, or have functions changed or terminated with approval of the Board.
2. A standing committee consists of two Board members. Standing committees are open to the public and subject to provisions of the Brown Act.
3. Other Board members may attend the meeting of the standing committees; however, the Brown Act prohibits their participation in the meeting because this constitutes a quorum of the Board.
4. Staff assists members of standing committees by preparing agendas, staff reports, distributing materials, and performing other support functions as required. Committee members may request staff assistance through the General Manager or his designee.
5. Individuals appointed to Ad Hoc committees serve at the pleasure of the President of the Board, and their appointment to that committee expires upon completion of the project or issue for which the Ad Hoc committee was formed.

The Finance and Administrative Committee (FAC) The Finance and Administration Committee is responsible for overseeing administrative and financial matters including: rates, charges and other sources of revenue; review of staffing and administration budgets; audit; investments; human resources; employer-employee relations; insurance, risk management; other matters of general business operation for the District.

The Engineering and Operations Committee (E&OC) The Engineering and Operations Committee is responsible for matters of design, construction, replacement, maintenance and operation of the District's facilities, property and

equipment, including: development and administration of the Capital Improvement Program; information technology; right of way acquisition and management; system and facility security; water quality; review of Engineering and Operations budgets and other matters relating to facility operations.

The Legislation, Conservation, and Outreach Committee (LCOC) The Legislation, Conservation, and Outreach Committee is responsible for community and governmental matters including: review and monitoring of legislation, lobbying and intergovernmental relations; review of the Legislative and Community Relations budgets; community relations; media relations; water conservation programs; organizational donations; and other matters of public interest.

The Water Planning Committee (WPC) is responsible for water planning and local supply development including: water demand and supply planning; shortage allocation planning; administration of the shortage allocation programs and policies; water supply forecasting and reporting; water reclamation; groundwater and conjunctive use; local surface water; water quality; environmental management; development of a water planning budget; Urban Water Management Plans; The Farm; and other planning matters.

§ 404. Meetings. (R-09-05-06, R-11-01-01, R-14-01-03, R-16-04-01, R-17-01-04, R-17-08-01, M-5610)

- A. Time and Place of Meetings. The regular meetings of the Board of Directors shall be held on the second and fourth Thursday of each month, at 4:00 P.M., in the Board Room at the District office.
- B. Study Sessions. Study sessions are held on the Wednesday of each week preceding regular Board Meetings, at 9:00 A.M. in Conference Room A at the District office.
- C. Finance and Administrative Committee (FAC). The Finance and Administrative Committee meets on the third Tuesday of each month, at 3:30 P.M. in Conference Room A at the District office.
- D. Engineering and Operations Committee (EOC). The Engineering and Operations Committee meets on the first Monday of each month, at 3:30 p.m. in Conference Room A at the District office.

- E. Legislation, Conservation and Outreach Committee (LCOC). The Legislation Conservation and Outreach Committee meets on the fourth Wednesday of each month, at 3:30 P.M. in Conference Room A at the District office.
- F. Water Planning Committee (WPC). The Water Planning Committee meets on the third Monday of each month at 3:30 P.M. in Conference Room A at the District office.
- G. Order of Procedure at Meetings. Except as otherwise required by law, the business of the meetings of the Board of Directors and the order of procedure shall be as provided by “Rosenburg Rules”.
- H. Chairperson. The President shall act as Chairperson at all meetings of the Board, and in his/her absence the Vice-President shall act as Chairperson. In the absence of both the President and Vice-President, the Chairperson shall be selected by a majority vote of the members of the Board attending such meeting.
- I. Quorum. A quorum necessary for the transaction of business at any meeting of the Board shall be declared to exist whenever there are present at least three Directors. Any meeting of the Board at which a quorum is not present may be continued from time to time until a quorum is present to transact the business of the Board.
- J. Voting. Except as otherwise provided by law, the decisions of the Board of Directors shall be expressed and determined by motions made and adopted by a majority vote of the members of the Board present. A roll call vote shall be taken if requested by any Director. During telephonic-enabled meetings, even if all directors are physically present in the Board room, when there is an open phone or teleconferencing software in use, all votes will be taken by roll call on all matters so that the public knows who voted to approve or oppose an item.
- K. Meals and/or Refreshments. The Board of Directors finds that District-provided meals and/or refreshments at meetings of the District Board of Directors and its Committees serve valid governmental purposes of the

District by lessening hardship and inconvenience on Directors and staff attending the meetings, allowing the meeting time to be used more efficiently, and encouraging greater attendance by Directors and staff at meetings of the Board of Directors and Committees. The District General Manager is authorized to expend District funds for the provision of meals or refreshments at meetings of the Board of Directors or its Committees that are scheduled to occur during normal mealtimes.

§ 405. Minutes. *(M-4987)*

The minutes of the meetings of the Board of Directors shall be prepared and kept permanently by the Secretary in a book maintained for that purpose. Unless otherwise expressly directed at the time of their adoption, the ordinances and resolutions adopted by the Board may be referred to in the Minutes by number and title only, but the same shall be recorded in their entirety and kept permanently by the Secretary in books maintained for that purpose.

The President and Secretary shall authenticate the Minutes, Ordinances and Resolutions after they have been approved and adopted by the Board of Directors, and when so authenticated they shall constitute the official Minutes, Ordinances and Resolutions of the Board of Directors of the Elsinore Valley Municipal Water District.

Minutes shall satisfy all legal record keeping requirements, and provide, in a clear and professional manner, an accurate report of all actions taken by the Board. Minutes shall not be verbatim.

§ 406. Agendas. *(M-02/23/94, M-5610)*

- A. Posting. Agendas for all meetings of the Board of Directors shall be posted in a location accessible to the public in accordance with the provisions of the Government Code.
- B. Public Comments. Regular Meeting agendas shall provide an opportunity for members of the public to address the Board on any item within the jurisdiction of the District two times - once at the beginning of the agenda (on items not on the agenda), and then again during specific agendized item. Persons addressing the Board shall do so in compliance with Section 604 of the Administrative Code. Special Meeting agendas shall provide at least one Public Comment section.

- C. Consent Calendar. The Consent Calendar shall consist of items, which appear to be routine or ministerial in nature on which no Board discussion will be required. Items may be added to or removed from the Consent Calendar upon request from a Board Member prior to action to approve the Consent Calendar.
- D. Closed Sessions. The Board of Directors may hold closed sessions on items as provided in the Government Code. All information discussed by the Board in closed session shall be kept strictly confidential unless otherwise directed by a majority of the Board, on the advice of legal counsel or announced in open session.
- E. Special Meeting Agendas. Section 54956 of the Ralph M. Brown Act states that a special meeting may be called at any time by the presiding officer of the legislative body of a local agency, or by a majority of the members of the legislative body.

It is the Board's policy that when a special meeting is called either by the Board President or by a majority of the Board, the call of the special meeting and the accompanying agenda shall be limited to those items placed on the call by either the President or the majority of the Board. If staff is requested by a member of the Board to add another item to the special meeting agenda, staff shall refer that Board member to either the Board President or to the majority of the Board, depending on who made the original call for the special meeting.

- F. Emergency Meetings may be held on little notice when prompt action is needed due to an actual or threatened emergency situation. (Gov. Code, § 54956.5) The need for an emergency meeting must be determined by a majority of the Board and will be held in compliance with Gov. Code, § 54956.5 subd. (b)(1&2).
- G. Requests to Receive Agendas by Mail. Members of the public wishing to receive agendas by mail shall submit a request in writing to the Secretary of the Board and shall provide the Secretary with self-addressed, stamped envelopes for such purpose. Requests are to be renewed on

an annual basis and are effective throughout the calendar year in which they're made.

- H. Requests to Receive Agendas by Facsimile or E-Mail. Members of the public wishing to receive agendas by facsimile or e-mail shall submit a request in writing to the Secretary of the District. Requests are to be renewed on an annual basis and are effective throughout the calendar year in which they're made.

The public is encouraged to access Agendas through the District's Website.

SECTION 500. DIRECTORS POLICIES (R-06-03-11, R-07-11-01, M-4499, M-5610)

It is the policy of the Elsinore Valley Municipal Water District to maintain the highest standards of ethics from its Board Members. The proper operation of the District requires decisions and policies to be made in the proper channels of governmental structure, that public office not be used for personal gain, and that all individuals associated with the District remain impartial and responsible toward the public. Accordingly, it is the policy of the District that Board members and employees maintain the highest standard of personal integrity and fairness in carrying out their duties. This policy sets forth the minimum performance standards to be followed by the Board of Directors.

The primary role of the Board is to establish policies that guide the District to achieve its mission. The policy decisions of the Board constitute the “action” of the Board of Directors.

§ 501. Role of the Board of Directors. (Minutes 06/26/96, M-4499, M-4987, M-5610)

- A. The District’s policies, mission, goals and programs are established by the Board of Directors in consultation with the General Manager and where required from legal counsel at public meetings. The Board will not direct management in how to implement policy but will evaluate the General Manager in his/her implementation of policies established by the Board. Board members need to recognize and respect the distinctions between their policy-setting role and staff’s day-to-day implementation of policy.
- B. The General Manager shall recommend programs to implement district policy to the Board at public meetings unless instructed by the Board to report to a committee or individual Directors. The General Manager shall carry out the programs approved by the Board without modification.
- C. Individual Directors are encouraged to inquire of the General Manager as to the status of programs. The General Manager shall promptly provide information requested by Directors as necessary to assist in decision-making and policy direction. Routine requests orally or in writing for readily available written information or documents shall not require formal Board approval. Requests that involve other than routine collection of data, compilation of data from one or more sources, or preparation of written reports, studies, analyses or tabulations that in the determination of the General Manager may interrupt the natural flow of daily operations of the District shall be submitted to the Board of Directors by the individual director for formal approval. All Directors’ requests shall be treated uniformly and responded to in a fair and courteous manner.

In the event a disagreement arises over such a request the President of the Board of Directors shall be consulted. The decision of the Board President as to the best manner of responding to such request shall be final unless modified or reversed by a majority vote of the Board of Directors.

Directors requesting information shall not instruct staff as to the manner of responding to such request or the performance of their duties generally. Nothing herein shall be construed as limiting any Director from making a request pursuant to the California Public Records Act.

- D. An individual Board member has the privilege of inspecting all public records but has no greater rights in the day-to-day operation of the agency than the public. In respect to the Public Records Act, all information requests or document requests must be submitted to the District Secretary. All requests for documents made by members of the public are to be delegated or deferred to the District Secretary for response.
- E. The Board Portal is to be utilized only by the Board of Directors as a resource for commonly referenced public and attorney privileged documents. The District Secretary updates the site and maintains the materials therein. For further information, please reference Administrative Code Section 1450 on IT/Network Policy related to sharing information and well as safeguarding District information.
- F. The Board employs the General Manager of the District.
- G. The Board defines the responsibilities of the General Manager. The Board monitors progress and redirects, if necessary. The Board provides the General Manager with a formal performance evaluation annually.
- H. The Board provides the General Manager the resources needed to carry out the policies and programs of the Board.
- I. The Board adopts the District's Budget.
- J. The Board approves the District's Table of Organization or Position Listing in consultation with the General Manager.
- K. The Board establishes employee benefit programs and approves pay ranges in consultation with the General Manager.
- L. The Board establishes all rules & regulations governing employees on the job in consultation with the General Manager.
- M. The Board hires the District's Legal Counsel and Auditor.

- N. The Board ratifies the demand payment register Purchasing Card (P-Card) and other required payments on a case-by-case basis, which will be processed on an interim register and approved other payment release. The Board may pull certain items from the demand payment register on a case-by-case basis for clarification or questions.
- O. The Board conveys easements and real property of the District.
- P. The Board approves acquisition and/or purchase or lease of real property.
- Q. Within six (6) months of being elected to the Board, Board Members will complete Governance Training through the District, California Special Districts Association (CSDA), ACWA JPIA, or combination of above, or through another qualified source providing similar training.
- R. The Board shall work with staff and legal counsel to gain an understanding of general management practices of the District, finance and planning, operations and engineering, District facilities, and rules of public meeting decorum.
- S. The Board will attend a refresher course on public agency governance and best management practices at least every four (4) years.

§ 502. Instructions to Staff. (M-5108)

All general business of the District, including requests for information and instructions to personnel, are to be conducted through the General Manager or his designee, or in the absence of the General Manager, the Assistant General Manager or his designee.

§ 503. Compliance with the Ralph M. Brown Act. (M-5610)

The members of the Board of Directors will fully comply with the provisions of the State's open meeting law for public agencies (the Brown Act). This includes compliance of communications by electronic, written, and verbal means and methods among Board Members.

§ 504. Closed Sessions. (M-4987, M-5610)

A Director is not authorized, without approval of the Board of Directors, and in consultation with the District's legal counsel and General Manager 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, (2) is protected from disclosure under the attorney/client or other evidentiary privilege, (3) is not required to be disclosed under the California

Public Records Act or, (4) has not been established and agreed upon by the Board as a whole as appropriate and uniform response to public inquiry.

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, (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, in a lawful and appropriate manner, to provide the Board an opportunity to cure an alleged violation.

A Director 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.

To ensure security and integrity of Closed Session discussions Board Members should follow best management practices. Attendance at closed sessions will be limited to the Board and only the employees and consultants whose participation in the closed session is necessary, in consultation with legal counsel. Employees and consultants joining virtually will be encouraged to make themselves visible to the Board.

Video or audio recording of Closed Sessions is strictly forbidden. Additionally, the use of cell phones, iPads, computers or other electronic devices during closed session is strictly prohibited. This prohibition does not prevent the use of electronic or telephonic devices to attend meetings virtually or by teleconference, but in such situations the device shall not be used to record, broadcast, or otherwise breach the confidentiality of the meeting. Subject to the limitations described in this Section, use of electronic devices during closed sessions is permissible only when virtual meetings are required by law, are specifically required for a particular course of business, or as established by state law.

§ 505. Representing the District in Public Settings and Personal Opinions.
(M-5610)

- A. When representing the District in public settings, each Director is to (1) fairly represent the official positions of the Board and actions of the Board even if there is personal disagreement with such positions, and (2) carry out duties in a manner consistent with majority action or direction. Board Members may give their personal opinions in such settings but should not do so in a way that appears to attribute their personal opinions to the District/Board. At meetings in public settings, Directors shall be prohibited from revealing confidential District information except upon approval of the Board.

- B. On occasion, a Director may wish, as a private citizen, to express a personal opinion about District business during a meeting open to the public. In such instances, the Director must make it clear that he or she is expressing his or her personal opinion only and that the statement does not necessarily reflect the Board's position or District's policy.

§ 506. Agendas. *(M-5108, M-5610)*

- A. All general requests to add items to the Regular Board Meeting agenda shall be made to the Board Secretary and General Manager before 5:00 p.m. on the Wednesday of the week prior to the meeting.
- B. If possible, when Directors have a question regarding the check register or Consent Calendar, they should contact the General Manager or the District Secretary before the Board Meeting.

§ 507. Attendance at Meetings. *(O-129, Minutes 07-14-99, R-03-02-05, R-06-03-11, R-07-11-01, M-4893, M-4987, M-5108, M-5610)*

- A. Pursuant to Sections 20200 through 20207 and 71255 of the California Water Code, (commencing July 14, 1999) Directors shall receive compensation daily, up to a maximum of ten (10) days of services monthly for attending the following meetings as shown on the approved Director's Meeting Matrix:
 - 1. Each day's attendance at regular, special, and adjourned meetings of the Board of Directors; and
 - 2. Each day's attendance at regular, standing, or ad hoc committee meetings, or study sessions.
 - 3. Attendance at meetings listed in the Directors Matrix List (§ 510 G), which are deemed as official District functions and are attended in an official capacity as a member of the Board of Directors.
- B. Attire at Board or Committee meetings, and when representing the District at public events, shall be business attire appropriate for the event. Board Members are ambassadors and representatives of the District and agree to behave in a manner that always places the District in a positive light.
- C. Directors shall receive compensation in accordance with provisions of Ordinance No. 129, including any amendments thereto.
- D. Changes in the compensation will require the approval of the Board during an open meeting of the Board held at least 60 days prior to the effective date of the change.
- E. In addition to requirements of Section 512 of this Policy, Board approval of travel authorization expenses for attendance or participation by any Board Member at any seminar, conference or meeting shall be considered as Distinct approval of qualification for compensation for each day of attendance of said event, as long as the maximum compensation does not exceed ten (10) days per calendar month.

- F. Meetings or events, which are not compensated are: retirement dinners, political fundraisers, sporting events, employee events, and Chamber of Commerce mixers. Board members are encouraged to consult with the General Manager or legal counsel if questions arise regarding whether attendance at a meeting is compensatory.
- G. To ensure the public can readily ascertain the identity and positions taken by each Director, Board members who are attending meetings virtually are to make themselves visible to the public, other board members, and staff as if physically present for the meeting.
- H. During the course of open meetings, Directors should refrain from the use of personal electronic devices (cellphones, iPads, etc.) and any emails, texting, or other communications, unless it is an emergency or specifically required for a specific course of business at hand.

Exception: Attendance at any of the meetings and/or listed in this section, which will likely result in an expense to the District in excess of Five Hundred Dollars (\$500) per Board Member will require the approval of the Board of Directors prior to the expense whenever possible.

§ 508. Maximum Permissible Service. *(Minutes 04-05-06)*

No payments shall be made under these regulations for attendance or services exceeding a total of ten days in any calendar month or for attendance at meetings or hearings for which a Director is not present at least 50% of the meeting.

§ 509. Payments for Attendance or Services. *(R-1609, M-4355, M-4429, M-4460, M-4771, M-4905, M-5108, M-5610)*

- A. Payments for attendance or services pursuant to these regulations shall be made each month.
- B. Certain meetings listed in the Directors' Matrix (See § 510 G) will be assigned to each Director. If more than the assigned Director attends, the alternate Director will not receive day of service compensation. If the assigned Director is not in attendance and the alternate Director attends, the attending alternate or other available Director attending will receive compensation for a day of service.
- C. If a meeting is not included in the Matrix, there must be approval from the Board for compensation for attendance at that meeting.
- D. Claims for reimbursement of office supply expenses incurred by Directors, directly in connection with the performance of their official duties require approval by two reviewing Directors.

- E. After attendance at a meeting, each Director will supply the Board with a report on the meeting(s) attended at the next regular meeting of the Board. The report must be oral or written, and must include the date, the name of the meeting attended, basic highlights of the meeting, and all other pertinent information, which could be useful to the Board.

Members of Standing Committees shall alternate as Chairperson. Verbal reports on committee meetings shall be given.

- I. Compensation for travel on the day before and/or the day after each meeting or conference is permitted if the travel distance to the meeting location is equal to or greater than 200 miles from EVMWD's service boundary, while driving or requires over 4 hours of air travel, including any driving necessary to and from the applicable airports.
- F. Directors Matrix - Items included on the matrix are considered to be official District business and are compensable.

§ 510. Days of Service Approval *(M-4987, M-4994, M-5108, M-5108, R-17-01-04, M-5195, M-5389, M-5477, M-5499, M-5585, M-5610, M-5635, M-5663, M-5758, M-5793, M-5830, M-5895, M-5950)*

- A. At the end of each month, all Directors will complete a Days of Service Report Form. All Report Forms shall include meetings attended within a calendar month and shall have the corresponding Matrix or Section Code number indicated in order to qualify for compensation for a Day of Service. Any non-compensated meetings attended by Directors may also be listed on the bottom portion of the designated form.
- B. Completed Days of Service Forms shall be submitted in a timely manner by each Board Member to the Administration Department within 10 days of each month's end. Days of Service Forms submitted 30 days or more after each month's end will be presented for Board consideration for approval at a subsequent Board of Director's Meeting.
- C. All Directors' monthly reports for compensation for attendance at meetings will be reviewed before submittal for payment by two Directors. Appointed Directors for review of Monthly Days of Service Reports are the Board President and Vice President with the Treasurer and other Board Members as the alternate in that order.
- D. If it is the recommendation of the two reviewing Directors that a day of service that has been claimed is not a valid service day, then the reviewing Directors will ask that Director to remove the questioned day(s). The Director can either remove those days from his/her report or the matter will be placed on the next regular agenda for action at the Board's discretion.

- E. The two Reviewing Directors have the authority to approve Days of Service Report Forms for payment for all five Directors; a third Director’s signature is required for the Reviewing Member’s Days of Service Report approval.
- F. Completed Days of Service Reports, which have been reviewed and approved by the appointed reviewing Directors, shall be submitted to the Administration Department for submittal for payment.

G. Directors' Matrix for 2025:

| | | |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| 1 | Regular Board meeting | All Directors |
| 2 | Special Board meeting or Study Session | All Directors |
| 3 | Adjourned Board meeting | All Directors |
| 4 | Board Study Session | All Directors |
| 5 | Ad Hoc Committees | Appointed by Board President |
| 6 | ACWA Conference | All Directors |
| 7 | CASA Conference | All Directors |
| 8 | ACWA Region 9 / Region 9 activities | Ryan, Morris-Alt / All Directors |
| 9 | ACWA/JPIA | Morris, Ryan-Alt |
| 10 | Board committees Finance & Administration FAC Engineering & Operations E&OC Legislation, Conservation & Outreach LCOC Water Planning WPC | FAC, Dobler, Ryan E&OC, Edmondson, Morris LCOC, Ryan, Edmondson WPC, Morris, Burke |
| 11 | California Municipal Utilities Association CMUA Meetings | All Directors |
| 12 | CA-NV American Water Works Association CA-NV AWWA Meetings | All Directors |
| 13 | California Special Districts Association CSDA Meetings | All Directors |
| 14 | Canyon Lake City Council | Burke, Morris-Alt |
| 15 | Canyon Lake POA / Canyon Lake Group Meeting | Burke, Morris-Alt |
| 16 | Eastern M.W.D. Group | Burke, Ryan |
| 17 | Environmental Protection Agency Local Gov. Advisory Com. (EPA LGAC) | Burke |
| 18 | Farm Mutual Water Company | Morris, Edmonson-Alt |
| 19 | Bedford-Coldwater Groundwater Sustainability Agency BCGSA JPA | Dobler |
| 20 | Inspection Tours e.g., Colorado River Aqueduct, Diamond Valley Lake, other | All Directors |
| 21 | Local Agency Formation Commission LAFCO | Ryan |
| 22 | L.E. Chamber Student of the Month and Student of the Year | Ryan, Edmondson–Alt |
| 23 | Lake Elsinore City Council | Ryan, Dobler– Alt. Attendees alternate Monthly |
| 24 | Lake Elsinore City Group | Ryan, Dobler |
| 25 | Lakeland Village Community Advisory Council | Edmondson, Dobler–Alt |
| 26 | LESJWA | Morris, Burke-Alt |
| 27 | LEUSD School Board | Morris, Ryan-Alt. |
| 28 | Meeks & Daley Water Co. | Morris, Edmondson |
| 29 | Meetings, Summits or Conferences with elected officials and/or agency representatives, SAWPA, Chambers of Commerce, dedication or groundbreaking | All Directors |

| | | |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
| | ceremonies, POA's or HOA's regarding matters within the subject matter jurisdiction of the District Attendees must be listed on the Days of Service Report Form | |
| 30 | Murrieta Student of the Month | Morris, Dobler-Alt |
| 31 | Metropolitan Water District of So. Cal. MWD Meetings | All Directors |
| 32 | Murrieta City Council | Morris, Burke-Alt |
| 33 | National Water Resources Association Conferences | All Directors |
| 34 | Rancho California W.D. Group | Morris, Burke |
| 35 | Rancho – Western – SRRRA Santa Rosa JPA | Morris, Ryan-Alt |
| 36 | Temescal MAC | Dobler, Ryan-Alt |
| 37 | Urban Water Institute, Inc. | All Directors |
| 38 | WateReuse Conference | All Directors |
| 39 | We are Temescal Valley | Dobler |
| 40 | Western M.W.D. Group | Morris, Dobler |
| 41 | Wildomar City Council | Morris, Edmondson – attendees alternate monthly |
| 42 | Wildomar City Group Meeting | Edmondson, Morris |

1. Advance approval by the Board is not required except when the activity or meeting will cost in excess of \$500 per participant.

§ 511. Fringe Benefits. *(Minutes 3-25-98)*

All Board Members are entitled to receive benefit coverage (i.e., health, dental, vision) offered to regular employees. On March 25, 1998, the Board of Directors adopted the policy giving each Board Member the option to decline benefit coverage which may be waived, as defined in the contract between the District and its insurance carrier.

§ 512. Travel. *(M-4987, M-5610)*

The purpose of this business expense policy is to establish policies and a basis for subsequent procedures regarding local and overnight travel for authorized activities. It includes, but is not limited to, travel, business meals, lodging, conference expenses, and other related expenditures incurred while conducting District business. Board members must ensure that their proposed expenses receive approval prior to incurring the expense.

Definitions. For the purpose of this policy, the following definitions will be used:

1. Directors – members of Elsinore Valley Municipal Water District's elected Board of Directors.
2. Reimbursable expense – authorized expenses incurred and paid for by a Director. Directors are expected to exercise good judgment and show proper regard for economy when incurring expenses in connection with official District business. No Director shall sustain personal monetary gain or loss as a result of duties performed in the service of EVMWD.
3. IRS – Internal Revenue Services.
4. Travel Reimbursement Authorization Requests (TRARs) - forms that must be completed and fully approved prior to travel. TRARs

totaling less than \$500 may be approved by the General Manager or designee. All TRARs totaling \$500 or more must be approved by the General Manager or designee and by the Board of Directors. TRARs are to be completed as early as possible to take advantage of all discounts available. In the event that travel needs arise in excess of \$500 prior to Board approval, the General Manager or designee may approve the travel until ratification at the next Board of Directors meeting.

- A. Qualifying Activities for Reimbursement of Expenses. The principle of “reasonable and necessary” shall be used when deciding to expend public money. Expenses incurred in connection with the following types of activities generally constitute authorized expenses as long as the other requirements of this policy are met:
1. Conferences and training, including visiting other agencies to discuss and observe best practices.
 2. Meetings with government and business leaders.
 3. Lobbying trips.
 4. Business-related trips where a benefit to the District can be defined.
- B. Pre-Payment by EVMWD. Whenever possible, costs such as transportation, accommodations, and registration fees, should be paid in advance directly by EVMWD either by check or EVMWD credit card.
- C. Advance Allowance. Directors shall be entitled to receive up to \$100 per day of anticipated travel in advance travel allowance for expenses expected to be incurred in connection with services rendered pursuant to these regulations.
- D. Mileage Reimbursement. Mileage will be reimbursed at the current IRS rate (www.gsa.gov/mileage) based upon the most direct route from point of departure to point of destination as determined by websites such as www.Mapquest.com, www.maps.google.com, or www.bing.com/maps.

If two or more Directors travel together, only one Director may claim for mileage reimbursement.

To the extent required by Labor Code Sec. 2802, EVMWD shall indemnify Directors for personal losses, including insurance deductibles, incurred as a result of the director’s use of a personal vehicle in the course and scope of District approved travel, if the damage was not caused by negligence.

- E. Meal Allowance. Shall be paid utilizing the current IRS Meals and Incidental Expenses (M & IE) rate for the location of the training or conference (see www.gsa.gov/perdiem) as a guideline for travel approval and actual expenses reimbursed. No meal allowance will be approved or reimbursed if a meal is included in the training or conference registration. Itemized receipts must be submitted for reimbursement.

Incidental expenses include tips for porters, baggage carriers and hotel staff. On the first and last day of travel, meal allowances shall be adjusted as allowed on the IRS First and Last Day of Travel guideline (see www.gsa.gov/perdiem) unless the travel times are demonstrated to be in excess of partial days.

- F. Transportation. If a Director has a physical limitation or disability, allowances will be made, which may affect total travel costs, to accommodate those needs without further Board approval. This would also be done in accordance with the Americans with Disabilities Act.
- G. Airfare. When airfare is the most economical mode of transportation, travel shall be by commercial air at the lowest published airfare available for economy class. Airfare should be booked as early as possible to receive the lowest possible rate. Class upgrades, early check-in, or boarding fees of any kind will not be reimbursed. Directors should work with staff to purchase airfare as far in advance as possible in order to avoid price increases or may be subject to reimbursing the District for the price difference.

If a Director chooses to drive rather than fly, reimbursement will be the lesser cost of driving or flying unless approved by the Board of Directors.

If two or more Directors choose to drive together rather than fly, the total of both Directors' calculations will be given to the Director receiving the mileage reimbursement, provided it does not exceed the reimbursement for actual mileage driven.

- H. Ground Transportation. EVMWD will reimburse the Director for the cost of a taxi or shuttle service between the airport, hotel, and training or conference location. In circumstances where lodging or restaurants are at a location different from the training or meeting facility, EVMWD will reimburse the Directors for transportation costs from their place of lodging to these other locations.
- I. Vehicle Rental. When vehicle rental is chosen over taxi or shuttle service, there shall be a business reason or economic benefit to support the decision. The vehicle class will be the most economic and reasonable that meets the needs of the traveler(s).

Optional auto insurance coverage for the rental vehicle is non-reimbursable and will be at the sole expense of the Director. If a Director is found liable for damage to a rental vehicle, and if the damage was not caused by negligence, EVMWD will reimburse the Director for damage expenses incurred.

IRS mileage rates will not be paid for rental vehicles; receipted fuel expenses will be reimbursed.

- J. Parking Expenses. Prudence shall be used when choosing the most economical mode of parking.
1. Airport Parking - Long-term parking is preferred for travel exceeding 24 hours.
 2. Conference, Training, or Hotel Parking - Valet parking will not be reimbursed beyond that incurred for a normal parking fee unless the Director can demonstrate that no other reasonable parking alternative was available.

- K. Accommodations/Lodging. Reservations shall be made in advance to receive the best rate possible. If such lodging is in connection with a conference, lodging should be at the group rate published by the conference sponsor. EVMWD credit card is the preferred method of payment. Upon hotel check-out, the Director shall obtain an itemized hotel receipt. An Administration Department staff person will contact the lodging accommodation in advance to ensure payment arrangements are in place.

If a Director chooses to stay at a hotel other than those included in the block rate associated with the conference or training, reimbursement will be only up to the sponsored block rate.

If the conference block rate is not available, care should be taken to locate appropriate lodging at a cost as close as possible to the block rate.

- L. Registration Fees. Conference, seminar, training, and meeting registration fees should be prepaid by EVMWD whenever possible to take advantage of early registration discounts.
- M. Communications. Telephone, internet, mail, and fax expenses away from home will be reimbursed only when directly related to EVMWD business. If the Director is traveling with a portable computer, portable WiFi devices may be checked out from the IT Department to save hotel service fees.
- N. Miscellaneous. Miscellaneous expenses authorized for reimbursement include, but are not limited to:
1. Laundry, cleaning and pressing of clothing if travel includes a minimum of four consecutive nights lodging.
 2. Bridge and toll road fees.
 3. Baggage handling and storage
 4. Duplicating, scanning or photocopying expenses directly related to EVMWD business.
- O. No Shows and Late Cancellation. The Director shall submit a written explanation addressing the reason(s) they were unable to attend. Staff will make every effort to ensure that any pre-paid expenses (e.g. registration fee, airline ticket, hotel) attributable to the event are

refunded or credited to EVMWD. Any expenses that are not refunded due to late cancellation may be the Director's personal responsibility, dependent on specific circumstances.
An expense form must be completed as soon as possible with all non-refundable costs related to the travel.

- P. Separation from Office. Attendance at any seminar or conference paid for by the District will not be allowed for Directors who will not begin a new term of office and whose terms expire within three months of the date of the seminar or conference. Travel Authorizations approved by the Board of Directors prior to the last three months of a term being known will be invalidated when a Director's term ending is made known to be within three months of the conference or seminar date.
- Q. Non-Authorized Expenses. Expenditures not authorized for reimbursement include, but are not limited to:
1. Any personal portion of the trip.
 2. Additional expenses incurred by or on behalf of a companion.
 3. Entertainment expenses, including in-room movies and airline headsets.
 4. Personal vehicle expenses or any other additional expenses for damage and/or personal losses caused by negligence on behalf of the Director.
 5. Traffic/driving citation and fines.
 6. Alcoholic Beverages.
 7. Incidental personal expenses including, but not limited to, medications, and non-business related reading materials.
- R. Procedures for Reimbursement of Expenses). Directors shall submit original or images of itemized receipts immediately upon return to the appropriate Administration Department staff person for compilation and processing. Itemized receipts should indicate a date, a detailed nature of the expense, and generally identify the participants. In situations where no receipt can be obtained, an explanation of the charges and the reason for the lack of receipt must be included. Failure to submit the required form and documentation within 30 working days may result in the expense being borne by the Director. IRS requires that expenses submitted after 60 days will be reported as taxable income and will appear in Box 1 of Form W-2.

Reimbursement of expenses to Directors require approval by two reviewing Directors, with the same guidelines as the Days of Service Report review and approval, so long as a Director is not one of the approvers of his or her own expense report.

- S. Reward Points. Any points related to hotel or airline reward programs accumulated from EVMWD credit card use should be redeemed by the District whenever possible.

§ 513. Conflict of Interest. (M-5610)

- A. Unless there is an applicable exception to Government Code Section 1090, Board Members 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. A Board Member shall not participate in the discussion, deliberation or vote on a matter before the Board of Directors, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter, as defined in the Political Reform Act, Government Code sections 81000, and following, relating to financial conflicts of interest. Generally, a Director has a financial interest in a matter if it is reasonably foreseeable that the Board decision would have a material financial effect (as defined by the Fair Political Practices Commission's regulations) that is distinguishable from the effect on the public generally on (a) a business entity in which the Director has a direct or indirect investment in the amount specified in FPPC regulations; (b) real property in which the Director has a direct or indirect investment interest, with a worth in the amount specified in FPPC regulations; (c) a source of income of the Director in the amount specified in FPPC regulations, within twelve months before the Board decision; (d) a source of gifts to the Director in an amount specified in FPPC regulations within twelve months before the Board decision; or (e) a business entity in which the Director holds a position as a director, trustee, officer, partner, manager or employee. An "indirect interest" means any investment or interest owned by the spouse or dependent child of the Director, by an agent on behalf of the Director, or by a business entity or trust in which the Director, or the Director's spouse, dependent child or agent, owns directly, indirectly or beneficially a ten percent interest or greater. A Director will not accept gifts or honoraria that exceed the limitations specified in the Political Reform Act or FPPC regulations. Board Members will report all gifts, honoraria, campaign contributions, income and financial information as required under the District's Conflict of Interest Code and the provisions of the Political Reform Act and the FPPC Regulations.
- B. If a member of the Board believes that he or she may be disqualified from participation in the discussion, deliberations or vote on a particular matter due to a conflict of interest, the following procedure will be followed: (a) if the Director becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Director will notify the District's General Manager of the potential conflict of interest, so that assistance can be provided to the Board Member, as appropriate, to help the Board Member make a determination whether it is a disqualifying conflict of interest; (b) if it is not possible for the Director to discuss the potential conflict with the General Manager before the meeting, or if the Director does not become aware of the potential conflict until during the meeting, the Director will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of

interest; and (c) upon a determination that there is a disqualifying conflict of interest, the Director (1) will not participate in the discussion, deliberation or vote on the matter for which a conflict of interests exist, which will be so noted in the Board minutes, and (2) leave the room until after the discussion, vote and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters, except that the Director may speak on the issue during the time that the general public speaks on the issue.

- C. A Board Member will not recommend the employment of a relative by the District. In addition, 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.
- D. No Director shall willingly or knowingly accept a gift that may create the impression of conflict of interest, or otherwise violate the disqualification provisions of the Political Reform Act of 1974. 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.

§ 514. Employee Relations and Discipline. (M-5108, M-5610)

- A. All personnel matters, including employee discipline, have been specifically designated the responsibility of the General Manager by the Board of Directors.
- B. Board Members shall not in the performance of their official functions, discriminate against or harass any applicant or employee because of race, religious creed, color, age, sex (including breast feeding and related medical conditions), gender identity and expression, pregnancy, national origin, citizenship status, uniform service member and veteran status, physical disability, mental disability, protected medical condition, marital status, sexual orientation, ancestry, genetic information, any other protected status in accordance with all applicable federal, state and local laws. A Board Member will not grant any special consideration, treatment or advantage to any person or group beyond that which is available to every other person or group in similar circumstances.
- C. Individual members of the Board of Directors shall not supervise, discipline, or attempt to direct personnel other than through the General Manager or his designee, with majority approval of the Board of Directors.
- D. Interference with employee relations or efforts to discipline public employees of the Water Employee Services Authority by individual members of the Board of Directors, without majority approval of the

Board of Directors, shall be grounds for public censure and such other administrative and legal penalties as the Board of Directors may deem appropriate.

- E. Pursuant to Government Code section 815.3, Board Members may be personally liable to plaintiffs in cases involving intentional torts, including but not limited to harassment, sexual battery and intentional infliction of emotional distress. Per section 815.3, any acts of a Board Member constituting sexual harassment are outside the scope of employment and shall be the personal liability of the Board Member. The District has no obligation to indemnify Board Members for any punitive damages imposed on them, even if in the course of performing Board duties.

§ 515. Use and Safeguarding of District Property and Resources.
(M-5108, M-5610)

Except as specifically authorized by a majority of the Board, a Board Member will not use or permit the use of District-owned vehicles, equipment, telephones, materials or property for personal convenience or profit. A Board Member will not ask or require an employee to perform services for the personal convenience or profit of a Board Member, or employee. Each Board Member must protect and properly use any District asset within his or her control, including information recorded on paper or in electronic form. Board Members will safeguard District property, equipment, moneys and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust and may be responsible for any equipment costs or replacements due to negligence or failure to safeguard District property. Board Members will comply with Administrative Code Section 1450.

Board Members shall be responsible for all computer transactions made with his/her User ID and password and shall not disclose passwords to others or allow access by any unauthorized person to District e-mail, data or resources. Passwords must be changed immediately, if it is suspected that they have become known to others.

§ 516. News Releases. (M-1567)

All news releases relating to, or regarding, an action of the Board of Directors, shall indicate or state the actual "vote" of the Board of Directors.

§ 517. Solicitation of Political Contributions. (M-5108)

Board Members are prohibited from soliciting political funds or contributions at District facilities or from staff. A Board Member will not accept, solicit or direct a political contribution from District vendors or consultants who have a material financial interest in a contract or other matter while that contract or other matter is pending before the District. A Director 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.

§ 518. Candidate's Statement.

Board Members will not include false or misleading information in a candidate's statement for a general District election filed pursuant to section 13307 of the Elections Code.

Payment of the cost of candidate's Statement shall be borne by the candidate. The Board shall confirm this by minute order along with the adoption of the Notice of General District Election, pursuant to request by the Riverside Registrar of Voters on an annual basis.

§ 519. Incompatible Offices.

Any Board Member appointed or elected to a public office or another public entity, the duties of which may require action contradictory or inconsistent with the Board action, will resign from the former Board.

§ 520. Reporting of Improper Activities; Protection of "Whistle Blowers."

- A. The Board has a duty to ensure that the General Manager is operating the District according to law and the policies approved by the Board. Board Members are encouraged to fulfill their obligation to the public and the District by disclosing to the General Manager to the extent not expressly prohibited by law, improper activities within their knowledge. Board Members will not interfere with the General Manager's responsibilities in identifying, investigating, and correcting improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities. Nothing in this section affects the responsibility of the Board to oversee the performance of the General Manager.
- B. A Board Member will not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the attention of the General Manager or the Board any information that, if true, would constitute: a work-related violation by a Board Member or District employee of any law or regulation, gross waste of District funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of a District official or employee, use of a District office or position or of District resources for personal gain, or a conflict of interest of a District Board Member or District employee.
- C. A Board Member will not use or threaten to use any official authority or influence to effect any action as a reprisal against a District Board

Member or District employee who reports or otherwise brings to the attention of the General Manager any information regarding the subjects described in this section.

§ 521. Violation of Policy. (M-5610)

- A. A perceived violation of this policy by a Board Member should be referred to the President of the Board or the full Board of Directors for investigation, and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Board member who has violated this policy, (b) injunctive relief, or (c) referral of the violation to the District Attorney and/or the Grand Jury.

B. **Disciplinary Action**

In the event that Board Members breach this policy or any applicable state, local or federal law, they may be subject to informal or formal sanction by the Board of Directors.

1. **Informal Sanction**

Admonishment: This is the least severe form of action. An admonishment may typically be directed to all members of the Board of Directors, reminding them that a particular type of behavior is in violation of law or District Policy, and that, if it occurs or is found to have occurred, could make a member subject to sanction or censure.

An admonishment may be issued in response to a particular alleged action or actions, although it would not necessarily have to be triggered by such allegations. An admonishment may be issued by the Board prior to any findings of fact regarding allegations, and because it is a warning or reminder, would not necessarily require an investigation or separate hearings to determine whether the allegation is true.

Sanction: Sanction should be directed to a particular member of the Board based on particular action (or set of actions) that is determined to be in violation of law or District policy but is considered by the Board to not be sufficiently serious to require censure. A sanction is distinguished from censure in that it is not a punishment.

A sanction may be issued based upon the Board's review and consideration of a written allegation or a policy violation. The member accused of such violation shall be entitled to notice of the allegation and will have an opportunity to provide a written response to the allegation prior to any Board action. A sanction may be issued by the Board of Directors and because it is not

punishment or discipline, would not necessarily require an investigation or separate hearings.

2. Formal Sanction

Before the imposition of any formal sanction, the accused shall be entitled to notice of the allegation and opportunity to respond.

Investigative Process: All complaints from Board Members shall be filed with the District's General Counsel. Each allegation shall be considered in a manner that is fair to all parties involved in the allegation, including ensuring that due process is respected. This will include ensuring that Board Members names in an allegation are given an opportunity to consider and respond to that allegation.

When the Board of Directors decides, based upon findings and the accused person's defense, that a violation has occurred, it may decide by resolution to do the following:

Censure: This is the most severe form of action contemplated in this policy. Censure is a formal statement of the Board of Directors officially reprimanding one of its members. It is a punitive action, which serves as a penalty imposed for wrongdoing, but it carries no fine or suspension of the rights of the member as an elected official. Censure should be used for cases in which the Board determines that the violation of policy is a serious offense.

Any Director who fails to follow the adopted Best Practices policy, any Administrative Code Policy, or law is subject to censure by a vote of the Board of Directors. Any member of any Standing Committee who fails to follow these Best Practices may have their appointment to the Standing Committee or outside organization revoked by a vote of the Board of Directors. The District reserves the right to establish an ad hoc committee of District directors to (1) review allegations of ethical misconduct; and (2) make recommendations to the full District Board of Directors for censure or discipline as appropriate.

The Board shall only censure one of its Members if the Board finds that the Member has violated the law or District policy or has otherwise engaged in actions that are improper or inappropriate for a Board Member. A censure is not an appropriate action for Members' disagreements on opinions, policies, or votes.

This section is intended to be cumulative to any other actions the Board may take, and nothing herein is intended to limit or restrain the Board's ability to impose remedial actions, address

grievances, settle claims, or any other actions related to complaints about Board conduct.

SECTION 550. DONATION AND SCHOLARSHIP ADMINISTRATION*(M-3332, M-3816, M-4106, M-5271, M-5610)*

- A. Goal. In accordance with EVMWD's efforts to educate the community regarding its public services and to broaden public knowledge of the services provided by EVMWD, all community sponsorship requests should involve activities that will directly disseminate or permit the dissemination of information regarding EVMWD. All sponsorships shall further the District's objective of educating the public regarding the District's role in the community. Staff and the Legislation, Conservation and Outreach Committee shall evaluate all requests for sponsorship to ensure that requested sponsorships and requests for appropriations are intended for the purpose of disseminating information to the public regarding Elsinore Valley Municipal Water District, its public services, employees and mission as a provider of water and wastewater services.
- B. Background. A stated public information goal of the District is to "develop community support of EVMWD policies through public outreach." As a highly visible public agency, EVMWD has been solicited for club sponsorships, contributions of promotional prizes, yearbook and newsletter advertising, and support of special community events. This sponsorship policy will enable the District to improve community outreach to qualifying organizations through limited sponsorship and advertising support, while remaining in full compliance against legal prohibitions restricting gifts of public funds.
- C. Review and Funding Authority. There shall be established a "Sponsorships and Donations Fund" in the Community Affairs Department budget, to fund qualifying community sponsorships. The Board shall appoint two of its Members to serve as the Legislation, Conservation and Outreach Committee (LCOC) each year, upon Committee appointment in January. The Legislation, Conservation Outreach Committee (LCOC) shall review all requests and; direct staff on how to proceed with the requests. Donations and sponsorships to any organization defined as eligible per this policy shall not exceed \$300 in any combination of funds and/or water per calendar year. The Committee shall consider exceeding the maximum donation and scholarship amount on a case by case basis. As necessary, the LCOC and Board of Directors may establish certain contribution limits on the distribution of marketing items promoting EVMWD. It shall be the responsibility of the District's Community Affairs Department to budget, track and maintain records of all sponsorships and contributions accordingly. Awards of Sponsorships and/or Donations shall be limited to once per calendar year per agency or organization. Sponsorships or donations shall be limited to those organizations within the service boundaries of EVMWD, and which have an impact on the education and betterment of the communities served by EVMWD.

- D. Eligibility. Eligible sponsorships shall include, but not be limited to, public and non-profit agencies, community organizations, events or publications that are compatible with EVMWD's mission and which otherwise provide opportunities to educate and inform EVMWD's constituents. Cash sponsorships may include activities intended to promote the economic development of communities included within the boundaries of Elsinore Valley Municipal Water District. All sponsorships and contributions shall otherwise be handled in a manner, which will not conflict with legal prohibitions restricting gifts of public funds. Applicants must complete the appropriate sponsorship application form and provide the pertinent information by other written correspondence at least **forty five (45)** days before the deadline for funding of the event. Applicants must indicate which form of public information announcement or acknowledgment will be made to EVMWD. The recipient of a sponsorship or donation must exhibit notice to the public of EVMWD's support, either by signage, acknowledgment in program handouts, verbal announcement, or other means of communication.
- E. Program Support. On an annual basis, a contribution is made to the Lake Elsinore and Murrieta Student of the Month programs. The sponsorship may include scholarship sponsor, Student of the Year event sponsor and Student of the Year gift sponsor. Staff of the Elsinore Valley Municipal Water District's Community Affairs Department will contact and coordinate the annual donation through the Lake Elsinore, Canyon Lake, and Murrieta Chambers of Commerce to be issued through their Student of the Year Programs.

SECTION 600. RULES OF DECORUM AND ORDER
(R-1015, M-5610)

§ 601. Decorum.

Meetings of the Board of Directors shall be conducted in an orderly manner to ensure that the public has a full opportunity to be heard and that the deliberative process of the Board is retained at all times. The presiding officer of the Board shall be responsible for maintaining the order and decorum of meetings.

§ 602. Board Members.

The members of the Board shall preserve order and decorum, and a member shall not by conversation or other means delay or interrupt the Board proceedings or disturb any other member while speaking.

§ 603. Staff.

Employees of the District shall observe the same rules of order and decorum as those which apply to the members of the Board.

§ 604. Persons Addressing the Board.

Public oral communications at the Board Meetings should not be a substitute for any item that can be handled during the normal working hours of the municipal government. The primary purpose of oral communications is to allow citizens the opportunity to formally communicate with the Board of Directors as a whole, for matters that cannot be handled during the regular working hours of the District. Each person who addresses the Board shall do so in an orderly manner and shall not make personal, impertinent, slanderous or profane remarks to any member of the Board, staff or general public. Any person who makes such remarks, or who utters loud, threatening, personal or abusive language, or engages in any other disorderly conduct which disrupts, disturbs or otherwise impedes the orderly conduct of any Board meeting shall, at the discretion of the presiding officer or a majority of the Board, be barred from further audience before the Board during that meeting.

§ 605. Members of the Audience.

No person in the audience at a Board meeting shall engage in disorderly or boisterous conduct, including the utterance of loud, threatening or abusive language, whistling, stamping of feet or other acts which disturb, disrupt or otherwise impede the orderly conduct of any Board meeting. Any person who conducts himself in the aforementioned manner shall, at the discretion of the presiding officer or a majority of the Board, be barred from further audience before the Board during that meeting.

§ 606. Addressing the Board. (M-5610)

A person wishing to address the Board regarding an item which is on the meeting agenda shall submit a request on the form provided, or he may seek recognition by the presiding officer of the Board during discussion of any such item. Persons wishing to discuss a non-agenda item may seek recognition by the presiding officer during the “Public Comment” portion of the meeting. No person shall address the Board without first being recognized by the presiding officer. The following procedures shall be observed by persons addressing the Board:

- A. Each person shall stand and state his name and address; the organization, if any, which he represents; and, if during the “Public Comment” portion of the meeting, the subject he wishes to discuss.
- B. During the “Public Comment” portion, any subject which is not deemed relevant by the Board shall be concluded.
- C. Each person shall confine his remarks to the Board Agenda or approved “Public Comment” subject being discussed.
- D. Each person shall limit his remarks to three (3) minutes, unless further time is granted by the President of the Board. The time allotted to each individual to address the Board may not be combined with another individual's allotted time who wishes to speak on the same agendized or non-agendized topic.
- E. All remarks shall be addressed to the Board as a whole and not to any single member thereof, unless in response to a question from said member.
- F. No question may be asked of a member of the Board or of the District staff without permission of the presiding officer.

§ 607. Warning.

The presiding officer shall request that a person who is breaching the rules of decorum be orderly and silent. If, after receiving a warning from the presiding officer, a person persists in disturbing the meeting, the presiding officer shall order him to leave the Board meeting. If such person does not remove himself, the presiding officer may order any law enforcement officer who is on duty at said meeting as sergeant-at-arms of the Board to remove that person from the Board Room.

§ 608. Removal.

Any law enforcement officer who is serving as sergeant-at-arms of the Board shall carry out all orders and instructions given by the presiding officer for the purpose of maintaining order and decorum at the Board meeting. Upon instruction of the presiding officer, it shall be the duty of the sergeant-at-arms to remove from the Board meeting any person who is disturbing the proceedings of the Board.

§ 609. Penalty.

Every person who, without authority of law, willfully disturbs or breaks up any meeting, not unlawful in its character, other than such as is mentioned in Section 302 of the Penal Code and Section 29440 of the Elections Code, is guilty of a misdemeanor.

§ 610. Motion to Enforce.

If the presiding officer of the Board fails to enforce the rules set forth above, any member of the Board may move to require him to do so, and an affirmative vote of a majority of the Board shall require him to do so. If the presiding officer of the Board fails to carry out the will of a majority of the Board, the majority may designate another member of the Board to act as presiding officer for the limited purpose of enforcing any rule of this section which it wishes enforced.

§ 611. Adjournment.

If a meeting of the Board is disturbed or disrupted in such a manner as to make unfeasible or improbable the restoration of order, the meeting may be adjourned or continued by the presiding officer or a majority of the Board, and any remaining Board business may be considered at the next meeting.

SECTION 700. GENERAL MANAGER (*Minutes 5/12/93 & 8/11/93, M-4987
M-5681*)

§ 701. Operations.

- A. The General Manager has full charge and control of the management and administration of the operations of the District.
- B. The General Manager is in charge of everyone who works for and in the District (employees, suppliers, consultants).
- C. The General Manager is responsible for ensuring that all requirements of the law are met.
- D. The General Manager is responsible for seeing that all policies and directives of the Board are carried out.
- E. The General Manager is responsible for the safety of all people and equipment of the District.
- F. The General Manager is responsible for the health and safety of District customers.
- G. The General Manager is responsible for providing general information on the operations of the District to the Board and providing specific reports on hazards and matters of public concern.

§ 702. Employer/Employee Relations.

- A. The General Manager is the District Employees Relations Officer (R-423) with the authority to carry out the provisions of Resolution No. 1039. The General Manager may delegate duties and responsibilities of his office.
- B. The General Manager recruits, hires and fires all employees.
 - 1. District Secretary. The General Manager shall recruit and select candidate(s). The Board of Directors may interview and confirm the recommendation of the General Manager.
- C. The General Manager prescribes the duties of every employee. The General Manager writes Job Descriptions. The Board may review job descriptions.

- D. The General Manager provides day-to-day direction to every employee, either directly or through other employees as prescribed.
- E. The General Manager decides on the need for discipline and administers it (through supervision). Discipline must be in accordance with Labor Laws and Section 900 of the WESA Administrative Code. The Board shall be informed when the matter is severe, or if the Board will be involved (as in an appeal).
- F. The Board decides on pay ranges for each job description. The General Manager assigns specific compensation for each employee. The Board has access to all salary information.
- G. The General Manager makes recommendations on changes to compensation.
- H. The Board decides on the total amount of compensation paid to employees (in budget).
- I. The General Manager decides on promotions/demotions.
- J. The General Manager decides on training/education requirements for every job.
- K. The General Manager recommends to the Board of Directors the headcount for each job description and total headcount for the District.
- L. The General Manager prepares the organization chart for the Board's review.
- M. The General Manager is responsible for meeting provisions of Labor Law.
- N. The General Manager deals with the Associations directly.
- O. The General Manager follows grievance procedures. The Board adopts the procedures.
- P. The General Manager calculates the performance of every employee. Exception: District Secretary (in Board Secretary functions).

§ 703. Board Meetings.

- A. The General Manager prepares the Board Meeting agendas. Any board member can add items to the agenda, upon request to the General Manager and to the President of the Board.
- B. The General Manager prepares the board packet, decides on its contents, level of detail, etc. The General Manager shall provide the Board of Directors with their board packet in compliance with the Brown Act.
- C. The Board establishes the level of financial detail it desires.
- D. When issues or questions are raised by the public or the press, responses are referred to the Board President. The President refers the response to the General Manager or to the District's Legal Counsel.
- E. The General Manager normally invites employees or consultants to attend Board meetings. The Board may request people to attend.
- F. The Secretary of the Board records minutes (reviewed by the General Manager), takes roll, records questions, etc.
- G. The General Manager and District Secretary are jointly responsible to see that the requirements of the Brown Act are done in consultation with legal counsel.

§ 704. Consultants and Suppliers.

- A. The General Manager recommends use of a consultant, supplier or contractor. The Board of Directors approves the recommendation at a noticed public meeting.
- B. The General Manager is responsible for selection of qualified sources (suppliers, contractors or consultants). The Board decides if a sole source should be selected.
- C. The General Manager is responsible for preparation of an RFP or RFQ to be used in the consideration and selection of consultants, suppliers and/or contractors.
- D. The General Manager recommends the winner. The Board makes final selection to award.

- E. The General Manager is responsible for preparation of contracts for services. The District's Legal Counsel reviews and approves the form and content of District's contracts for services. The Board authorizes the General Manager to execute the contracts at a noticed public meeting. (See also purchasing procedure [Section 1500], and Section 705.H, herewith.)
- F. The General Manager provides direction to consultants.
- G. The Board selects and directs legal counsel. The Board should consult with the General Manager on the selection process.
- H. The General Manager is responsible for valuating and monitoring consultant's performance. The General Manager holds the consultant responsible for their performance as outlined in approved contracts and contract specifications.
- I. The General Manager approves consultant's billings.

§ 705. Finance. (*Min. 11/9/06, M-4846, M-4929, M-5541, M-5681,*)

- A. The General Manager prepares a first draft budget for the Board to review.
- B. The Board approves a budget preparation/adoption schedule, based on recommendation of staff.
- C. The General Manager is responsible for management of the District based on the approved budget. The General Manager cannot move or transfer funds from a capital account to an operations account, or from one major operating account to another, without prior Board approval.
- D. The General Manager is responsible for providing monthly status reports on the budget.
- E. The General Manager is responsible for providing special financial reports when requested by the Board.
- F. The General Manager assures that the Financial Records are accurate and auditable at all times.
- G. The General Manager assures that bills are paid on time and the demand payment register is ratified by the Board. The General Manager may release a payment for items that can cause additional

fees or fines to be incurred, service to be disrupted, savings to be realized, or others as required, on a case-by-case basis.

- H. The General Manager is given authority to approve purchases in accordance with the District's Purchasing Policy, Section 1500.
- I. The District hires an outside independent auditor to conduct the annual audit. The auditor works for the Board and reports to the Board.
- J. The Board awards competitive bids.

§ 706. Outside Activities.

- A. Members of the Board of Directors and staff are assigned by the Board President to attend outside meetings and serve as spokesperson.
- B. The General Manager is responsible for managing customer complaints and inquiries. The Board is apprised of customer issues that the General Manager deems are significant or warrant the Board's input.
- C. The General Manager manages the budget and expenditures of the District on conferences and activities involving travel, meals, registration, etc.
- D. The General Manager is responsible for the District's public relations and public outreach activities. Staff is assigned to be the District spokesperson where appropriate.

§ 707. Emergencies.

- A. The General Manager is responsible for determining if an emergency exists.
- B. The General Manager has the authority to take any action and expend any funds he deems necessary to deal with emergencies.
- C. The General Manager informs the Board at the earliest time possible that an emergency situation exists.

§ 708. Property. (M-4480, M-5512)

- A. The General Manager is responsible for safeguarding, conserving and maintaining all District property.
- B. The General Manager is responsible for maintaining an inventory of the District's property.
- C. The General Manager is responsible for meeting all the requirements with respect to the law.
- D. The General Manager can accept property on behalf of the District (R-649). The Board grants easements and disposes of District property.
- E. The General Manager will inform the Board on notable events (Robberies, fires, accidents) that occurs to District property.
- F. The General Manager will ensure that a Letter of Value or fair market appraisal is obtained for property with a value greater than \$25,000 or a comparative market analysis is obtained for property with a value less than \$25,000 prior to EVMWD making an offer to purchase property. (Reference Section 1550)
- G. The General Manager will ensure that a Letter of Value or fair market appraisal is obtained for property with a value greater than \$25,000 or a comparative market analysis is obtained for property with a value less than \$25,000 prior to EVMWD making an offer to sell property. (Reference Section 1550)

§ 709. General.

- A. In addition to the foregoing, the General Manager performs all other duties required by the Board.
- B. Travel expense reimbursements for amounts greater than \$500 require approval by the two reviewing Directors.

§ 710. Performance Evaluation.

- A. The General Manager's performance is conducted annually by the Board and should consider the following in their evaluation:
 - 1. The General Manager's relationship with the Board.
 - 2. Management and leadership of staff.
 - 3. Relationship with other agencies or outside groups and individuals.
 - 4. Management of the operations of the District.
 - 5. The General Manager's personal style.
- B. The General Manager's performance evaluation is conducted in Closed Session.
- C. The General Manager prepares for the Board of Directors an annual report that describes at a minimum the following:
 - 1. The routine operations of the District during the preceding year, the problems, if any, and their resolution.
 - 2. Any significant projects, which were undertaken during the year and their status.
 - 3. Any significant issues impeding progress towards business objectives of the District,
 - 4. Goals and objectives for the next 12 months.
 - 5. The General Manager's plans for continued organizational and staff development.

- D. The Board and the General Manager maintain an open and constructive working relationship. Continuous feedback from the Board to the General Manager is provided, regarding the overall performance of the General Manager and of the District. The Board makes recommendations as to the General Manager's performance, management style, etc., as appropriate.
- E. The Board reviews the compensation of the General Manager and takes appropriate action regarding his compensation.

SECTION 1400. DISTRICT RECORDS POLICY (MO #4140, R-19-03-02)**§ 1401. Public Records Act Policy.**

The Elsinore Valley Municipal Water District (“District”), pursuant to the California Public Records Act ("PRA") (Government Code §§6250 et seq.), and in keeping with the public's right of access to all public records in the District's custody, and subject to certain exemptions as provided by law or necessary to protect individuals' privacy rights, adopts the following procedures.

§ 1402. Definitions.

- A. "Public Records" includes 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.
- B. "Writing" means handwriting, typewriting, printing, photostating, photographing, photocopying, transmitting by electronic mail or facsimile, and every other means of recording upon any form of tangible communication or representation, including letters, words, pictures, sounds, or symbols, or a combination thereof and any record thereby created, regardless of the manner in which the record has been stored.
- C. “Electronic communications” includes any and all electronic transmission, and every other means of recording upon any tangible thing in any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof, and any record thereby created, regardless of the manner in which the record has been stored. Without limiting the nature of the foregoing, “electronic communications” include e-mails, texts, voicemails and communications on or within commercial applications. Determining whether an electronic communication is a public record will involve an examination of several factors, including: (a) the content of the communication; (b) the context in, or purpose for which, it was written; (c) the audience to whom it was directed; (d) the purpose of the communication; and (e) whether the communication was prepared by a District official acting or purporting to act within the scope of his or her employment.
- D. “District business” shall be construed broadly to mean information relating to the conduct of the public’s business or communications concerning matters within the subject matter of the District’s

jurisdiction. Examples of District business include, but are not limited to, pending or potential District projects; past or prospective District agenda items; District budgets; or expenditures involving District funds.

- E. “Electronic messaging account” means any account that creates, sends, receives, or stores electronic communications.
- F. “District official” shall mean any elected official, appointed official, or employee of the District.

§ 1403. Records Exempt From Disclosure.

In addition to any other exemptions provided for under the PRA, as well as other California and federal laws, the following District records are exempt from disclosure:

- A. Preliminary drafts, notes or interagency or intra-agency memoranda that 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.
- B. 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.
- C. Personnel, medical or similar files, the disclosure of which would constitute an unwarranted invasion of personal privacy.
- D. 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
- E. Test questions, scoring keys, and other examination data used to administer a licensing examination, examination for employment or academic examination.
- F. 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 the property has been acquired or all of the contract agreements obtained, provided, however, the law of eminent domain shall not be affected by this provision.

- G. 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.
- H. Closed session reports, minutes of closed session meetings, legal memoranda, and other materials prepared for and/or distributed in a closed session of the Board held pursuant to the Ralph M. Brown Act (Gov. Code § 54950 *et seq.*).
- I. Records the disclosure of which is exempted or prohibited pursuant to provision of federal or state law including, but not limited to, provisions of the Evidence Code relating to the attorney-client privilege; the “official information” privilege, etc.
- J. Names, credit histories, utility usage data, home addresses, or telephone numbers of utility customers, with specific exceptions as listed in Government Code section 6254.16.
- K. Home addresses, home telephone numbers, personal cell phone numbers, personal email addresses, and birth dates of all employees, with specific exceptions as listed in Government Code section 6254.3.

§ 1404. Disclosure of Electronic Records, Including GIS Maps and Data.

This section applies to all forms of electronic records maintained by the District, including Geographic Information Systems ("GIS") information held by the District. Electronic records subject to the PRA may be located in databases such as those utilized in a GIS, or the work product of that database, such as a resulting map, report, or data set, in an electronic format.

Under the PRA, the person requesting an electronic record from the District must pay the cost of reproducing a copy of the record, including the cost to construct a record, and the cost of programming and computer services necessary to produce a copy of the record when:

- (1) the requested electronic record is only produced at regularly scheduled intervals; or
- (2) the request requires data compilation, extraction, or programming to produce the record.

The District is not required to reconstruct a record if it is no longer available in electronic format. Also, the District is not required to release an

electronic record if its release would jeopardize or compromise the security or integrity of the original record, or of any proprietary software in which the record is maintained.

GIS information released under the PRA is for general information purposes only. Every effort has been made to ensure accuracy of maps and/or associated data for District use and is not intended for other purposes. The District makes no warranty, representation or guarantee as to the content, accuracy, timeliness or completeness of any of the data provided. The District specifically disclaims any representation and warranties, including, without limitation, the implied warranties of merchantability and fitness for a particular purpose. The District shall assume no liability for any errors, omissions, or inaccuracies in the information provided, or with respect to any loss or damages in connection with, or arising from, reliance on the information provided.

§ 1405. Recordings of District Board Meetings.

Audio recordings of public meetings of the Board of Directors of the District are retained for 45 days after the meetings (Gov. Code Section 54953.5). Inspection of audio recordings of Board meetings shall be provided without charge at the District offices during regular business hours.

§ 1406. Requesting Public Records.

- A. Requests for public records of the District can be submitted verbally or in writing, and shall state whether the request is for inspection of records or for copies. The request must clearly identify the document, record or information requested, and the person making the request; and shall be dated and signed. The District will provide a form to be utilized by those persons requesting examination or copies of District records.
- B. Requests to inspect public records of the District will be processed promptly in accordance with Section 1.1.2. Within ten (10) calendar days of receipt of a request for inspection of records, an District staff member will contact the requester to schedule a date and time for inspection, or (2) a written response will be provided explaining the reasons that the request is denied. Requests for copies of District records will be processed in accordance with Section 1.1.3 d, below.
- C. In accordance with Government Code Section 6253.1, the District shall assist the requesting party in identifying records and information that are responsive to the request or its stated purpose, if provided. When possible, the District will also provide suggestions to the requesting party to overcome any

grounds for denying access to the records or information sought.

- D. The District will comply with its obligation to allow for inspection of records or to provide copies of records by posting any public record on its website and, in response to a request for records, directing the requesting party to the location on the website where the record is posted. Any such record posted on the District's website shall be posted in an open format in compliance with Government Code Section 6253.10.
- E. If any request for a District record relates to a record in an electronic format, the District will make the record available in any electronic format in which it holds that record or in the format requested if the requested format is one the District has used to make copies for its own use. However, the District will not release any record in electronic format if that release would jeopardize or compromise the security or integrity of the original record or of any proprietary software in which the record is maintained. The requesting party must pay the District's cost of producing records in an electronic format, including the cost of programming and computer services if the request requires data compilation, extraction or programming to produce the record, or if the District would be required to produce the requested electronic records at other than a regularly scheduled interval.
- F.

§ 1407. Inspection of Public Records.

The District will provide an area at its offices for inspection of its public records. Inspections may take place only during regular District business hours, must take place on District premises, and will be subject to observation by District representatives. These procedures are for the sole purpose of protecting original records against tampering or theft. Any inspection of original District records will be subject to the following rules:

- A. No document or record, or any part thereof, shall be removed from the file, notebook, folder, or other compilation in which it is contained.
- B. No document or record shall be written on, marked on, or erased, nor shall any writing or information therein otherwise be removed; nor shall any person destroy, mutilate, deface, alter or falsify any document or record. Violations of this rule will be prosecuted pursuant to Government Code §6201.

- C. The party examining records shall comply with all instructions of District representatives. District personnel may terminate or restrict the inspection as may be necessary to preserve District records.

§ 1408. Copying of Public Records.

- A. Within ten (10) days of receipt of a request for copies of identifiable public records, the District will provide a determination on the request, and will thereafter notify the requesting party of its determination and the reasons therefore. In unusual circumstances, as described below, the response time for providing a determination may be extended up to an additional fourteen calendar days.
- B. Upon denial of a request in whole or in part, the District Secretary will provide a written response to the request by mail and/or email stating the reasons for the denial, including whether the requested document is exempt from disclosure pursuant to the PRA, or other State or federal law.
- C. Where a portion of the record requested contains information which is exempt from disclosure under the PRA, the District Secretary will make a determination as to whether the non-exempt portion of the record is reasonably segregable from the exempt portion of the record.
- D. The requesting party will be notified in writing identifying the documents and records to be produced and stating that the requesting party may obtain the copies to be produced upon payment of the copying costs, as specified in the written response. The District has established a schedule of fees to cover the costs of duplication, which schedule of fees may be adjusted from time to time as determined by the Board. The current schedule of fees:

| | |
|----------------------|----------------------------------------------------|
| Letter or legal size | 25 cents first page; 10 cents each additional page |
| D size | \$6.00 per page (36" x 40") |
| CD/DVD duplication | \$5.00 per CD/DVD |

If the copies are requested to be mailed, the copy charge and postage fee must be paid prior to shipment. No charge for

electronic copies provided as attachments to email or through file-sharing sites.

- E. Payment of the cost of copying and mailing requested records may be by cash, or by check or money order made payable to “Elsinore Valley Municipal Water District.” Payment for copies/mailing must be made before the copies will be provided to the requesting party. Upon receipt of the requester’s payment, the copied records will be mailed. Alternatively, copies may be picked up at the District office.

§ 1409. Extensions of Time to Provide Written Response.

The District will make every effort to provide determinations on records requests within the 10-day period specified above. However, the District may take up to an additional fourteen (14) calendar days to provide a determination on a records request if one or more of the following unusual circumstances exists:

- A. The requested documents or records must be collected from field facilities or other locations separate from the District’s main offices.
- B. The request requires District personnel to search for, collect and appropriately examine a voluminous amount of separate and distinct records.
- C. There is a need for consultation with another agency having a substantial subject matter interest in the documents requested. Such consultation will be conducted with all practicable speed.
- D. There is a need to compile data, to write programming language or a computer program, or to construct a computer report to extract data for the request.

Upon determination by the District Secretary that additional time is required to provide a determination for a records request, the District will notify the requesting party in writing of the reasons for the extension and the date on which the District’s determination will be available.

§ 1410. Review for Exemption.

- A. The District’s Board of Directors designates the District Secretary as the reviewing official. The reviewing official will have exclusive authority for reviewing and approving public records requests.

- B. The reviewing official must review and approve each request for inspection or copying before any public record of the District is released to the requesting party. Requests for public records may be received verbally or in writing and should be submitted to a reviewing official as soon as possible after receipt by District representatives.
- C. The requesting party will be informed as to the applicable time limits for the District's response, as provided under this policy.
- D. The reviewing official will determine whether or not the requested documents or records are exempt from disclosure under the Act. The reviewing official will direct District representatives to delete or otherwise redact exempt portions of otherwise disclosable records. Where there is a question as to whether a particular exemption applies, the reviewing official may consult with District General Counsel prior to disclosure.
- E. Where the facts of a particular case dictate that the public interest served by not making the record public clearly outweighs the public interest served by disclosure of the record, the request may be denied. The reviewing official may consult with District General Counsel prior to making such a determination.
- F. In response to inspection requests, the reviewing official may direct District staff to make such records immediately available upon a determination that the records are subject to disclosure. The official will designate the location for the inspection and shall direct an employee of the District to observe the inspection as provided above.
- G. Where a request to examine records is denied and in all cases of requests for copies, the reviewing official shall be identified in and shall sign the written response.
- H. The District will retain in its records copies of all requests for inspection or copying of public records, in accordance with the District's records retention guidelines.

§1411. Records Retention Policy.

California Government Code Sections 60200 through 60204 and the Secretary of State Local Government Records Management Guidelines govern the retention of records of the Elsinore Valley Municipal Water District (the District) and the disposal of the District's obsolete records. Through this policy, the District will manage its records, files, documents and other information, regardless of

format, in accordance with all applicable laws and regulations regarding records retention.

The purpose of the Records Retention Policy is to provide guidelines to District staff members regarding the retention of Elsinore Valley Municipal Water District records; provide for the identification, maintenance, safeguarding of District records and the disposal of obsolete records in the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with legal and regulatory requirements.

Vital and important records are those having legal, financial, operational, or historical value to the District.

§1412. Authorization.

Pursuant to Resolution No. 19-03-02, the General Manager is authorized by the Board of Directors to interpret and implement this policy and to designate a Records Management Coordinator who shall be responsible for the administration of this Records Retention Policy. The General Manager and the Records Management Coordinator are authorized to do any and all acts necessary to comply with the terms and intent of this Records Retention Policy. The General Manager and Records Management Coordinator are responsible for the retention of records and the development of procedures for destruction of any obsolete records, papers, and documents that meet the qualifications governing the retention and disposal of records.

§1413. General Guidelines.

- A. The following general guidelines apply to all District records.
1. Pursuant to Resolution No. 19-03-02 adopted by the Board of Directors, except where a record is expressly required to be preserved according to State law, the District may destroy any original obsolete document without retaining a copy of the document as long as the retention and destruction of the document complies with the retention schedule as set forth in this policy. (Gov. Code § 60201.)
 2. In addition to the retention periods required under this policy, the District shall retain original administrative, legal, fiscal and/or historical records with continued value (i.e., records for long-term transactions and/or special projects) until all matters pertaining to such records are completely resolved or the time for appeals has expired. (Gov. Code § 14755, subd. (a); Gov. Code 34090.)
 3. Pursuant to Government Code section 60201(d), the District shall not destroy any of the following records:
 - (a) Records relating to the formation, change of organization, or reorganization of the District;

- (b) Ordinances and resolutions, unless they have been repealed or have become invalid or otherwise unenforceable for five years;
- (c) Minutes of any meeting of the District;
- (d) Records relating to any pending claim, litigation, any settlement or other disposition of litigation within the past two years;
- (e) Records that are the subject of any pending request for records under the California Public Records Act, whether or not the record is exempt from disclosure, until the request has been granted or two (2) years after the request has been denied by the District;
- (f) Records relating to any pending construction that the District has not accepted or for which a stop notice claim may be legally presented;
- (g) Records relating to any nondischarged debt of the District;
- (h) Records relating to the title to real property in which the District has an interest;
- (i) Records relating to any nondischarged contract to which the District is a party;
- (j) Records that have not fulfilled the administrative, fiscal, or legal purpose for which they were created or received;
- (k) Unaccepted bids or proposals, which are less than two (2) years old, for the construction or installation of any building, structure or other public work;
- (l) Records less than seven (7) years old that specify the amount of compensation or expense reimbursement paid to District employees, officers, or independent contractors

B. In addition to the general guidelines listed above, the following guidelines shall apply to the types of records described below:

(1) Back-Up Tapes: Until secure Cloud or Web based backup storage is in place, back-up tapes from the District's main server shall be produced each night and retained remotely. These daily back-up tapes shall be destroyed or overwritten only after being retained for 30 days. Month end back up tapes shall be retained for one year.

(2) E-mail Messages: E-mail messages containing information relating to the conduct of the District's business shall be preserved for a minimum of two

(2) years. The District's preference is for e-mails to be preserved in electronic format, for ease of storage and searching. In addition to electronic storage, an e-mail and any attachments may be retained with the related file or project documents, for the retention period listed in the records retention schedule.

§1414. Records To Be Retained in Original Format.

The records listed above in Section 1411.A.(3)(a) through (l) must be retained in their original format, whether the original record is in hard copy or electronic format.

In addition, the following records are required to be retained in their original hard copy format for at least two (2) years before imaging or scanning them into electronic format:

- Statements of Economic Interest for Elected Officials (copies of FPPC Form 700). (Total retention is four (4) years.)
- Statements of Economic Interest for Non-Elected Officials (originals of FPPC Form 700). (Total retention is seven (7) years.)

After two (2) years, the District may image/scan the above documents and dispose of the hard copy versions. The electronic version becomes the "original," pursuant to State law. (Gov. Code § 60203, subd. (b).)

§1415. Duplicate Records.

Pursuant to Resolution No, 19-03-02, the General Manager and/or the Records Management Coordinator are authorized to destroy at any time any **duplicate** record, paper or document of the District, while the original, whether in paper or electronic format, is retained by the District for the legally required time period.

§1416. Exceptions To Scheduled Disposal Of Obsolete Records.

Scheduled disposal of records that have met or exceeded their retention periods must be postponed if the records are responsive to, subject to, or relate in some way to any of the following:

- (a) A Public Records Act request received by the District;
- (b) A subpoena served on the District;
- (c) A Request for Production received by the District from an opposing party in litigation;
- (d) A court order;
- (e) A litigation hold or request for preservation of evidence received by

the District; or

- (f) A claim filed against the District under the Government Claims Act. The above exceptions apply to both hard copy and electronic record:

§1417. Records Retention Schedule.

The Records Retention Schedule is attached as an appendix and is incorporated into this policy by reference. This policy and the Records Retention Schedule comply with State and federal law, as well as the records retention guidelines provided by the California Secretary of State. The Records Retention Schedule may be updated from time to time by the General Manager and/or the Records Management Coordinator, pursuant to Resolution No. 19-03-02, in order to stay current with federal and State laws, as well as any other regulations, regarding the retention of District records.

§ 1420. Electronic Communications Policy.

The purpose of this electronic communications policy is to ensure the District meets its legal obligations with respect to transparency in the conduct of the people's business, including in the area of public records disclosure and retention requirements.

- A. All District officials shall be assigned a District electronic messaging account.
- B. District accounts shall be used to conduct District business. District officials shall not use personal accounts for the creation, transmission or storage of electronic communications regarding District business.
- C. The District account, along with the attendant access to the District's account server, are solely for the District and District official's use to conduct District business and shall not be used for personal business or political activities. Incidental use of District electronic messaging accounts for personal use by District officials is permissible, though not encouraged.
- D. If a District official receives an electronic message regarding District business on his/her non-District electronic messaging account, or circumstances require such person to conduct District business on a non-District account, the District official shall either: (a) copy ("cc") any communication from a District official's personal electronic messaging account to his/her District electronic messaging account; or (b) forward the associated electronic communication to his/her District account no later than 10 days after the original creation or transmission of the electronic communication.
- E. District officials shall endeavor to ask persons sending electronic communications regarding District business to a personal account to instead utilize the District official's account, and likewise shall endeavor to ask a person sending an electronic communication regarding non-District business to use the District official's personal or non-District electronic messaging account.
- F. District officials understand they have no expectation of privacy in the content of any electronic communication sent or received on a District account or communication utilizing District servers. District provided electronic devices, including devices for which the District pays a stipend or reimburses the District official, are

subject to District review and disclosure of electronic communications regarding District business. District officials understand that electronic communications regarding District business that are created, sent, received, or stored on an electronic messaging account, may be subject to the PRA, even if created, sent, received, or stored on a personal account or personal device.

- G. In the event a PRA request is received by the District seeking electronic communications of District officials, the District Secretary's office shall promptly transmit the request to the applicable District official(s) whose electronic communications are sought. The District Secretary shall communicate the scope of the information requested to the applicable District official, and an estimate of the time within which the District Secretary intends to provide any responsive electronic communications to the requesting party.
- H. It shall be the duty of each District official receiving such a request from the District Secretary to promptly conduct a good faith and diligent search of his/her personal electronic messaging accounts and devices for responsive electronic communications. The District official shall then promptly transmit any responsive electronic communications to the District Secretary. Such transmission shall be provided in sufficient time to enable the District Secretary to adequately review and provide the disclosable electronic communications to the requesting party.
- I. In the event a District official does not possess, or cannot with reasonable diligence recover, responsive electronic communications from the District official's electronic messaging account, the District official shall so notify the District Secretary, by way of a written declaration, signed under penalty of perjury. In addition, a District official who withholds any electronic communication identified as potentially responsive must submit a declaration under penalty of perjury with facts sufficient to show the information is "personal business" and not "public business" under the PRA. The form of the declaration is attached hereto as Attachment "A" and incorporated into this policy by reference.
- J. It shall be the duty of the District Secretary, in consultation with the District General Counsel, to determine whether a particular electronic communication, or any portion of that electronic communication, is exempt from disclosure. To that end, the

responding District official shall provide the District Secretary with all responsive electronic communications, and, if in doubt, shall err on the side of caution and should “over produce”. If an electronic communication involved both public business and a personal communication, the responding District official may redact the personal communication portion of the electronic communication prior to transmitting the electronic communication to the District Secretary. The responding District official shall provide facts sufficient to show that the redacted information is “personal business” and not “public business” by declaration. In the event a question arises as to whether or not a particular communication, or any portion of it, is a public record or purely a personal communication, the District official should consult with the District Secretary or the District General Counsel. The responding District official shall be required to sign a declaration, in a form acceptable to the District General Counsel, attesting under penalty of perjury, that a good faith and diligent search was conducted and that any electronic communication, or portion thereof, not provided in response to the PRA request is not District business.

- K. District officials understand that electronic communications regarding District business are subject to the District’s records retention policy, even if those electronic communications are or were created, sent, received or stored on a District official’s personal electronic messaging account. It is a felony offense to destroy, alter or falsify a “public record”. As such, unless the District official has copied/transmitted electronic communications in accordance with paragraph D above, that District official must retain all electronic communications regarding District business, in accordance with the District’s adopted records retention policy, regardless of whether such electronic communication is originally sent or received on a personal electronic messaging account.
- L. Failure of a District official to abide by this policy, following its adoption, may result in one or more of the following:
 - 1. Disciplinary action, up to and including termination (for employees);
 - 2. Removal from office;
 - 3. Censure;

4. Revocation of electronic device privileges (including revocation of stipend or reimbursement);
 5. Judicial enforcement against the District official directly, by the requesting party.
- M. This policy does not waive any exemption to disclosure that may apply under the California PRA.

SECTION 1450. INFORMATION TECHNOLOGY ACCEPTABLE USE POLICY (M-5633)**§ 1451. Purpose.**

This policy is designed to establish acceptable an appropriate use of computer equipment, information systems, databases, communications, networks, and other information technology resources at EVMWD.

§ 1452. Applicability.

This policy applies to all employees (full or part time), elected officials, temporary staff, volunteers, or any other person who utilizes District information technology resources, including but not limited to computer hardware, computer networks, software applications, SaaS (Software as a Service), and mobile devices.

§ 1453. Internet Usage.

A. Use of the Internet by employees of the District is permitted and encouraged where such use supports the goals and objectives of District operations. However, access to the Internet through the District is a privilege and all employees must adhere to the policies concerning Computer, Email, and Internet usage. Violation of these policies may result in disciplinary and/or legal action, up to and including termination of employment. Employees may also be held personally liable for damages caused by any violations of this policy.

B. Computer, Email, and Internet usage

1. District employees are expected to use the Internet responsibly and productively.
2. Incidental and occasional personal use of the Internet is permitted, as long as it does not interfere with the employee's duties or District Operations. However, such use shall be treated the same as official use, and thus, the user shall have no expectation of privacy when using District systems for personal use. As such, personal use is subject to the same access and review rights as any other use of these systems.
3. All Internet data that is composed, transmitted and/or received by the District's computer systems is considered to belong to the District and is recognized as part of its official data. It is therefore subject to disclosure under the

California Public Records Act. EVMWD reserves the right to access the contents of any messages sent or received using District equipment or facilities, with or without notice to users. All communications, including email, text and images, can be disclosed to law enforcement or other third parties, without prior consent of the sender or the receiver.

4. The equipment, services and technology used to access the Internet are the property of the District and the District reserves the right to monitor Internet traffic and monitor and access data that is composed, sent, or received through its online connections.
5. Emails sent via the District's email system must not contain content that is deemed to be offensive. This includes, though is not restricted to, the use of vulgar or harassing language/images.
6. All sites and downloads may be monitored and/or blocked by the District if they are deemed to be harmful and/or not productive to business needs.
7. The installation of software not authorized by the Information Technology department is strictly prohibited.

C. Unacceptable use of the Internet or Email by employees includes, but is not limited to:

1. Sending or posting discriminatory, harassing, or threatening messages or images on the Internet or via the District's email system.
2. Using computers to perpetrate any form of fraud, and/or software, film, or music piracy.
3. Sending communications of confidential District information to unauthorized individuals within or outside of the District.
4. Downloading, copying, or pirating software and electronic files that are copyrighted or without authorization.
5. Conducting a personal/commercial business using District resources.
6. Opening an email attachment that you are not expecting to receive. The most destructive viruses to date are email

viruses hidden as an attachment.

7. Sending copies of documents in violation of copyright laws.
8. Introducing malicious software onto the District's network and/or jeopardizing the security of the organization's electronic communications systems.
9. Sending or posting chain letters, solicitations, or advertisements not related to business purposes or activities.
10. Intentional misrepresentation of one's identity for improper or illegal acts.
11. Revealing your password or access information to District equipment or resources to anyone other than Information Technology Department staff.

§ 1454. Access Codes and Passwords.

The confidentiality and integrity of data stored on District computer systems must be protected by access controls including but not limited to Multi-Factor Authentication, to ensure that only authorized users have access. This access shall be restricted to only those capabilities that are appropriate to each user's job duties.

A. User Responsibilities. Each User:

1. Shall be responsible for all computer transactions made with their User ID and password.
2. Shall not disclose passwords to others. Passwords must be changed immediately if it is suspected that they have become known to others. Passwords should not be recorded where they may be easily obtained.
3. Should log out when leaving a workstation for an extended period.
4. Shall not allow any unauthorized person access District email, data or resources while accessing District resources from a remote location such as home or a hotel. Unauthorized access is a breach of this policy and disciplinary actions will be taken.
5. Shall immediately notify Information Technology staff of any unauthorized use of user's account, and/or any breach, or attempted breach, of security known to user.

§ 1455. Computer Use.

It is District policy to protect computer hardware, software, data, and documentation from misuse, theft, unauthorized access, and environmental hazards.

A. Laptops/Tablets. All technology use rules apply to laptop and tablet users. In addition:

1. Portable computer equipment may be assigned on a temporary or permanent basis to certain staff or District officials.
2. Remote access to the District Network is available and can be permitted with the permission of the Director of Information Technology. Unless authorized by the General Manager, no user shall use this ability to take the place of their attendance at work. However, remote access can be used in those instances when an individual may be off-site and needs to access the District's network. All rules listed in this policy apply when accessing the District network remotely.
3. VPN (Virtual Private Network) connections shall not be installed on any personal computer or device not authorized by the Information Technology department.
4. Access by outside agencies, temporary personnel, interns, volunteers, probationary users, or consultants is not permitted without specific approval of the Director of Information Technology.
5. Maintenance required on laptops or other electronic equipment is to be completed only by or through the Information Technology Department.
6. Any official or approved user needing technical assistance with District-issued equipment, such as laptops, notebooks, tablets, cell phones, or other technology, must provide the equipment to Information Technology staff at District Headquarters. Staff will not travel to residences or remote locations to attend to equipment or technical needs.

B. User Responsibilities. The directives below apply to all users:

1. Personal computers or other electronic equipment,

including but not limited to portable storage devices, shall not be connected to the District's network.

2. Users shall not expose hardware to environmental hazards, such as food, smoke, liquids, high or low humidity, and must avoid extreme heat or cold.
3. Information Technology is responsible for all equipment installations, disconnections, modifications, and relocations at District headquarters. Users are not to perform these activities without authorization from Information Technology.
4. Users shall not take shared portable equipment such as laptop computers out of District buildings without the informed consent of their division manager. Informed consent means that the manager knows what equipment is leaving, what data is on it, and for what purpose it will be used.
5. Users should exercise care to safeguard all electronic equipment assigned to them. Users who neglect this duty may be accountable for any loss or damage that may result.
6. Information Technology is not responsible for any data stored on the local computer. Data stored on the local computer cannot be backed up and is not secure.
7. Users are not allowed to "browse" the network and open/read files that do not relate to their specific duties.
8. Users will either log off or lock their workstations when they will be away from the computer for any length of time.

Appropriate use should always be legal, ethical, reflect honesty, reflect community standards, and show restraint in the consumption of shared resources. It should demonstrate respect for intellectual property; ownership of data; system security mechanisms; and an individual's right to privacy and to freedom from intimidation, discrimination, harassment, and unwarranted annoyance.

§ 1456. Monitoring Computer, Internet and Email Use.

Because all computers, software and telecommunication systems

remain the property of the District and are for official use only, all records, files, transmissions, passwords and other products or contents of these systems are not confidential and may be reviewed at any time by management or its designee(s), without prior notification. Such monitoring may include conducting reviews of the contents of email messages sent and received, electronic files, websites visited on the Internet, and any other use of the District's computer and email systems and equipment.

Therefore, users shall have no expectation of privacy or confidentiality in any documents or other materials they write, receive, store or send in the use of these systems.

§ 1457. Copyrights and License Agreements.

EVMWD and its users are legally bound to comply with the Federal Copyright Act (Title 17 of the U. S. Code) and all proprietary software license agreements. Noncompliance can expose the District and the responsible users to civil and/or criminal penalties. This directive applies to all software that is owned by, or licensed to, EVMWD or developed using EVMWD resources by users or vendors.

- A. EVMWD Information Technology is exclusively responsible for installing and supporting all software on District computer equipment and electronic devices.
- B. Information Technology shall maintain records of software licenses owned by EVMWD and shall periodically scan District computers to verify that only authorized software is installed.
- C. User Responsibilities. Users shall not:
 - 1. Install software unless authorized by Information Technology.
Only software that is licensed to or owned by EVMWD is to be installed on EVMWD computers.
 - 2. Copy software unless authorized by Information Technology.
 - 3. Download software unless authorized by Information Technology.
- D. Violations. Violations of this policy may result in disciplinary action by the District, up to and including termination.

§ 1458. Use of Electronic Signatures.

Electronic signatures installed on District-issued equipment are to be utilized for District or WESA business purposes only.

§ 1459. Return of Equipment.

Upon termination of employment with the District all computer equipment or electronic devices issued shall be returned to Human Resources.

At the end of service as an elected official of the District, officials shall return all computer equipment or electronic devices issued to them to the Board Secretary.

ATTACHMENT A

Acknowledgment of Computer Usage and Security Policy

By signing below, I acknowledge that I have read and fully understand the District's Information Technology Acceptable Use Policy.

Employee signature: _____

Date: _____ Department: _____

SECTION 1470. GENERAL SOCIAL MEDIA USE

§ 1471. **Purpose.** To address the fast-changing landscape of the Internet and the way area residents and businesses communicate and obtain information about the Elsinore Valley Municipal Water District (“District”) via the internet, the District may begin to use social media tools to reach a broader audience. Because of the broad range of legal, ethical, and policy issues inherent in such a use, the District wishes to promulgate explicit policies, standards, and procedures for the District’s use of social media tools.

- A. **Limited Public Forum.** The District considers any social media sites the District joins to be a limited public forum intended only to disseminate information to the public and provide for limited public discussion on a narrow range of water-related topics. The District has an overriding interest and expectation in deciding what is “announced” or “spoken” on behalf of the District on social media sites and limiting the types of responses to pertinent water-related topics of discussion. This policy establishes internal and external procedures for the use of social media.
- B. **Terms.** “Social media” and “Web 2.0” are terms used interchangeably to refer to activities that integrate technology, social interaction and content creation. This media allows people to generate, organize, share, edit and comment on web content by means of RSS and other web feeds, blogs, widgets, wikis, podcasts and photo- and video-sharing applications and sites, to name a few.

§ 1472 **General Policy.**

- A. All creation and content of the District’s social media sites are subject to approval by the Director of Legislative and Community Affairs or his/her designee.
- B. The District’s website (<http://www.evmwd.com/>) shall remain the District’s primary and predominant internet presence, regardless of the use of social media by the District.
 - 1. Wherever possible, content posted to the District’s social media sites will also be made available on the District’s regular website.
 - 2. Wherever possible, content posted to the District’s social media sites will contain hyperlinks directing

users back to the District's official website for in-depth information, forms, documents, contact information or online services necessary to conduct business with the District.

- C. The most appropriate uses of social media sites are as informational channels to increase the District's ability to broadcast messages and information to the widest possible audience.
- D. As noted herein or in policies applicable to specific social media sites, the Director of Legislative and Community Affairs will designate one or more staff members as "Content Administrators" who will be responsible for monitoring the District's social media pages, subject to the direction of the Director of Legislative and Community Affairs.
- E. The District's social media sites shall comply with all appropriate Federal, State, and local laws, and District policies and procedures, including but not limited to:
 - 1. Ethics. The use of the District's social media sites shall be in strict conformity with the California Political Reform Act and applicable Fair Political Practices Commission Regulations, the California Government Code section 1090, the District's conflict of interest rules, and other applicable ethics rules and policies. Ethics laws can prohibit District Directors from participating in certain decisions if they have demonstrated they have a preconceived and unalterable view of the outcome of certain decisions without regard to the evidence. District staff and Directors should avoid posting comments that could be interpreted as a final or definitive position on an issue if that issue could later come before them in a quasi-judicial proceeding.
 - 2. The Ralph M. Brown Act. The Brown Act specifically prohibits members of a legislative body from communicating through technological devices in discussing, deliberating, or taking action on any item within the subject matter jurisdiction of the legislative body. This could happen on any social media site, even accidentally, if a majority of the District's Directors posts comments on a District-related issue (even if

Directors are merely responding to a constituent's post). Therefore, Directors should avoid posting or making any comments on District social media sites or pages.

3. Campaign Restrictions. A District social media page could be viewed by courts as a public resource. District staff and Directors should therefore keep campaign regulations in mind and avoid any type of campaigning on a District page pursuant to applicable law. Neither elected officials nor District staff may use public resources for personal or campaign purposes not authorized by law. Public officials are aware of the restrictions on using public resources for either personal or political purposes pursuant to California Government Code section 8314.
4. District Administrative Code. The use of the District's social media sites shall be in strict conformity with applicable provisions of the District's Administrative Code.
5. Public Records Act. The District's social media sites are subject to the California Public Records Act and Proposition 59, amending Article 1, Section 3 of the California Constitution. Any content maintained in a social media format that is related to District business, including a list of page subscribers and posted communication (with certain exceptions), is a public record. The District is responsible for responding completely and accurately to any public records request for public records of social media content. Content related to District business shall be maintained in an accessible format and so that it can be produced in response to a request. Wherever possible, such sites shall clearly indicate that any articles and any other content posted or submitted for posting may be or are subject to public disclosure upon request. Users shall be notified that public disclosure requests must be directed to the relevant District designee. The California Public Records Act and relevant District records retention schedules apply to social media formats and social media content. Information Technology shall preserve the required records in a similar manner to retention of the District website or pursuant to a relevant records retention

schedule and in a format that preserves the integrity of the original record and is easily accessible.

§ 1473**Administration.**

- A. Design. The Public Affairs Department will construct and design social media pages on approved sites subject to the applicable design standards and approval of the Director of Legislative and Community Affairs. The District must be able to immediately edit or remove content from social media sites pursuant to the relevant legal and policy standards.
- B. Content Administrators. The Director of Legislative and Community Affairs shall maintain a list of District staff who are authorized to administer the District's social media sites, including posting and removing comments, responding to messages and requests for communication, and the inclusion or removal of all forms of content including images and text. As general matters, Content Administrators:
1. May connect to, and exchange information with, only those social media sites authorized by the Director of Legislative and Community Affairs pursuant to this policy;
 2. May not post or release any proprietary, confidential, or sensitive District information unless authorized by the appropriate authority;
 3. May only speak on subjects or topics as authorized by the District; and
 4. When speaking on behalf of the District, shall identify themselves by their full name, title, agency, and contact information when posting or exchanging information on social media sites.
- C. Authorized Social Media Sites. The Director of Legislative and Community Affairs shall maintain an authorized list of social media sites which may be joined on behalf of the District, including, if necessary, lists of the authorized varieties of communications, images, and videos. All new social media sites proposed for District use must be authorized by both Information Technology and the Director of Legislative and

Community Affairs before the District may join a social media site. The Director of Legislative and Community Affairs shall promulgate specific policies, rules, and regulations for each authorized social media site due to the differences between the uses and audiences of each site. The following social media sites have been authorized by the District:

1. Facebook
 2. Twitter
- D. Credentials. Information Technology shall maintain a list of the District's active social media sites, including login and password information. Content Administrators, the Director of Legislative and Community Affairs or his/her designee will inform Information Technology of any new social media sites or administrative changes (including login and password information) to existing sites.
- E. Employee Comments. Staff, while either on- or off-duty, are prohibited from commenting on District social media sites unless they are an authorized Content Administrator. Only certain staff will be authorized by the Director of Legislative and Community Affairs to administer, comment, and create content on the District's social media sites. Such a prohibition is necessary to avoid confusion about the source of the District's communications and to ensure that only authorized staff communicates with the public on behalf of the District.
- F. Disclaimers and Required Statements. In an effort to ensure compliance with relevant laws and regulations, and inform the public of the limitations of communications with the District through social media sites, the following disclaimers and statements shall be available on all District social media sites.
1. Social Media Purpose Statement. Whenever possible, users and visitors to the District's social media sites shall be notified that the intended purpose of the site is to serve only as a means of communication between the District and members of the public, by a message on the primary social media page substantially as follows:

"This is a site or page of the Elsinore Valley Municipal Water District ("District"), <http://www.evmwd.com/>, a municipal water agency and public entity in the State of California. This site is intended to serve as a means

of communication and distribution of information between the District, members of the public, water users, and area businesses. A comment posted by a member of the public on this site is the opinion of the poster only, and publication of a comment does not imply endorsement of, or agreement by, the District, nor do such comments necessarily reflect the opinions or policies of the District. This site is not intended to be a public forum for unlimited communications or comments, but is instead as a limited forum where legal doctrines allow the District to prohibit and remove certain communications or comments.”

2. Public Records Act and Retention Requirements. Whenever possible, users and visitors to the District’s social media sites shall be notified of Public Records Act and District records retention requirements, by a message appearing on the social media page substantially as follows (or by a hyperlink directing a user to the same message):

“Any content maintained in a social media format that is related to District business, including information regarding ANY subscribers, users, friends or fans, ANY communications, comments or messages, and ANY images, videos or media content in any format may be considered a public record and may be subject to public disclosure pursuant to the California Public Records Act. This may include, but is not limited to, personal identifying information for users and visitors to this site or page, text of any and all comments or messages, reproductions of any images or videos, and all other content appearing on this page or site. Public disclosure requests should be directed to the Board Secretary.

3. Official Communications with the District. Whenever possible, users and visitors to the District’s social media sites shall be notified of the official District communications methods, by a message appearing on the social media page substantially as follows (or by a hyperlink directing a user to the same message):

“This site is not the primary method of communication with the District, and any notices or requests for District services must be made via official

communication methods noted on the District website, or by traditional methods of notification recognized by the District. No comments or posts on this site will be construed as providing notice of any claim, deficiency, dangerous condition, request or otherwise.”

The primary social media page should contain contact information for the District, including a hyperlink to the District website and the provision of relevant addresses, names, phone numbers, fax numbers, and email addresses of applicable department listings or District staff, methods of making official requests for maintenance or service, and notice of the condition of District property or other similar requests.

4. Comments, Messages or Posts. Whenever possible, users and visitors to the District’s social media sites shall be notified of the District’s public comment and messaging standards, by a message appearing on the social media page substantially as follows (or by a hyperlink directing a user to the same message):

“The District disclaims any and all responsibility and liability for any materials that the District deems inappropriate for posting, which cannot be removed in an expeditious and otherwise timely manner. The District reserves the right to restrict or remove any content that is deemed in violation of this policy or any applicable law. Any articles, messages, posts, comments, images, video or other content containing any of the following forms of content shall not be allowed and shall be removed as soon as possible:

- A. Comments not topically related to the particular content posted by the District;
- B. Comments in support of or opposition to political campaigns or ballot measures;
- C. Profane language or content;
- D. Content that promotes, fosters, or perpetuates discrimination on the basis of race, creed, color, age, religion, gender, marital status, status with regard to public assistance, national origin, physical or mental disability or sexual orientation;
- E. Sexual content or links to sexual content;

- F. Solicitations of commerce;
- G. Conduct or encouragement of illegal activity;
- H. Information that may compromise the safety or security of the public or public systems; or
- I. Content that violates a legal ownership interest of any other party.”

Any content removed based on these guidelines must be retained, including the time, date and identity of the poster when available, in accordance with the District’s policy on the retention of such information and upon the advice of District legal counsel if appropriate. Content provided by outside users may not be deleted or removed unless it expressly violates the aforementioned policy. Neither Content Administrators nor any other person from the District may delete or remove comments, messages, images, video or other content because they are critical or praise the District, its officials, staff or employees or because the District otherwise dislikes or disapproves of the content. If content is positive or negative and in context of the conversation, then the content must be allowed to remain. If the content is ugly, offensive, denigrating, and completely out of context, then the content may be rejected and removed.

SECTION 1480. DISTRICT STATIONERY

§ 1481 District Stationery. (M-3169, M-3532)

- A. Acceptable Uses- Employees
 - Communications and information exchanges, by authorized personnel as determined by the General Manager, to outside agencies directly relating to District Business;
 - Communications for Board Members relating to official District Business, sub or standing committees of the Board of Directors;
 - Outside of this policy, miscellaneous uses of stationery must receive prior authorization by the General Manager

- B. Noncompliance. Internal discipline, up to and including discharge, may be appropriate in some cases of non-compliance with this policy.
- C. Acceptable Uses- Board of Directors
- Communications and information exchanges to outside agencies directly relating to District Business, as determined appropriate by the Board President;
 - Communications with District Legal Counsel
 - Outside of this policy, miscellaneous uses of stationery must receive prior authorization by the Board President
- D. Noncompliance. Board Members shall 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. District Stationery may not be used for private correspondence. Violations of this Policy will be handled by the full Board of Directors.

SECTION 1500. PURCHASING POLICY & PROCEDURE*(R-975, M-5179, M-5541, M-5659)***§ 1501. Purpose and Compliance.**

The purpose of this policy is to establish the uniform procedures for acquiring services, supplies, equipment, and materials for the District, in accordance with Government Code section 54201 et seq., to assure purchases are accomplished in a manner providing maximum benefits and minimum cost to the taxpayers and customers of the District. Whenever practical, competitive prices shall be obtained. This Policy shall take precedence for all procurement actions, unless strictly required by State or Federal law. No purchase shall be made that is not authorized in the manner set forth herein.

California Government Code section 54202 requires that every local agency shall adopt policies and procedures, including bidding regulations, governing purchases of supplies, materials and equipment and that said purchases shall be in accordance with said duly adopted policies.

California Government Code section 54204 requires that if the local agency is other than a city or county, policies provided for in Section 54202 of said code shall be adopted by means of a written rule or regulation; copies of which shall be available for public distribution.

The District shall strive to solicit all local firms potentially qualified to bid for any given project, purchase, or programs for which the District will be requesting bids or proposals. The District will consider the local economic impacts of its various projects, purchases and programs as part of the request for proposed process. *(R-1097)*

To incorporate best practices that provide best value for all District customers and stakeholders, the District shall continually monitor and review industry best practices, both public and private.

Definitions & Acronyms

BOD: Board of Directors (collectively called “the Board”)

CFR: Code of Federal Regulation

CSA: Contract Services Agreement

DIR: Department of Industrial Relations

EVMWD: Elsinore Valley Municipal Water District, also known as “The District”

GM: General Manager

IFB – Invitation for Bid

MSA: Master Services Agreement

Vendors: also referred to as suppliers, contractors and sub-contractors. Used interchangeably

PO: Purchase Order

PSA: Professional Services Agreement

RFP: Request for Proposal

RSS: Requisition Self-Service

SOP: Standard Operating Procedure

SOW: Scope of Work, also known as Scope of Services

§ 1502. District Purchases Approval Levels. *(M-3574, M-4883, M-5035)*

- A. To expedite the purchasing function and ensure an uninterrupted flow of materials, equipment, and services, the authority to approve purchases or rental of supplies, equipment and services has been delegated to employees in accordance with the limitations set forth below.

| Purchase Amount | Approval Level |
|-------------------|----------------------------|
| \$0-\$5,000 | District-wide Staff |
| \$5,001-\$100,000 | General Manager |
| Over \$100,000 | Board of Directors |

- B. All procurements shall be made within the approved budget set forth by the Board of Directors. Any changes must be made in accordance with section 705 of the Administrative Code, except those allowed under section 1509.A (emergency authorization).

The General Manager, when appropriate, may delegate their authority to an Assistant General Manager, or as defined in section 702.A of the Administrative Code.

- C. Purchases of Inventory Materials exceeding \$100,000 may be initially approved by the General Manager or his or her designee in order to expedite inventory fulfillment followed by the ratification of the purchase by the Board of Directors at the next regular Board Meeting.
- D. All transaction limits in the policy shall be inclusive of freight costs.
- E. Taxes and regulatory fees shall be excluded from approval levels for purchases over \$5,000.

§ 1503. Procurement Requirements. *(M-4258, M-4883, M-5035)*

- A. Public Works. As defined by Public Contract Code section 1101, public works includes the erection, construction, alteration, repair, or improvement of any public structure, building, road or other public improvement of any kind.
 - i. Purchases up to \$5,000: Minimum of one quote and requisition or bid agreement summary required. Prevailing wage and insurance notification required.
 - ii. Purchases in excess of \$5,000 but less than \$35,000: Shall be procured by an informal bid process sent to no less than three contractors. If the bid solicitation results in only one written bid, then the single bid may be accepted.
 - iii. Purchases of \$35,000 or more: Shall be procured by a formal bid process that is publicly advertised in the manner prescribed by the Board of Directors and awarded to the lowest responsible, responsive bidder.
 - a. The District utilizes an electronic bidding software program that can be accessed by a member of the public at any time through various means, including the District website. Registration may be required to participate in the bidding process. Electronic bidding allows for a cost effective and efficient process that follows public bidding requirements.
 - b. Maximum competitive bids must be sought by the sealed bid method. Use of an electronic bid management system satisfies the sealed bid requirement.

- c. The Board of Directors may reject any and all bids.
- B. Grant Procurements: Grant procurements are defined as a procurement that is either fully or partially funded through state or federal programs. This can be through direct funding or through reduced rate loans. A grant procurement may include those found in public works or in “other purchase” types. District shall solicit any and all qualified contractors for any grant procurements. Federal grant procurements shall comply with the Code of Federal Regulations (“CFR”) section 200.318 general procurement standards. Grant projects may include additional solicitation/award requirements not included in standard District procurements. These may include, but are not limited to:
- i. Good Faith Effort (“GFE”): a requirement set forth by the grant to ensure outreach and advertising to Small business/Women owned/minority owned business. Grant projects may set a goal/target for the agency to work towards.
 - ii. Special bonding requirements – as outlined in CFR section 200.318
 - iii. Additional provisions for contracts to vendors specific to each grant
 - iv. Solicitations shall include various public outreach methods including newspapers, electronic platforms, etc.
 - v. Additional grant information may be found in the grants’ policies/procedures section of the admin code.
- C. State grants typically follow the Code of Federal Regulations (“CFR”). However, each State grant may have additional or specific requirements that differ or exceed those listed in the CFR. Purchasing, with the support of the grants department, shall review each State grant in its entirety to ensure all procurement requirements are met.
- D. All Other Purchases. Including Professional Services for any type of special service or advice/consulting to include but not limited to financial, economic, accounting, engineering, legal or administrative matters by persons that are specially trained to perform such services. Other types of purchases include purchases for materials, goods, maintenance work, landscape maintenance, inventory materials, and other purchases that are not classified as public works projects.

- i. Purchases up to \$5,000: Minimum of one quote and requisition or bid agreement summary required. Prevailing wage and Insurance notification required.
- ii. Purchases in excess of \$5,000 but less than \$35,000: Shall be procured by a request for quotation, an informal request for proposal, or an informal invitation for bid sent to no less than three firms.
- iii. Purchases of \$35,000 or more: Shall be procured by a formal request for proposal that is publicly advertised in the manner prescribed by the Board of Directors.

Notwithstanding the requirements above, pursuant to Government Code section 4525 et seq., the procurement of Professional Services such as architect, landscape architect, engineering, and construction management professional services will be based on demonstrated competence and professional qualifications at a fair and reasonable price. Where applicable and pursuant to California Contract Code 4526, awards may be approved based on section 1509.B.6 (Procurement Method Exceptions), wherein the General Manager may approve a professional service contract award to a sole source consultant or firm based on the needs of the District. Awards shall assure maximum participation of small business firms, as defined by the Director of General Services pursuant to Government Code Section 14835-843.

- E. All other Purchases, excluding Professional Services, if a vendor is selected to provide a service or item where bids or proposals have been obtained in the last twelve months, and the District is unable to negotiate an Agreement with said vendor, then the next lowest responsive, responsible bidder for invitation to bid procurements or the best qualified and competent for request for proposal procurements may be utilized without conducting another solicitation. *(M-5035)*
- F. If any solicitation results in the receipt of only one written proposal, that proposal may be accepted.
- G. All procurement documents must form a permanent part of the purchase record and will remain in compliance with the District Records Retention Policy.

- H. Before work commences or services are rendered, evidence of insurance as required by the District must be obtained, reviewed and accepted by General Manager or his/her designee.

§ 1504. Material and Service Requests

- A. Requisition: A requisition (RSS) is an electronic request created by staff to initiate a purchase order agreement for materials or services. Prior to entering the requisition, requestor must have approved budget, and include all necessary information according to the purchasing SOP.
- B. Bid Agreement Summary: A bid agreement summary is the document created by staff to initiate a contract or master service agreement. Prior to starting the bid agreement summary, requestor must have an approved budget and include all necessary information according to the purchasing SOP.

The appropriate level of approval is required on all requisitions and bid summary agreements. Orders shall not be processed until all necessary approvals are obtained.

Capital improvement (CIP), grant or special funding projects must be identified on any requisition or bid agreement summary.

§ 1505. Procurement Methods.

The District shall utilize the most economical approach where feasible. The District must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach. If feasible and it reduces project costs, the District will explore using federal excess and surplus property in lieu of purchasing new equipment and property. When appropriate, the District will investigate using value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions.

All procurement methods listed below shall include a clear and accurate description of the technical requirements and must not contain features that unduly restrict competition. They must set forth the minimum essential characteristics and standards to which the items or service must conform. Detailed product specifications should be avoided where possible.

- A. Purchase Order Agreement: A purchase order agreement (“PO”) is the document used by the District to set the legal and contractual terms involved in each purchase that does not have an executed contract. The PO binds the District and the vendor to fulfill the specified obligations. A PO is the preferred method for single or infrequently used materials or supplies. The Purchasing Manager will issue all purchase orders based on competitive prices obtained by formal bid or informal quotations pursuant to legal requirements and Board policy, taking into consideration quality, price, and delivery except as described in section 1509(C) and 1509(D).
- B. Contract Agreement: A contract agreement is the document used by the District to set the legal and contractual terms that binds the District and the vendor to fulfill the specified obligations. Types of contracts include:
- a. Professional Services Agreement (“PSA”) – A professional service are services where the consultant provides unique advice or recommendations based on their knowledge, education, technical expertise, training and/or certifications for a specified set of tasks or scope of services. The PSA is the preferred method when procuring professional services for a single use or ongoing services.
 - b. Contract Services Agreement (“CSA”) – A contract service are services where the contractor provides skilled labor, materials, equipment and/or installation for a specified set of tasks or scope of services. The CSA is the preferred method when procuring contractor services for a single use or ongoing services.
 - c. Purchase Agreement – an agreement with a supplier for materials or supplies at an agreed upon price for a specified period of time. Preferred method for materials or supplies ordered on an ongoing or regular basis.
 - d. Public Works Agreement (“PW”) – As defined by the DIR, Public works in general means:
 - i. Construction, alteration, demolition, installation, or repair work done under contract and paid in whole or in part out of public funds.
 - ii. It can include preconstruction and post-construction activities related to a public works project.
 - iii. For a full definition of public works refer to Labor Code section 1720.

- iv. Anyone working on a public works project must be paid prevailing wages as determined by DIR. Projects of \$30,000 or more must meet DIR's apprenticeship requirements as set forth by the Division of Apprenticeship Standards by the State of California. Failure to comply with public works requirements can result in civil penalties, criminal prosecution, or both.
 - e. Other – The District maintains various other specialty contract agreements that are handled on a per agreement basis that may not have financial obligations but include legal and contractual obligations to the District. Agreements include but are not limited to: Letter agreements, inter-agency agreements, developer agreements, cell-site agreements, easement agreements, specialized agreements outside the District templates (i.e. temporary employment labor services, certain software agreements), etc.
 - f. Master Services Agreement (“MSA”) - Defined as a contract to which the parties shall agree to the terms and conditions (including payment term, indemnification, insurance, and other key items) that shall govern future projects between the parties for a specified time period. Master service agreements shall follow all the bidding/contract requirements. Unless pre-authorization has been approved, each future project shall be issued a task order to include a scope of work and quote provided by contractor. Each task order shall be approved on an individual basis as outlined in section 1502. The MSA shall be the preferred method for vendors that shall be utilized on an ongoing basis for various tasks that have not yet been determined, particularly in IT services.
- C. Procurement Cards: referred to as P-cards, are credit cards that the District utilizes as a procurement method for low dollar purchases subject to the requirements set forth in the “P-Card Program Procedures Manual,” including but not limited to the following:
- a. Purchases are limited to a maximum transactional value of \$5,000.

- b. Items listed in section 1509 subpart C (Centralized Purchasing Exceptions) may be approved by the Purchasing Manager without a transactional limit.
- c. Splitting purchases to circumvent the cardholder's dollar limitation is not permitted.
- d. Under no circumstances are P-cards to be used for personal use.

In instances where a supplier will only accept credit card (e.g. Amazon.com, Costco, etc.) and the amount exceeds \$5,000, the p-card may be authorized as a method of payment if the RSS process has been completed and have received all necessary approvals.

- D. Virtual Payment: Virtual payment is a feature offered through a third-party payment processor that enhances the accounts payable process at no additional cost to the District. Virtual pay allows District vendors to opt into the program to receive payment electronically through a third-party platform. Advantages include a streamlined approval and payment process for both the District and the vendor, as well as enhanced fraud protections for both parties. All District payments may be authorized using virtual pay if the following conditions are met:
- a. All District policies for procurement and payment have been followed and completed.
 - b. All District approvals for the procurement and authorization for payment has been completed.
 - c. Vendor has opted into the program and been approved by the District and the third-party processing company.

§ 1506. Solicitation, Bidding and Award Process

Wherever possible, the District shall solicit bids, quotes or proposals for supplies and services needed, and establish procedures for competitive bidding.

Solicitation: formal bids are solicited through electronic software platform(s). Solicitations shall include a District defined scope of work ("SOW") that will include detailed information including technical specifications, time of work, location and other critical information. SOW will be developed by technical staff with support from purchasing staff.

- 1. Solicitation and bid records shall be maintained via electronic software tools and shall comply with the District record retention policies.
- 2. Bid types and award selection

Invitation for Bid (“IFB”): IFB is the primary bidding method for goods and services where the District has a clearly defined schedule of services and materials required. IFB shall be awarded on the lowest price of the most responsive bidders.

Request for Proposal (“RFP”): RFP shall be the bidding method used for projects where the bidders may be required to develop a more defined approach to solve a District need. RFP shall be awarded based on a panel of evaluators that will use a basis of scoring that shall be clearly defined in the RFP.

Request for Qualifications (“RFQ”): This method is used for when the District determines a need to shortlist bidders to participate in the RFP process. Whenever possible, the District prequalifies contractors seeking to bid on Public Works projects. The prequalification procedure is based on the 1999 State Legislation and the Model Forms created by the Department of Industrial Relations (“DIR”).

Various contracts may be awarded on an “as-needed” basis. Awards may be issued to a single awarded vendor, or multiple vendors that best serves the needs of the District. Primary considerations for these types of awards are based on keeping the pricing competitive throughout the life of the contract, as well as ensuring timely delivery of materials and services, or to hold contractors to an agreed upon completion time, particularly when the District needs urgent response from the vendors. Contracts intended to carry this type of award shall be explained and outlined in the RFP/RFQ/IFB process so that all bidders are aware of the Districts’ intentions for the services requested.

Other: any project that is not using IFB or RFP shall require specific justification and be approved by the purchasing manager.

§ 1507. Change Orders. *(M-4883, M-5035)*

Change orders are issued to correct, change, or supplement a procurement method as defined in section 1505. To process a change order, the originating department will submit a procurement request.

All change orders shall be made within the approved budget set forth by the Board of Directors. Any changes must be made in accordance with section 705 of the Administrative Code, except those allowed under section 1509.A (emergency authorization).

Change orders that cause the order to exceed the General Managers' authority, or those change orders in excess of the General Manager's authorized approval level as defined in Section 1502, are subject to the Board of Directors approval with the following exceptions:

- A. Public Works Contracts, Professional Services and all other non-public works contracts:
 1. Cumulative changes that are less than \$100,000 or 10% of the current approved board amount, whichever is lesser, on new or un-budgeted items.
 2. Changes for tax and/or mandated regulatory fees.
- B. Cumulative changes that exceed those limits listed in part "A" above, may be initially authorized by the General Manager, followed by ratification of the changes by the Board of Directors at the next regular Board Meeting.
- C. General Manager to provide updates on number and amount of change orders authorized on a monthly basis.

To maintain proper internal control systems, and due to the various circumstances that create the need for a change order, the Purchasing Manager may review any request for a change order and determine that additional approval is required.

§ 1508. Agreement/Invoice Discrepancies.

If a discrepancy exists between the original agreement and the invoice, the following will apply: if the discrepancy is less than \$1,000, the Purchasing Manager's approval to pay will be sufficient for payment processing; if the discrepancy is greater than \$1,000, the originator will process a change order as outlined in Section 1507 above.

§ 1509. Procurement Method Exceptions. (M-4258, M-4883, M-5035)

A. Emergency Purchases and Repairs.

Emergency purchases are an exception to the procedures noted herein and are those purchases requiring immediate action as a result of unforeseen

circumstances. Such purchases should be held to an absolute minimum. An emergency is defined as an unforeseen crisis or incident which requires immediate action and the acquisition of goods or services to forestall a shutdown of essential services; to avoid a threat to public health, safety, or welfare; or to avoid serious damage to property.

Emergency repairs are defined as those repairs or rehabilitation where, in the opinion of the General Manager, or Assistant General Manager, or the Director of Operations, or Director of Information Technology, based on situation, a delay would adversely affect water or sewer service, threaten the health and safety of the public, or compromise the integrity or security of District facilities, or is likely to result in fines, penalties or other regulatory actions, sanctions or substantial monetary impact. (example: main break; sewer spill, etc.)

Emergency purchases over \$100,000 must be ratified by the Board of Directors at the next regular Board Meeting.

B. Sole Source Procurement.

The following types of purchases are deemed to be Sole Source purchases. A written justification explaining why the sole source is necessary to satisfy the needs of the requester is required.

Purchases shall be awarded following the guidelines outlined in Section 1503 unless one or more of the following conditions are met:

1. Non-competitive: product or service is only available from one manufacturer or designated sales/service representative. The item(s) or service(s) has unique design and/or performance specifications that have not been found in similar products.
2. Product Testing/Validation: This product is requested in order that a field test, pilot test, or experiment may be made to determine the product's suitability for future use.
3. District Standard: The requested product or service has been selected and approved by the District for exclusive use based on factors including cost, safety, implementation/training, substantial customer impact or compatibility with other District systems and equipment. District Standards must be approved by the General Manager or designee.
4. Emergencies: conditions as defined in Section 1509.A that make a competitive purchase unfeasible.

5. Follow-up Service: Only one vendor is able to make on-call repairs at a particular location and/or vendor previously inspected the product and it is impracticable/uneconomical to have another vendor to perform the service.
6. General Manager Exemption: Pursuant to California Contract Code section 4525 and 4526, professional services may be awarded without bidding provided a fair and reasonable price was properly determined. Must be approved by the General Manager or his/her designee.
7. Other: explain in detail why this vendor is the only source able to provide this product/service (may require legal review).

Once an item has been deemed approved for sole source procurement, the justification for additional procurements may remain in effect for a period not to exceed 24 months. If the items need is continued for more than 24 months, items shall be reviewed if the justification is still valid. If found to still be valid, new justification and approval must be provided prior to continued sole source procurement.

The final determination regarding whether competitive bidding is or is not advantageous rests with the Purchasing Manager.

C. Centralized Purchasing Exceptions.

All purchases of materials, goods and services on behalf of the District are only valid if procured with an authorized agreement pursuant to the procedures and policies set forth herein. Purchases of the item types below that do not require purchase order authorization are limited to the following:

1. Travel Advances/reimbursements.
2. Prepaid travel expenses, such as airfares, hotel registration, etc.
3. Temporary labor employment services payments
4. Utility services (e.g. gas, electric, water).
5. Meal reimbursements.
6. Petty cash purchases/replenishment.
7. Purchases not exceeding \$500 where P-cards are not accepted
8. Investment and debt service payments (e.g. COP interest, investment transfers) – not consulting or management firms.
9. Health benefits & employee pass through benefits (staff health/life insurance, retirement plans, etc.)
10. Insurance payments (e.g., workers comp, general liability, etc.)
11. Dues and subscriptions, claims, permits, and mandatory governmental agency tax, fee, charge, etc.

12. Sponsorships, scholarships or other District supported community events reviewed by the board
13. Interagency agreement payments (e.g. water purchases)
14. Employee reimbursements (e.g. seminars, training, boots, education, etc.).
15. Postage.
16. Classified, legal and display advertisement. – under \$10,000
17. Board of Directors Election filing costs.
18. Water Purchases from other agencies or sources.
19. Emergencies as declared by the General Manager for items during Emergency Operations Committee (EOC) activation that are related to the EOC.

All of the exceptions listed above, however, are subject to approval by the General Manager or designee.

D. Petty Cash Purchases.

The basic premise for petty cash purchases is that it can be less expensive to pay for small non-repetitive purchases with cash rather than by check. The maximum petty cash expenditure allowed by District policy is \$250.00. Splitting purchases in order to utilize petty cash rather than standard purchasing procedures is not permitted.

E. Documentation for Procurement Method Exceptions.

This following requirement applies to B, C and D above within this section. Documentation for procurement method exceptions must be furnished by the originating department. The reason for a procurement method exception should be based on all available and pertinent facts and not on personal preferences. The Purchasing Manager is responsible for making the final determination for the procurement method exceptions and appropriate documentation. The written documentation will become a part of the permanent purchasing record.

§ 1510. Receiving Location. (M-5035)

The warehouse at District headquarters is the primary receiving location for incoming and outgoing shipments. The warehouse is the single storage facility for

inventory materials and may be used as a temporary supplemental storage facility for staff as space allows, and as approved by the purchasing manager. Inventory materials shall be maintained by warehouse staff using electronic inventory management software. Materials shall be issued to staff on an as-needed and approved basis. Material replenishments and orders shall comply with the procurement policies outlined above.

Non-Inventory materials ordered by staff may be delivered directly to a designated area or District location, such as a treatment plant, based on District needs (e.g. chemicals, tools, equipment, etc.)

§ 1511. Surplus Materials Property. *(M-1374, M-4258, M-4883, M-4937)*

Surplus materials are defined as any unnecessary, obsolete or excess supplies, materials, tools, vehicles, equipment, assets or furniture that has been replaced or retired due to damage, age or change in District's standards and/or specifications. The methods used by staff to define surplus include:

1. Change in the District's standards or specification
2. Changes in State or Federal Law that prevents further use by the District
3. Damaged/obsolete products, or that pose a safety risk, including expired materials
4. Materials by departments that have not been used in 36 months will be identified by source department, then reviewed by operations and engineering staff for validation that product is no longer required.
5. Other materials identified by staff that require specific justification – (software/hardware no longer supported, voided warranty, etc.)

A single item, or grouping of similar items with an estimated current value of \$50,000 or more must be declared surplus by the Board of Directors and disposed of by means of:

1. Formal or informal sale or auction;
2. Exchange or trade; or
3. Scrapping if appropriate based on circumstances.

The method used will take into consideration market trends, demand, economics and convenience. Items under \$100,000 must be declared surplus by the General Manager prior to disposal, using the same means discussed above. A collection

of unique and separate items being considered for surplus, that are individually less than \$50,000, may be approved by the General Manager.

§ 1512. Publication & Electronic Approvals & Signing Authority.

- A. A notice inviting bids required to be published in accordance with Public Contract Code section 20642 shall be published on an established e-procurement/electronic bidding system or pursuant to Government Code section 6061, at the discretion of the General Manager or his designee. All other public advertisements shall also comply with this section.
- B. Where possible, electronic workflow and signature approvals may be used in lieu of ink signatures using an approved electronic signature software tool. Software must have adequate ID and encryption security and must be approved by the Director of IT.
- C. Signing Authority: No agreements shall be made or agreed to by staff, verbally or otherwise, on behalf of the District unless express consent is provided by either the Board of Directors or the General Manager. Signed documents must be completed only by authorized staff using approved District forms or be sent for legal review and approval prior to execution of documents. Any employee signing documents without proper authority will be subject to disciplinary action. Documents include but are not limited to:
 - a. Quotes/Estimates
 - b. Purchase agreements, contracts
 - c. Memorandum of Understanding, letter agreements
 - d. Other legally binding agreements

§ 1513. Cooperative Purchases.

The District will enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common, or shared goods and services. The District supports the use of cooperative bidding/“piggybacking” contracting to utilize contracts awarded by the United States of America, any state, municipality, or public agency where it is in the District’s best interest to do so. Evidence of the competitive bidding process conducted by the other political jurisdiction must be obtained and kept on file to support the requisition or purchase order. Cooperative purchasing examples are purchase of fuel, office supplies,

vehicles and auto parts. Cooperative purchases with other governmental entities are supported.

§ 1514. Unauthorized Purchases.

Purchase documents shall be issued prior to ordering supplies, equipment and services. There will be no “after the fact” processing for work already done or materials already ordered.

Except for emergencies or authorized exemptions stated in these guidelines, no purchase of supplies, services, or equipment shall be made without the use of an authorized procurement method. Otherwise:

- A. Such purchases may be void and not considered an obligation of the District;
- B. Invoices without an authorized purchase order may be returned to the vendor unpaid;
- C. Any person making an unauthorized purchase on behalf of the District may be held liable to the extent allowed by law and may be subject to disciplinary actions.

§ 1515. Conflicts of Interest.

No employee, officer, or agent of the District may participate in the selection, award, or administration of an agreement if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. No officer, employee or agent (including consultants) of the District, engaged in the award and administration of contracts shall participate in the preparation of specifications, selection, or in the award or administration of a contract if he or she has any potential or actual financial interest in such contract. District officers, employers or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors or parties to sub-agreements. Any employee, officer or agent of the District found to have a conflict of interest will be subject to disciplinary actions as outlined in the employee handbook.

§ 1516. Review Audits.

Compliance with this policy is subject to review at any time by internal or external auditors. It is the responsibility of the District staff member (and their department head or authorized representative) initiating the purchase to maintain records of bids, bid procedures followed, contracts, sole source forms, change orders, and authorized signatures.

SECTION 1550. REAL ESTATE DISPOSAL AND ACQUISITION
(M-3631, M-5512)

The District, from time to time, will be required to either acquire or dispose of real property or easements as water, wastewater and recycled water facilities and structures are either added or retired from service. This section outlines the requirements for both.

SECTION 1551. SURPLUS REAL ESTATE

§ 1551. Definition.

Surplus real estate is defined as property that is owned by Elsinore Valley Municipal Water District which “is in excess of its foreseeable needs” (i.e. District facilities, easements, access, buffer zones, mitigation or miscellaneous needs).

§ 1552. Noticing and Determination of Surplus.

The District is required by Gov. Code § 50569 to prepare an annual inventory of surplus real property. If the District has no surplus property, no inventory is required. Being a matter of public record, the District must provide the surplus property inventory to any citizen, limited dividend corporation, housing corporation, or nonprofit corporation who requests a copy. This will be supplied upon request.

The District will conduct a biennial review of its real estate assets. No general public noticing is required before the District sells surplus land. Disposal of real estate owned by EVMWD determined to be in excess of District need must be declared as surplus real estate by complying with the following procedures.

- a) Recommendation from staff based on a detailed review as to whether the property could serve a useful purpose to the District in the future or should be declared surplus.
- b) Determination that the property is not subject to covenants or conditions imposed by any original grantees of the property that would cause the property to revert back to the grantor if the property is not used for a specific purpose (such as gifted subject to restrictions of use);
- c) Obsolete District facilities must be abandoned prior to declaration of surplus.
- d) Concurrence by the General Manager to declare the real estate surplus.
- e) Surplus declaration must be done by formal Board action.

SECTION 1554. PROPERTY DISPOSAL

§ 1553. Disposal.

The District must obtain a professional appraisal for properties with a value of \$25,000 or greater. For properties with a value less than \$25,000, a comparative market analysis must be obtained from a professional appraiser or broker. The broker performing the comparative market analysis cannot participate in the sale or listing of property. Both methods set a fair market value for the highest and best use and to prevent a challenge that the sale constitutes a gift of public funds.

The real estate must be sold at fair market value by listing with the District's right of-way agent (broker) and completion of a formal escrow. Real estate may also be exchanged for property of equivalent value or higher, taking into consideration market trends, demand, economics and convenience. Prior to the sale or disposal of real estate deemed to be in excess of the District's foreseeable need, procedures for notification as dictated in Government Code § 54222-54232 will be followed. Water rights related to properties to be disposed will be retained by the District.

§ 1554. Exemption.

District land is exempt from the special offer procedures of the Government Code § 50569 if it is not contiguous to land owned by a state or local agency that is used for park, recreational, open space, or low and moderate-income housing purposes, is not located within an enterprise zone pursuant to Government Section 7073 and is not located within a designated program area as defined in Government Code Section 7082 and is any of the following:

- a) less than 5,000 square feet in area, or
- b) less than the minimum legal residential building lot size for the jurisdiction in which the parcel is located, or 5,000 square feet in area, whichever is less, or
- c) has no record access and is less than 10,000 square feet in area. (Gov. Code, § 54221.)

SECTION 1557. PROPERTY ACQUISITION

§ 1555. Acquisition.

The General Manager is authorized to negotiate with property owners for the purchase of real property. The General Manager may acquire real property with a fair market value of \$25,000 or less whenever the acquisition is consistent with any approved budget and funds have been appropriated. All other acquisitions of real property shall be approved by the Board.

- a) The General Manager will inform the Board of any property acquired with a fair market value of \$25,000 or less.
- b) The value of the property shall be determined either by an in-house evaluation of comparable properties (as in the case of pipeline rights-of-way, easements, and remnant parcels) or if the property is considered to be

buildable, or of value greater than \$25,000, the services of a certified real estate appraiser shall be obtained.

SECTION 1600. SETTLEMENT OF CLAIMS AGAINST THE DISTRICT
(M-4140)**§ 1601. Policy.** *(Minutes 6/22/94, Minutes 2/22/01)*

It is the policy of the District that all claims against it be handled and settled equitably, fairly and in a timely manner.

All claims against the District must comply with the California Torts Claim Act (Government Code Section 810, et. seq.). The failure of a claimant to comply with all provisions of the Tort Claims Act shall be grounds for denial of the claim.

All claims must contain the information required by Government Code Sections 910 and 910.2.

All claims in amounts of \$5,000.00 or less may be settled by the General Manager as he deems appropriate.

The General Manager is authorized to sign merit rejection letters in lieu of the Board in order to expedite the processing of claims where no apparent personal injury is involved and the amount claimed is less than \$5,000.

Claimants may appeal to the Board of Directors subsequent to denial or rejection decision by the General Manager. If a claimant wishes to appeal the Board, he/she must do so through the District Secretary in order to properly agendaize the matter for discussion. All claims are subject to statute of limitation provisions set forth in the California Torts Claim Act (Government Code Section 810, et. seq.).

§ 1602. Procedure.

All claims shall be filed with the District's Claims Coordinator. The Claims Coordinator shall distribute copies to the General Manager, the Assistant General Manager, the District's legal counsel and any other interested or involved individuals, as necessary.

After proper examination and investigation, the claim and pertinent information shall be submitted to the Board of Directors for action. The Board of Directors may approve payment of the claim, compromise all or part of the claim, defer action to a later time or date, request additional information, deny the claim, and/or refer the claim to the District's legal counsel or insurance carrier for further action.

SECTION 1650. CHALLENGES TO WATER AND WASTEWATER RATES AND FEES

§ 1651. Policy.

It is the policy of the District that all challenges to water and/or wastewater rates or fees established by the District shall be handled and settled equitably, fairly and in a timely manner.

All challenges that do not involve money or damage claims against the District shall comply with the provisions of Section 1652 herein.

All challenges involving money or damage claims against the District shall comply with the provisions of Section 1601 herein.

§ 1652. Procedure.

All challenges to water and wastewater fees and charges shall be filed with the District's General Manager within sixty (60) days after the date of adoption of any water and/or wastewater fee or charge by the Board of Directors. Any such challenge shall include the specific rate or charge being challenged, detailed description regarding the nature of the challenge, evidence supporting the challenge and the remedy requested.

The General Manager shall distribute copies of the challenge to the District's legal counsel and any other interested or involved individuals, as necessary. After proper examination and investigation, the challenge and pertinent information shall be submitted to the Board of Directors for action. The Board of Directors may approve the remedy requested, defer action to a later time or date, request additional information, deny the challenge, and/or refer the challenge to the District's legal counsel for further action.

SECTION 1700. FACILITIES & EQUIPMENT USE POLICY

(Minutes 3/11/92, Minutes 2/13/03, M-4638)

§1701. Purpose.

The purpose of this policy is to ensure the proper use of and to protect District property and equipment.

§ 1702. Groups/Priorities.

EVMWD facilities are available for certain uses in the following order of priority:

Group A. Local governmental agencies, political subdivisions of the State of California, or organizations which provide or promote public water and/or wastewater service.

Group B. Nonprofit or public benefit organizations consisting primarily of residents of the District excluding regularly scheduled events.

Group C. Nonresident Group B organizations excluding regularly scheduled events.

§ 1703. Application.

Interested organizations shall complete an application for use of EVMWD facilities and submit to either the District Secretary or the General Manager. The General Manager shall determine the appropriate group/priority and conformance of the proposed use with District rules and regulations. The General Manager shall collect fees pursuant to this Code, and sign the application, if approved. The facilities will be reserved accordingly and the applicant notified.

§ 1704 Fees.

| Group Type | Day Rate 8:00 a.m – 4:30 p.m. <u>Regular Bus. \$/Hrs.</u> | Night Rate After 4:30 p.m. <u>Non-regular Bus. \$/Hrs.</u> |
|------------|-----------------------------------------------------------------|------------------------------------------------------------------|
| A | <u>\$100.00</u> | <u>\$130.00</u> |
| B | <u>\$50.00</u> | <u>\$65.00</u> |
| C | <u>\$100.00</u> | <u>\$130.00</u> |

§ 1705 Rules & Regulations.

1. Facilities available for use under this policy are the main kitchen & adjoining patio and the Board Room. Use of other areas of the Building require specific and prior approval of the General Manager.
2. The Board Bench (Dais) in the Board Room shall only be available to Group A.
3. Application for use of facilities must be made no more than two months and not less than two weeks in advance.
4. Facilities may be used for political purposes such as rallies, debates or forums only when all declared candidates for a particular office have been invited.
5. Elected officials & representatives may not have use of facilities from January through the 2nd Tuesday in November of an election year. (Except as provided for in Section 1705.4.)
6. EVMWD related activities have priority on all facilities and all permits are revocable at any time.
7. No alcoholic beverages are permitted in EVMWD facilities or on EVMWD grounds.
8. No smoking (tobacco-free) is allowed in any EVMWD buildings or vehicles.
9. No games of chance, lottery, gambling or any illegal activity is permitted.
10. No decorations affixed to furniture, walls, ceilings or fixtures are permitted.

11. Damages resulting from use by any group will be billed to the sponsoring organization.
12. The District assumes no liability for personal injury or property damage. The District requires it be named as an additional insured on the organization's insurance policy.
13. No storage is available and equipment owned by individuals or organizations must be removed after each use of the facility.
14. At the discretion of the General Manager, a representative of EVMWD may be present during activities and shall have the authority to enforce all rules and regulations. At the discretion of the General Manager, applicants may be required to provide trained personnel designated to monitor premises during activities to ensure enforcement of rules and regulations.
15. A facilities use fee will be charged to all groups. The minimum charge to users is 1 hour labor. A labor fee for each hour of usage will be charged whenever additional staffing is required for the activity. Any part of an hour will be charged as a full hour with no proration of fee.
16. Organizations and individuals are prohibited from offering or making any payments directly to EVMWD employees for services rendered.
17. Use of EVMWD facilities for any of the following activities is not permitted:
 - A. Any use by an individual or group for the commission of any act intended to further any program or movement dedicated to overthrowing the United States or State of California governments by force, violence, or other unlawful means.
 - B. Any use which interferes with the regular conduct of business of the District. EVMWD meetings take priority over outside agencies or organizations, in regard to use of the Board Room or other meeting rooms.
 - C. Any use which is discriminatory in the legal sense.
18. Use of facilities is limited only to those buildings or rooms as expressly indicated on the approved Facilities Use Application without exception.

19. Applicants shall be financially responsible for personal injuries or property damages arising from the meetings or activities.
20. Applicants must read and sign the District's Facilities Use Agreement at the time of application.
21. A cleaning deposit may be required.
22. Activities which produce noise levels which interfere with District operations are prohibited.
23. Clothing is required.
24. Minor children shall be under direct adult supervision at all times inside and outside of buildings.
25. No firearms are permitted on EVMWD premises or in any EVMWD buildings or facilities except those in the possession of on-duty law enforcement officers.
26. No animals, pets, livestock or wild game are permitted on premises or inside buildings.
27. Littering on premises is prohibited.
28. Violation of these rules and regulations or failure to comply with or enforce these rules and regulations may result in revocation of Facilities Use Permit.

§1706. District Equipment.

District "equipment" refers to any heavy or light machinery, tools, tents, tables, chairs, electronic devices or audio/visual equipment, provided by the District to be used by staff in the course of performance of duties.

§1707. Rules and Regulations for Use of Equipment.

1. Large equipment, such as but not limited to: trucks, backhoes, forklifts or vehicles may only be operated by staff in the normal course of duties directly relating to District business.
2. Equipment can be used off site at a District-sponsored event provided that a representative of EVMWD is present at all times during operation or use of the equipment, who shall be responsible for the appropriate transportation, use, and return of the equipment.
3. No equipment can be removed from District property or used by employees or outside agencies unless the use directly relates to District business or cooperative efforts with Local governmental agencies, political subdivisions of the State of California, or organizations which provide or promote public water and/or wastewater service.
4. All requests to borrow equipment or for waiver of meter rental fee or commodity charges must be approved by the Board of Directors.
5. Internal discipline, up to and including discharge, may be appropriate in some cases of non-compliance with this policy. Criminal or civil action may be initiated in appropriate instances.

§1708. Off Site/Remote Facilities

District "off-site/remote facilities" include real estate, tank and reservoir sites, pump stations, treatment plants, and other appurtenances owned by the District, other than the District's Administrative Headquarters building.

Presence of WESA personnel at off-site/remote facilities during non-work hours or during periods of scheduled time off without a business-related purpose is prohibited, unless prior written permission from the General Manager is obtained. Further, allowing the presence of family members or members of the public on off-site properties without specific prior permission is also prohibited. An employee's failure to comply with any of the provisions of this Section may result in appropriate disciplinary action, up to and including dismissal.

SECTION 1750. NO SMOKING POLICY (R-1065, M-4674)

§ 1751. Purpose.

The purpose of this policy is to protect nonsmokers and assure a clean, pleasant and more healthful work environment.

§ 1752. District Buildings.

Smoking is prohibited in all District buildings, offices and facilities, including all conference and meeting rooms, classrooms, auditoriums, restrooms, cafeterias, lunchrooms, employee lounges, hallways, buildings and other indoor facilities. Outdoor Smoking is prohibited within 20 feet of exits, entrances, operable windows, air intake vents and the covered area outside the front customer entrance.

All smoking materials and/or tobacco products shall be disposed of in receptacles for such purposes and shall not be disposed of on the ground or floors of District buildings, facilities or other District property.

§ 1753. District Vehicles.

Smoking is prohibited in all trucks, autos, tractors and other vehicles.

SECTION 1800. CODE OF CIVIL PROCEDURE (R-1105)

§ 1801. Policy.

The Board of Directors has adopted California Code of Civil Procedure 1094.6 to be applicable to all final administrative decisions and orders under California Code of Civil Procedure Section 1094.5.

§ 1802. Procedure.

Pursuant to Section 1094.6 (f), the Secretary of the Board of Directors shall provide notice to any party to a final decision indicating that the time within which judicial review must be sought is governed by California Code of Civil Procedure Section 1094.6.

SECTION 1900. ANNEXATIONS

§1901. Policy.

It is the District’s policy to consider annexation requests whenever all required information is submitted, appropriate fees have been paid and whenever a finding is made by the Board of Directors that such annexation is in the best interests of the District’s customers.

§1902. Annexation Fees Computation (M-1972, M-2075, M-2247, M-3097, M-3268, M-3415, M-3526, M-3549, M-3787, M-4029, M-4194, M-4348, M-4459, M-4645, M-5127, R 20-11-03, M-5860, M-5941)

In addition to the administrative fee defined in §1903 paragraph A, the annexation fees for newly annexing areas to the District for January 1, 2025 to December 31, 2025 shall be the sum of the amounts computed under paragraphs A and B of this section. The maximum annexation fee is \$5,094.62 per acre. (Fees also listed in Section 2607). For subsequent years, the amounts under paragraphs A and B of this section will be adjusted as defined in paragraph F.

A. Back Tax Component: The back-tax component of the calendar year 2025 annexation fee is calculated to be \$3,399.81 per acre. This is derived by applying the below calculation annually, back to the District’s year of inception, 1950. As an example, the Present Value of Tax Revenue for 2024 is calculated to be \$21.96

| | | |
|---|-------------------------------------|-----------------|
| | Undeveloped Assessed Value | \$1,167,517,730 |
| x | District Tax Rate | .04011% |
| ÷ | Undeveloped Acres | <u>21,331</u> |
| = | Present Value of Tax Revenue | \$21.96 |

Assessed values for all years prior to 2020 are derived by discounting the Present Value of Tax Revenue using a 2% constraint annually, which is the Prop. 13 limit. The results for each year are then brought forward to present worth using LAIF’s 35-year average rate of return. The total derived tax revenue of all years is then summed up to determine the back-tax per acre charge.

B. Future Tax Component: The future tax component of the annexation fee for calendar year 2025 is calculated to be \$1,694.81 per acre. This amount is a net present value calculation and is derived by using the Present Value of Tax Revenue on undeveloped properties calculated in paragraph A above of \$21.96. That amount is then projected into the future utilizing a growth factor of 2% per year and then calculating the present worth using a rate of return

equal to the LAIF 35-year average. This portion of the annexation fee will compensate the District for forgoing receipt of future general purpose property taxes.

- C. **Special Cases.** Parcels smaller than 1 acre, or those requiring special calculations will be brought before the Board on a case by case basis for review.
- D. **Option to Collect.** If for any reason (due to adoption in this state of tax limitation Constitutional initiatives, legislation or otherwise), any or all of the District's taxes to raise the minimum annexation charge are unable to be levied, then the Board shall have the option to collect such charge, or unlevied balances thereof, with interest at five percent per annum, within said area through any lawful means now, or to become, available to District.
- E. **Use of Fees.** The revenues from this annexation shall be used for any and all lawful purposes as deemed appropriate by the Board of Directors.
- F. **Updating Annexation Fees.** The annexation fees listed in paragraph A & B of this section shall be updated annually on or around December 1st of each year to reflect the revised back tax and future tax components of the fee for the next calendar year utilizing the updated factors and methodology approved by the Board.

§1903. Application/Procedure. *(M-1146)*

- A. **Submittal.** Applications for annexation to the District shall be initiated with the following submittals:
 - 1. Written request for annexation by landowner or petition signed by landowners representing not less than 5% of the designated territory to be annexed.
 - 2. Agents or representatives acting on behalf of landowners must submit letters from landowners granting representation authority.
 - 3. Map and meets and bounds legal description of property to be annexed, stamped by a registered civil engineer.
 - 4. Check in the full amount of the current annexation fees or appropriate financial arrangements and an initial deposit of \$1,500 to cover the District's cost of processing the application. The District will track

actual time and resources charged for each application and additional deposits will be collected if the balance has been depleted. Any deposit amounts remaining after completion of the full application process will be refunded. (Hourly rates are listed in Section 2607).

5. A copy of the most recent property tax bill for the property to be annexed.
6. A County or City approved EIR, Negative Declaration or other proof of conformance with state and federal environmental requirements.

- B. **Property Tax Exchange.** All annexations are contingent upon the successful completion of property tax revenue negotiations with the County of Riverside. Sections (5) and (6) of the Property Taxation Code state:

In the event that a jurisdictional change would affect the service area or service responsibility of one or more special districts, the board of supervisors of the county or counties in which the districts are located shall, on behalf of the district or districts, negotiate any exchange of tax revenues.

Notwithstanding any other provision of law, the executive officer (of the Local Agency Formation Commission) shall not issue a certificate of filing pursuant to Section 56828 of the Government Code until the local agencies included in the tax revenue exchange negotiation, within the 30 day negotiation period, present resolutions adopted by each such county and city whereby each county and city agrees to accept the exchange of tax revenues.

- C. **Concurrent Annexations.** Upon receipt of the appropriate submittals, staff will notify Western Municipal Water District in writing of the annexation request and initiate proceedings for concurrent annexation to Western Municipal Water District and Metropolitan Water District. In most cases, Western Municipal Water District will act as conducting authority in the annexation process.
- D. **EVMWD Approval.** Following investigation and approval by the General Manager, a recommendation and resolutions will be prepared and scheduled for the next regular meeting of the Board of Directors.

SECTION 2000. CONFLICT OF INTEREST

(R-1126, R-08-12-01, R-13-06-03, R-14-12-01, R-16-12-01, R-18-12-05, M-5760)

§ 2001. Conflict of Interest Code.

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regulations section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the Elsinore Valley Municipal Water District ("District").

All officials and designated positions shall file their statements of economic interests with the District Secretary as the District's Filing Officer/Official. The District Secretary shall make all statements available for public inspection and reproduction. (Gov. Code Section 81008.) All statements will be retained by the District.

§ 2002. Designated Positions.

Designated positions are listed in Appendix, "Part A" of the most recently approved Conflict of Interest Code. Designated positions are reviewed each even-numbered year, and edits are approved by the Board of Directors and the Fair Political Practices Commission (FPPC).

Individuals providing services as a Consultant defined in Regulation 18700.3, or in a new position created since this Code was last approved that makes or participates in making decisions, as identified in Reg. 18734, shall disclose pursuant to the broadest disclosure category in this Code subject to the following limitation:

The General Manager may determine that due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.) The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

Note: The District has no employees. All positions are filled by individuals employed by the Water Employee Services Authority, an organization that provides public agencies personnel services.

§ 2003. Disclosure Categories.

Disclosure Categories are listed in Appendix, “Part B” of the most recently approved Conflict of Interest Code. Disclosure categories are reviewed each even-numbered year, and edits are approved by the Board of Directors and the Fair Political Practices Commission (FPPC).

The disclosure categories identify the types of economic interests that the Designated Position must disclose for each disclosure category to which he or she is assigned. “Investment” means financial interests in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in or doing business in the jurisdiction, are planning to do business in the jurisdiction, or have done business during the previous two years in the jurisdiction of the District. The Conflict of Interest Code does not require the reporting of gifts from outside this agency’s jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)

§2004. District Ticket Distribution Policy. (R 09-05-05, M-4694)

1. Definitions. In addition to the terms defined in the Recitals to this Resolution, the following terms shall have the meanings set forth herein:
 - a. “District Official” shall mean and refer to a District “public official,” as that term is defined by Government Code section 82048 and FPPC Regulation 18701.
 - b. “FPPC” shall mean and refer to the California Fair Political Practices Commission.
 - c. “Policy” shall mean and refer to this Ticket Distribution Policy.
 - d. “Ticket” or “Pass” shall mean and refer to a “ticket or ‘pass” as that term is defined in FPPC Regulation 18944.1, as amended from time to time. (As of the date of the initial adoption of this Policy, the term ticket or pass” means admission to a facility, event, show, or performance for an entertainment, amusement, recreational, or similar purpose. By way of example, among other types of events, the term includes

group events where speakers make presentations at meal functions.

2. Purpose of Policy. The purpose of this Policy is to ensure that all tickets the District receives from public and private entities and individuals, which the District purchases or which the District owns because of its control of the event or facility, are distributed in furtherance of a public purpose of the District.
3. Limitation. This Policy shall only apply to the District's distribution of tickets to, or at the behest of, a District Official.
4. Ticket Distribution Public Purposes. The District may accomplish one or more public purposes of the District through the distribution of tickets to, or at the behest of, a District Official. The following list is illustrative rather than exhaustive, of the public purposes of the District that may be served by District Officials attending events using tickets distributed to them by the District:
 - a. Promotion of water conservation within the District, regionally, and statewide;
 - b. Promotion of the quality of the water served by the District, and the water service provided by the District.
 - c. Promotion of District services and resources available to the residents, landowners and water users within the District.
 - d. Promotion of District resources and facilities.
 - e. Promotion of District recognition visibility, and/or profile on a local, state, national, or international scale.
 - f. Recognition of local governmental agencies and programs providing services within the District's boundaries, or providing benefits to the District, its residents, landowners and water users, including but not limited to regional and local water wholesale agencies, local school districts, adjacent cities, and the Counties of Riverside, San Bernardino, and Orange.
 - g. Promotion of District issues and interests at events sponsored by other governmental entities and government-related industry groups, and nonprofit organizations, including but not limited to state of the city events sponsored by adjacent cities, ACWA, League of Cities and CSDA events.

- h. Information-gathering and education regarding matters of local, regional and state-wide concern that affect the District at events sponsored or conducted by governmental, educational and other entities.
 - i. Attendance at events sponsored by other local governmental agencies, government-related industry groups, and non-profit organizations, for the purpose of meeting and conferring with other governmental officials or business representatives regarding issues of interest to or affecting the District, or its lands or facilities.
- 5. Public Purpose Requirement. The distribution of any ticket by the District to, or at the behest of, a District official shall accomplish one or more public purposes of the District.
- 6. Transfer Prohibition. The transfer by any District Official of any ticket distributed to such District Official pursuant to this Policy to any other person is prohibited, other than an authorized District official or employee.
- 7. Designation of Agency Head. For the purpose of implementing this policy, the District General Manager or his designee shall be the “Agency Head.”
- 8. 802 Forms. Completed 802 Forms must be forwarded directly to the FPPC. A copy of the Form must be kept as a public record, as required by Government Code §81008 & 81009.

SECTION 2050. CONFLICT OF INTEREST - CONSULTANTS
(M-1937)

A. Applicability.

This policy shall apply to every consultant who contracts to prepare a project feasibility study for the District for projects not related to core District activities. Core District activities are engineering, operational and financial activities related to water and wastewater facilities and programs.

B. Introduction.

Government agencies frequently hire the same individual or firm (hereinafter "consultant") both to evaluate and determine the financial feasibility of a proposed public project and to design, supervise or manage the construction of the project. This practice allows the consultant to influence the agencies' decisions regarding the project, creating beneficial results for the consultant.

C. Purpose.

The purpose of this policy is to remove the possibility of any direct, or indirect influence, which may bear on a consultant's conclusions regarding project feasibility studies, and to eliminate any improper influences on District decisions regarding a public project.

D. Policy.

Consultants hired by the District to prepare feasibility studies for projects not related to core district activities shall be ineligible to bid on any design work, or construction supervision, or management services on said projects.

SECTION 2060. CONFLICT OF INTEREST – DESIGN BUILD PROJECTS
(R-20-08-02)

A. Purpose

The purpose of this Policy is to clarify the Elsinore Valley Municipal Water District's ("District") position on potential conflicts-of-interest that may arise when consultants or contractors (collectively, "Proposer") perform work for the District relating to potential design-build projects.

Organizational conflicts-of-interest can occur when, because of existing or planned activities or because of relationships with other entities, a Proposer is unable or potentially unable to render impartial assistance or advise the District; a Proposer's objectivity in performing the contract work is or might be otherwise impaired; or a Proposer has an unfair competitive advantage.

The policies and guidelines concerning the organizational conflicts-of-interest found herein will be specified or referenced in the design-build Request for Qualifications ("RFQ") and Request for Proposal ("RFP") documents as well as any contract for the engineering/design services, inspection, or technical support in the administration of the design-build projects.

Consultants hired by the District to prepare feasibility studies for projects not related to core district activities shall be ineligible to bid on any design work, or construction supervision, or management services on said projects.

Resolution of conflict-of-interest issues is ultimately at the sole discretion of the District. The District reserves the right to cancel or amend the resulting contract(s) if a successful Proposer failed to disclose a potential conflict, which it knew or should have known about, or if a Proposer provided information in response to an inquiry from the District that is false or misleading.

After award, conflict-of-interest guidelines and policies shall continue to be monitored and enforced. If an organizational conflict-of-interest is discovered after award, the Proposer will make an immediate and full written disclosure to the District that includes a description of the action that the Proposer has taken or proposes to take to avoid or mitigate such conflicts. If an organizational conflict-of-interest is determined to exist and the Proposer was aware of an organizational conflict-of-interest prior to award of the contract and did not disclose the conflict-of-interest, the District may terminate the contract with the Proposer for material breach. If the Proposer is terminated, the District assumes no obligations, responsibilities, and liabilities to reimburse all or part of the costs incurred or alleged to have been incurred by the Proposer.

B. Policy.

The following approach to conflict-of-interest will apply to District procurements relating to District design-build projects:

1. A potential Proposer will not be allowed to participate as a design-build entity or to join a design-build team if, without limitation, any of the following is true:
 - a) The Proposer is the District's general engineering or design consultant on the design-build project. Subconsultants and subcontractors to the Proposer that have not performed work on the contract to provide services for the design-build project may participate as a design-build entity or join a design-build team.
 - b) The Proposer has assisted the District in managing or is assisting in the management of the design-build project, including the preparation of the RFQ or RFP language or evaluation criteria.
 - c) The Proposer has conducted preliminary design services for the design-build project such as geometric layouts, bridge-type selection, preliminary bridge design, etc.
 - d) The Proposer performed design work related to the design-build project for other project stakeholders.
 - e) The Proposer has performed work on a previous contract that specifically excludes them from participating as a design-build entity or joining a design-build team on the design-build project.
 - f) The Proposer is under contract with any other entity or stakeholder to perform oversight on the design-build project.
 - g) The Proposer has obtained any advice from, or discussed any aspect relating to the project or procurement of the project with any person or entity with an organizational conflict-of-interest, including, but not limited to, the consultants and contractors of any entity who has provided technical support on the design-build project.
2. Proposers who may have potential conflicts-of-interest in relation to the design-build project and wish to participate as a Proposer or join a design-build team must:
 - a) Conform to applicable federal and state conflict-of-interest rules and regulations including, without limitation, the California Political Reform Act, California Government Code Section 1090, the federal Copeland "Anti-Kickback" Act and federal conflict-of-interest rules set forth in the federal funding agency's administrative grant and cooperative agreement regulations. Federal conflict-of-interest rules and regulations shall only apply where the design-build project receives federal funding.
 - b) Disclose all relevant facts relating to past, present or planned interest(s) of the Proposer's team (including the Proposer, Proposer's proposed consultants, contractors,

- subconsultants and/or subcontractors and their respective chief executives, directors and key personnel) which may result, or could be viewed as an organizational conflict-of-interest in connection with any design-build procurement, including present or planned contractual or employment relationships with any current employee of the District.
- c) Disclose in the response documents to a design-build RFQ and RFP, all of the work performed in relation to the design-build project being procured under the RFQ and RFP.
 - d) Provide all records of the work performed in relation to the design-build project to the District so that all information can be evaluated and made available to all potential design-build teams, if necessary.
 - e) Ensure that the Proposer's contract with any entity to perform services related to the design build project has expired or has been terminated.
 - f) Upon review of the information provided above, the General Manager will determine, in his or her sole discretion, if the Proposer has an organizational conflict-of-interest. Decisions of the General Manager regarding organizational conflicts-of-interest may be appealed to the Board of Directors. The decision of the Board of Directors shall be final with respect to the disposition of the organizational conflict-of-interest and non-appealable.
3. For other potential conflicts-of-interest not mentioned above (e.g. employee changing companies, merger/acquisitions of firms, property ownership, business arrangements, financial interest), Proposers shall disclose and address any conflicts-of-interest or potential conflicts-of-interest when participating as a design-build entity or joining a design-build team. The District will then determine if an organizational conflict-of-interest exists.
 4. The successful Proposer or firms affiliated with the successful Proposer are prohibited from competing on any agreement to provide construction inspection services for the design-build project. An affiliated firm is one, which is subject to the control of the same persons, through joint ownership or otherwise. No subconsultants who provided design services in connection with the design-build project shall be eligible to compete for any agreement to provide construction inspection services for the design-build project.

Notes – The foregoing is provided by way of example and shall not constitute a limitation on the obligations of the Proposer in relation to organizational conflicts-of-interest.

SECTION 2100. CEQA GUIDELINES

§ 2101. General.

Each year the Board of Directors adopts Local Guidelines Implementing the California Environmental Quality Act (CEQA). Each year District Counsel reviews whether the State Legislature or the courts have modified the California Environmental Quality Act enough to warrant an update to the Local Guidelines and prepares the revisions accordingly.

§ 2102. CEQA Guidelines.

Current Local Guidelines for Implementing the California Environmental Quality Act are by reference a part hereof (Appendix C).

SECTION 2200. APPEALS**§ 2201. General Appeals Procedure/Policy.** *(M-3971, R-07-05-02)*

Except as otherwise specifically provided for in this Section, the general procedure and policy regarding appeals is as follows:

- A. Appeals to General Manager. A customer may appeal a decision, policy, procedure, rate, fee or charge by submitting a written appeal to the General Manager of the District; provided however, this Section 2201 shall not apply to any appeals relating to the approval of a water and/or wastewater rate or charge and such appeals shall be submitted in accordance with Section 1650 herein. All rulings of the General Manager shall be final unless appealed in writing to the Board within five (5) days.
- B. Appeals to Board of Directors. A customer may appeal the General Manager's decision, policy, procedure, rate fee or charge by submitting a written appeal to the Board of Directors; provided however, this Section 2201 shall not apply to any appeals relating to the approval of a water and/or wastewater rate or charge and such appeals shall be submitted in accordance with Section 1650 herein. The District Secretary will place the appeal on the agenda of the next regularly scheduled board meeting. All rulings of the Board shall be final.

§ 2202. Extraordinary Water Use Appeal Policy. *(M-3971)*

- A. Purpose. Assist residential customers that experience unusually high water usage, for both known and unknown issues, by adjusting any usage billed at the third, fourth and fifth levels of the tier rate structure to the second tier level, which represents the average cost of producing water. The customer shall be responsible for all other associate water costs, such as Power Zone charges.
- B. Qualifications. The appeal will be considered under this policy if the water usage in question for the billing period(s) appealed by the customer is at least 100% more than the property's average seasonal water use as evidenced by the historical water usage available for the property. The same month the extraordinary usage occurred, along with the month prior and month after for the years prior to the current year, going back no more than 3 years, will be averaged.
- C. Appeal Limits. Appeals will be limited to one every 12 months.

- D. Homes Under Warranty. Homeowners that have recently purchased a property and experience unusually high water bills must contact the property developer or warranty company for reimbursement of water bill expense if a situation causing high water usage is covered under the home warranty.
- E. Period of Appeal. In order for the appeal to be considered, the responsible billing party must submit the required Extraordinary Water Use Appeal paperwork within 45 days of the bill date for the first bill in question.
- F. Period of Adjustment. Any potential adjustment of the customer's account will be limited to two (2) consecutive billing periods. Adjustments will not be processed until it has been demonstrated that action has been taken to repair or resolve the issue that caused the extraordinary water usage.
- G. Responsibility of Charges. At the time of appeal, if the entire balance of the billing period(s) under appeal has not been paid, the customer is required to sign a Will Pay agreement which will outline a repayment schedule, minus any potential adjustment. The Will Pay agreement will not extend beyond 5 months of equal payments, in addition to the balance of subsequent billings, without the approval of the Customer Service Manager. The due date of monthly payments shall be the normal due date of subsequent billings. Customers whose accounts have already been closed are not eligible for Will Pay agreements, and payment for the full balance of the account, minus any potential adjustment, is expected within 21 days of the closure of the account.
1. During the period included in the Will Pay agreement, if the terms of the Will Pay agreement are adhered to, then the customer's account will not incur late fees, or be interrupted for non-payment.
 2. If the Will Pay agreement agreed to and signed by the customer is not fulfilled, then payment for the full balance will be required and the account will be placed in a status where delinquent charges will be incurred and may be interrupted for non-payment.
 3. The District reserves the right to file a lien on the property served, if applicable, as a method of ensuring payment of all monies owed the District, until the repayment schedule has been completed.
- H. Submitting Appeal. The customer will be provided with an Extraordinary Water Usage Appeal application. The form will contain all pertinent facts relating to the reasons why the customer believes their bill should be adjusted. The customer should provide all relevant documentation (i.e., pictures, repair bills) that would assist the District in processing the appeal.

- I. Processing Appeal. After the appeal application has been completed by the customer and received at the District's main office, the Customer Service Department will ensure the following steps are completed:
 1. Review the appeal application and determine if the situation meets the minimum qualifications outlined in Paragraphs B, C & E. If the appeal does not meet minimum qualifications, Customer Service will notify the customer.
 2. If the appeal meets the minimum qualifications outlined in Paragraphs B, C & E, staff will contact the customer within 5 business days to inform them that the appeal will be processed. At this time staff will also ensure that a Will Pay agreement is signed by the customer if the full balance in question has not been paid. Appeals will not be processed without the completion of a payment schedule.
 3. At anytime after the appeal is received, and if warranted, an inspection of the property will be scheduled with the customer and staff will provide written documentation as to observations made at the property, including but not limited to:
 - a. Size of property and any improvements (landscaping, acreage, pool, etc.)
 - b. Evidence of areas where leaks are to have occurred.
 - c. Satisfactory repairs or resolution of the issue that initially caused the extraordinary usage.
 - d. Pictures of repairs.
 - e. Relevant notes of meeting with customer.
 - f. Other information as required.
 5. Staff will forward the appeal information to the Customer Service Supervisor for initial review and verification of calculated adjustment.
- J. Calculation of Adjustment. An adjustment will be applied to the commodity charge only. Adjustments will not be applied to other variable charges such as power or fixed meter charges. All usage billed at the 3rd, 4th and 5th tier rates shall be recalculated using the 2nd tier rate. The amount of usage will not be reduced.
- K. Schedule of Authorization. The Customer Service Manager shall review and forward all appeals to the Director of Finance for approval. If the appeal in question is an Unexplained Usage Appeal, then the Director of Finance shall submit the appeal to the General Manager for approval.
- L. Customer Notification. Staff will notify customers in writing if the appeal is approved or denied. If the appeal is approved, then the notification will

include the amount and date of the water charge adjustment. If the appeal is denied, then notification will include the reasons the appeal was denied.

§ 2203. Sewer Bill Appeals Procedure Regional System. (M-524)

The Clean Water Grant program provided funding for the District's Regional Wastewater system and requires local compliance with State and Federal Revenue Program Guidelines. In 1987 the District's revenue program for this sewer division was approved by the State Water Resources Control Board. This program requires that revenues be sufficient to operate the system and all customers be equitably charged. Four cost allocation components were utilized to define the revenue requirements for each class of user and these were as follows:

- A. Flow – actual contribution to system.
- B. BOD – Biochemical Oxygen Demand.
- C. SS – Suspended Solids.
- D. Customer Units.

Each cost component is important in generating an equitable revenue program with the primary consideration being given to the flow factor which carries with it 83% of the cost allocation.

A Sewer Appeal Committee comprising one Board member and staff was established to develop guidelines for the review of sewer service charge appeals. The following procedure has been established to facilitate the review of an appeal. If the appeal is successful, the appeal date will be used to calculate any credits to be applied to the customer's account.

- A. Customer shall complete an appeal application.
- B. Staff will collect the following information for Committee review:
 - 1. The property historical water usage – a one-year of history required.
 - 2. An accuracy test will be performed on the meter, if necessary.
 - 3. An on-site evaluation of outside landscaping and irrigation will be performed.
 - 4. A calculation of equivalent dwelling units (EDUs) will be performed based on the District's sewer connection fee program and the historical water usage.
 - 5. A review of BOD and SS characteristics of the user.
- C. After review of the information collected, a recommendation will be prepared and submitted to the Board of Directors for consideration.

§ 2204. Extraordinary Commercial Sewer Usage Appeal. (M-3971)

- A. Purpose. Assist commercial customers that experience unusually high water usage due to leaks, or other known issues, by adjusting only the

resulting sewer charge which is based upon water consumption. The customer shall be responsible for all other charges associated with the water used.

- B. Qualifications. The appeal will be considered under this policy if the water usage for the sewer billing period(s) appealed by the customer is at least 100% more than the property's average seasonal water use as evidenced by the historical water usage available for the property. The same month the extraordinary usage occurred, along with the month prior and month after for the years prior to the current year, going back no more than 3 years, will be averaged.
- C. Appeal Limits. Appeals will be limited to one every 24 months.
- D. Period of Appeal. In order for the appeal to be considered, the responsible billing party must submit the required Extraordinary Commercial Sewer Usage Appeal paperwork within 45 days of the bill date for the first bill in question.
- E. Period of Adjustment. Any potential adjustment of the customer's sewer charge will be limited to two (2) consecutive billing periods. Adjustments will not be processed until it has been demonstrated that action has been taken to repair or resolve the issue that caused the extraordinary water usage.
- F. Responsibility of Charges. The customer will be responsible for paying the account balance, minus any potential sewer charge adjustment, by the normal due date of the bill. No payment arrangements will be made for commercial accounts.
- G. Submitting Appeal. The commercial customer will be provided with an Extraordinary Commercial Sewer Usage Appeal application. The form will contain all pertinent facts such the dates of the water leak, when the water leak was repaired, etc. The customer must provide all relevant documentation (i.e., pictures, repair bills) that would assist the District in processing the appeal.
- H. Processing Appeal. After the appeal application has been completed by the commercial customer and received at the District's main office, the Customer Service Department will ensure the following steps are completed:
 - 1. Review the appeal application and determine if the situation meets the minimum qualifications outlined in Paragraphs B, C & D. If the appeal does not meet minimum qualifications, Customer Service will notify the commercial customer.

2. If the appeal meets the minimum qualifications outlined in Paragraphs B, C & D, staff will contact the customer within 5 business days to schedule an appointment for staff to inspect the property and discuss the appeal with the customer. The commercial customer must meet with District staff at the property in order for the appeal to be processed.
 3. District staff will provide written documentation as to observations made at the property site, including but not limited to:
 - a. Size of property and any improvements (landscaping, acreage, etc.)
 - b. Evidence of areas where leaks are to have occurred.
 - c. Satisfactory repairs or resolution of the issue that initially caused the extraordinary water usage.
 - g. Pictures of repairs.
 - h. Relevant notes of meeting with customer.
 - i. Other information as required.
 5. Staff will forward the appeal information to the Customer Service Supervisor for initial review and verification of calculated adjustment.
- I. Calculation of Adjustment. An adjustment will be applied to the sewer charge only. The water usage from the same billing period during the previous year shall be used as a basis of calculation for the sewer charge under appeal.
 - J. Schedule of Authorization. The Customer Service Manager shall review and forward all appeals to the Director of Finance for approval.
 - K. Customer Notification. Staff will notify customers in writing if the appeal is approved or denied. If the appeal is approved, then the notification will include the amount and date of the sewer charge adjustment. If the appeal is denied, then notification will include the reasons the appeal was denied, and inform the customer of the further right to appeal to the General Manager.

§ 2205. Special Circumstance Extraordinary Water Usage Appeal
(M-4253)

- A. Purpose. Reduce water usage billed to a customer that was directly or indirectly caused by the action or inaction of the District, which in turn caused water to register through the customer's meter.
1. An example of this would include, but is not limited to, failure of District maintained couplings on the customer side of the meter.
 2. This policy does not apply to failure of any equipment that is the responsibility of the customer, which is addressed in the Extraordinary Water Use Appeal described in this section.
- B. Eligibility. Appeals of this nature will be supported by documentation that recent work was completed on District equipment that resulted in extraordinary water usage in close proximity to the customer's service, and within a date range that coincides with the water usage in question.
- C. Period of Appeal. In order for the appeal to be considered, the responsible billing party must submit a written appeal within 45 days of the bill date for the first bill in question.
- D. Schedule of Authorization. The Customer Service Manager shall review and forward all appeals to the Director of Finance for second review and then to the General Manager for final approval or denial.
- E. Calculation of Adjustment.
1. For the billing period in question, the usage will be divided by the number of days within the billing period. That figure will be multiplied by the number of days it was determined the issue impacted usage. The resulting figure will be eligible for adjustment.
 2. If it cannot be determined how many days the issue impacted usage, then the average usage for the previous years during the same time of the year (same month, one month before and one month after) will be used to calculate the usage that will be the customer's responsibility. All usage above that figure will be eligible for adjustment.
 3. The Power Zone charge associated with the usage in question will also be adjusted.

SECTION 2250. PROPERTY

§ 2251. Certificates of Acceptance. (R-649)

- A. The General Manager of the District is authorized pursuant to California Government Code Section 27281 to consent and accept to all deeds and grants conveying interests in or easements upon real estate to the Elsinore Valley Municipal Water District, for public purposes.
- B. With respect to such interests in real property conveyed to the District, the General Manager is authorized and directed to accept and consent to such conveyances by executing a certificate of acceptance and with respect to each such conveyance consent in substantially the following form:

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the _____ deed dated _____, from _____ to the Elsinore Valley Municipal Water District, a municipal corporation, is hereby accepted by the undersigned agency on behalf of the Board of Directors of the Elsinore Valley Municipal Water District pursuant to authority conferred by Resolution No. 649 of the Board of Directors of the Elsinore Valley Municipal Water District adopted November 17, 1980, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____

 General Manager
 Elsinore Valley Municipal Water District

§ 2252. Authorization to Execute Documents. (R-1202)

The following officers and/or employees of the District are authorized to execute all documentation in connection with the sale or purchase of real property, any and all such sale or purchases, first being approved by a majority vote of the Board of Directors.

- President
- Vice President
- Treasurer
- Secretary
- General Manager
- Assistant General Manager

SECTION 2300. WATER RATES & CHARGES

ELSINORE DIVISION

§ 2301. Water Rates. (R-10-06-01, R-11-05-05, R-14-03-01, R-15-07-03, R-17-07-02, R-19-08-01, R-20-05-02, R-20-11-04, R-21-06-05, R-21-06-06, M-5798)

| Elsinore Water Division Water Commodity Rates | | | | | |
|----------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Rate Classification | Effective Date | | | | |
| | 4/1/2021 Per CCF | 1/1/2022 Per CCF | 7/1/2022 Per CCF | 7/1/2023 Per CCF | 7/1/2024 Per CCF |
| Domestic/Landscape Irrigation | | | | | |
| Tier 1 | \$2.43 | \$2.57 | \$2.72 | \$3.00 | \$3.13 |
| Tier 2 | 3.20 | 3.38 | 3.57 | 3.93 | 4.11 |
| Tier 3 | 5.77 | 6.09 | 6.43 | 7.06 | 7.39 |
| Tier 4 | 7.52 | 7.94 | 8.38 | 9.20 | 9.62 |
| | | | | | |
| Irrigation | | | | | |
| Tier 1 | 3.18 | 3.36 | 3.55 | 3.90 | 4.08 |
| Tier 2 | 6.12 | 6.46 | 6.82 | 7.49 | 7.84 |
| Tier 3 | 8.58 | 9.06 | 9.56 | 10.50 | 10.98 |
| | | | | | |
| Commercial | 3.13 | 3.31 | 3.50 | 3.85 | 4.03 |
| Institutional | 3.13 | 3.31 | 3.50 | 3.85 | 4.03 |
| Hydrant Water | 5.49 | 5.80 | 6.12 | 6.72 | 7.03 |
| | | | | | |
| Interagency | | | | | |
| Tier 1 | 2.65 | 2.80 | 2.96 | 3.26 | 3.41 |
| Tier 2 | 4.74 | 5.01 | 5.29 | 5.81 | 6.07 |
| Tier 3 | 6.78 | 7.16 | 7.56 | 8.31 | 8.69 |

| Elsinore Water Division Recycled Water Commodity Rates | | | | | |
|-------------------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Rate Classification | Effective Date | | | | |
| | 4/1/2021 Per CCF | 1/1/2022 Per CCF | 7/1/2022 Per CCF | 7/1/2023 Per CCF | 7/1/2024 Per CCF |
| Recycled / Non-potable | | | | | |
| Tier 1 | \$2.44 | \$2.56 | \$2.66 | \$2.70 | \$2.83 |
| Tier 2 | 4.22 | 4.42 | 4.58 | 4.65 | 4.87 |
| Tier 3 | 5.40 | 5.66 | 5.87 | 5.96 | 6.24 |

1 ccf = 748 Gallons

NOTE: See Section 3212 for Water Service Delivery Category Definitions. Charges for power zones, which are not included in the basic water rates listed above are shown in Section 2302.

§ 2302. Power Zone Charges- Elsinore Division.

(R-10-06-01, R- 11-05-05, M-4476, R-15-07-03, R-21-06-05, 21-06-06, M-5798)

| Elsinore Water Division Power Charges | | | | | |
|--------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Zone | Effective Date | | | | |
| | 4/1/2021 Per CCF | 1/1/2022 Per CCF | 7/1/2022 Per CCF | 7/1/2023 Per CCF | 7/1/2024 Per CCF |
| 1 | \$0.12 | \$0.13 | \$0.14 | \$0.16 | \$0.17 |
| 2 | 0.29 | 0.31 | 0.33 | 0.37 | 0.39 |
| 3 | 1.52 | 1.61 | 1.70 | 1.87 | 1.97 |

§ 2303. Monthly Fixed Meter Charges.

(R-11-05-05, R-15-07-03, R-19-08-01, R-20-05-02, R-20-11-04, R-21-06-05, 21-06-06, M-5798)

| Elsinore Water Division Monthly Fixed Meter Charges by Meter Capacity Unit | | | | | |
|---------------------------------------------------------------------------------------|-----------------------|-----------------|-----------------|-----------------|-----------------|
| Meter Size (inches) | Effective Date | | | | |
| | 4/1/2021 | 1/1/2022 | 7/1/2022 | 7/1/2023 | 7/1/2024 |
| 3/4 | \$28.70 | \$30.28 | \$31.95 | \$35.06 | \$36.65 |
| 1 | 47.83 | 50.47 | 53.25 | 58.44 | 61.07 |
| 1-1/2 | 95.67 | 100.94 | 106.50 | 116.87 | 122.13 |
| 2 | 153.07 | 161.49 | 170.38 | 186.96 | 195.38 |
| 3 | 306.14 | 322.98 | 340.75 | 373.90 | 390.73 |
| 4 | 478.35 | 504.66 | 532.42 | 584.20 | 610.50 |
| 6 | 956.69 | 1,009.31 | 1,064.83 | 1,168.39 | 1,220.98 |
| 8 | 1,530.70 | 1,614.89 | 1,703.71 | 1,869.40 | 1,953.53 |
| 10 | 4,018.10 | 4,239.10 | 4,472.26 | 4,907.20 | 5,128.03 |
| 12 | 5,070.46 | 5,349.34 | 5,643.56 | 6,192.41 | 6,471.07 |

| Fire Detector Check Meters | | | | | |
|-----------------------------------|-----------------------|-----------------|-----------------|-----------------|-----------------|
| Meter Size (inches) | Effective Date | | | | |
| | 4/1/2021 | 1/1/2022 | 7/1/2022 | 7/1/2023 | 7/1/2024 |
| 2 | \$2.66 | \$2.81 | \$2.97 | \$3.11 | \$3.25 |
| 3 | 4.11 | 4.34 | 4.58 | 4.79 | 5.01 |
| 4 | 9.26 | 9.77 | 10.31 | 10.78 | 11.27 |
| 6 | 26.87 | 28.35 | 29.91 | 31.26 | 32.67 |
| 8 | 57.28 | 60.44 | 63.77 | 66.64 | 69.64 |
| 10 | 102.99 | 108.66 | 114.64 | 119.80 | 125.20 |
| 12 | 166.35 | 175.50 | 185.16 | 193.50 | 202.21 |

TEMESCAL DIVISION

§ 2304. Water Rates. (R-10-06-01, R-11-05-05, R-15-07-03, R-19-08-01, R-21-06-05, R-21-06-06)

| Temescal Water Division Water Commodity Rates | | | | | |
|----------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Rate Classification | Effective Date | | | | |
| | 4/1/2021 Per CCF | 1/1/2022 Per CCF | 7/1/2022 Per CCF | 7/1/2023 Per CCF | 7/1/2024 Per CCF |
| Domestic/Landscape Irrigation | | | | | |
| Tier 1 | \$1.19 | \$1.38 | \$1.60 | \$1.86 | \$2.15 |
| Tier 2 | 2.36 | 2.74 | 3.17 | 3.68 | 4.25 |
| Tier 3 | 3.45 | 4.00 | 4.63 | 5.37 | 6.19 |
| Tier 4 | 9.03 | 10.45 | 12.08 | 13.99 | 16.12 |
| | | | | | |
| Irrigation | | | | | |
| Tier 1 | 2.07 | 2.40 | 2.78 | 3.22 | 3.72 |
| Tier 2 | 3.86 | 4.47 | 5.17 | 5.99 | 6.91 |
| Tier 3 | 9.92 | 11.48 | 13.28 | 15.38 | 17.73 |
| | | | | | |
| Commercial | 2.00 | 2.32 | 2.69 | 3.12 | 3.60 |

§ 2305. Power Zone Charges- Temescal Division.
(R-11-05-05, R-15-07-03, R-17-07-02, R-21-06-05, R-21-06-06, M-5798)

| Temescal Water Division Power Charges | | | | |
|--------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Effective Date | | | | |
| 4/1/2021 Per CCF | 1/1/2022 Per CCF | 7/1/2022 Per CCF | 7/1/2023 Per CCF | 7/1/2024 Per CCF |
| \$0.12 | \$0.13 | \$0.14 | \$0.16 | \$0.17 |

1 ccf = 748 Gallons

§ 2306. Monthly Fixed Meter Charges (Temescal Division).

(R-11-05-05, R-15-07-03, R-17-07-02, R-19-08-01, R-20-05-02, R-20-11-04, R-21-06-05, R-21-06-06, M-5798)

A. Domestic Service

| Temescal Water Division Monthly Fixed Meter Charges by Meter Capacity Unit | | | | | |
|-----------------------------------------------------------------------------------|-----------------------|-----------------|-----------------|-----------------|-----------------|
| Meter Size (inches) | Effective Date | | | | |
| | 4/1/2021 | 1/1/2022 | 7/1/2022 | 7/1/2023 | 7/1/2024 |
| 3/4 | \$28.70 | \$30.28 | \$31.95 | \$35.06 | \$36.65 |
| 1 | 47.83 | 50.47 | 53.25 | 58.44 | 61.07 |
| 1-1/2 | 95.67 | 100.94 | 106.50 | 116.87 | 122.13 |
| 2 | 153.07 | 161.49 | 170.38 | 186.96 | 195.38 |
| 3 | 306.14 | 322.98 | 340.75 | 373.90 | 390.73 |
| 4 | 478.35 | 504.66 | 532.42 | 584.20 | 610.50 |
| 6 | 956.69 | 1,009.31 | 1,064.83 | 1,168.39 | 1,220.98 |
| 8 | 1,530.70 | 1,614.89 | 1,703.71 | 1,869.40 | 1,953.53 |
| 10 | 4,018.10 | 4,239.10 | 4,472.26 | 4,907.20 | 5,128.03 |
| 12 | 5,070.46 | 5,349.34 | 5,643.56 | 6,192.41 | 6,471.07 |

§ 2307. Special Conditions of Service (Temescal Division). *(R-9717)*

A. Public Fire Hydrant Service.

1. The above rates include use of water for fire protection and for no other purpose. For water delivered through fire hydrants for any other purpose, charges will be made at the quantity rates for measured domestic service.
2. The cost of the initial installation of hydrants will be advanced by the applicant.
3. Relocation of any hydrant shall be at the expense of the party requesting relocation.

ALL DIVISIONS**§ 2308. Water Capacity Fees.**

(R-11-05-05, R-13-06-01, R-15-07-03, R-17-07-02, R-18-09-01, R-19-08-01, R-21-06-05, R-21-06-06, R-22-06-03, R-23-06-03, R-24-05-04)

| Meter Size | * Capacity Ratio | ** Effective Date 07/01/2023 | ** Effective Date 07/01/2024 |
|-------------------|-------------------------|-----------------------------------------|-----------------------------------------|
| 0.75 | 1.00 | \$15,936 | \$17,356 |
| 1 | 1.67 | \$26,559 | \$28,924 |
| 1.5 | 3.33 | \$53,120 | \$57,853 |
| 2 | 5.33 | \$84,992 | \$92,565 |
| 3 | 10.67 | \$169,983 | \$185,128 |
| 4 | 16.67 | \$265,599 | \$289,264 |
| 6 | 33.33 | \$531,200 | \$578,533 |
| 8 | 53.33 | \$849,920 | \$925,653 |

* The capacity ratio is calculated by multiplying the operating capacity of the meter relative to 0.75 meter

** Amount includes Recycled Water Fee

§ 2309. Water Meter Installation Charges. (M-4586, R-15-07-03, R-19-08-01, R-21-06-05, R-21-06-06, R-23-06-03, R-24-05-04)

| Meter Size & Type | Effective 07/01/23 | Effective 07/01/24 |
|-------------------|--------------------|--------------------|
| 3/4" H | \$520 | \$560 |
| 3/4" F | \$4,788 | \$5,919 |
| 1" H | \$620 | \$660 |
| 1" F | \$4,830 | \$5,958 |
| 1-1/2" H (T) | \$1,542 | \$1,609 |
| 1-1/2" H (C) | \$2,068 | \$2,135 |
| 1-1/2" F (T) | \$6,322 | \$7,499 |
| 1-1/2" F (C) | \$6,830 | \$8,002 |
| 2" H (PD) | N/A | N/A |
| 2" H (T) | \$1,835 | \$1,950 |
| 2" H (C) | \$2,409 | \$2,523 |
| 2" F (T) | \$6,587 | \$7,785 |
| 2" F (C) | \$7,157 | \$8,344 |

| | |
|------|-----------------------------|
| H | Hang Meter |
| F | Full Service Meter |
| (PD) | Positive Displacement Meter |
| (T) | Turbine Meter |
| (C) | Compound Meter |

NOTES:

- Any meter greater than 2" will require a \$2,000 installation deposit. Charges will be based on time, materials and applicable District overhead rates.
- Ordinance No. 114 stipulates that water meters purchased shall be installed to current EVMWD construction standards within six months of purchase or EVMWD may refund the appropriate fees and rescind the guarantee of service.

§ 2310. Temporary Service/Construction Water. (M-2270)

| | |
|------------------|------------------------|
| Hydrant Meter | \$ 5.00/Day |
| Hydrant Move Fee | \$ 100.00 (R-06-06-03) |

Note: EVMWD installs, locks and reads hydrant meters. Hydrant meter services shall be terminated on the 26th day of the billing cycle if water charges remain unpaid.

§ 2350. Recycled Water Capacity Fee.

(R-07-05-05, R-15-07-03, R-17-07-02, R-18-09-01, R-19-08-01, R-21-06-05, R-21-06-06, R-22-06-03, R-23-06-03, R-24-05-04)

| | * Effective 07/01/23 | * Effective 07/01/24 |
|------------------------------------------------|-------------------------------------|-------------------------------------|
| <u>Sewer / Water System</u> All Connections | <u>Per EDU / .75 Meter</u> \$795 | <u>Per EDU / .75 Meter</u> \$872 |

* Amount has been incorporated into Water Capacity Fees

SECTION 2360 VARIANCE POLICY (R-09-06-02, O-225)**§ 2361. Purpose.** (O-225).

Variance for increased water allocation may be provided for any of the following reasons and are subject to period review: Variances will be based on the current Drought Stage adopted by the Board of Directors and referenced in the Water Shortage Contingency Plan.

§ 2362. Variance for Indoor Allocation (M 4864, M-5086, M-5336, M-5365)

- A. Additional Residents (Water Only Accounts): Additional 55 gallons per day (gpd) for each additional person. Documentation of additional residents must be submitted with application if the property will have more than 8 full-time residents. This may be children's birth certificates, school records, copies of income tax returns, lease agreements, etc. Type of documentation provided for this variance will be verified and notated on the variance form. After verification is complete, documentation provided by customer will be destroyed. Customers are required to resubmit Variance Application and required documentation every two years.
- B. Adding or Removing Residents (Water **and** Sewer Accounts and Sewer Only Accounts). Accounts that are billed for Water **and** Sewer or Sewer Only can change the number of full-time residents in the household a total of two (2) times in a twelve-month period. All requests for additional changes in a calendar year will require General Manager approval.
- C. Licensed Child or Adult Care Facility (in a residential unit): An additional 27.5 gallons per day per resident if day care facility only. An additional 55 gallons per day per resident if in-home care. A copy of business license issued by the California Department of Social Services must be submitted with the application. Customers are required to resubmit Variance Application and required documentation every two years.
- D. Medical needs: If a medical need requires an increase in the amount of water allocated to the property, a determination will be made on a case by case basis. In order to be considered for a variance for medical needs, customers must fill out the Variance Request form and include a letter from their treating physician detailing out the diagnosis and reason for the additional allocation of water. Documentation must include the estimated monthly amount of additional water needed as well as the length of time in which the additional water will be required. Failure to provide the required documentation will result in a denial of the Variance Application. Once approved, customers are required to

resubmit Variance Application and required documentation every two years.

§ 2363. Variance for Outdoor Allocation: (M-4655)

- A. EVMWD customers are solely responsible for certifying and updating their irrigated square footage. The square footage provided by the customer will be the official number used to calculate bills for that meter.
 - 1. Customers should review their official square footage calculation as necessary. If there are changes, then the customer may apply for a variance and provide backup documentation. This backup will consist of a map of the area watered by that particular meter, the square footage irrigated, and the method of measurement. Any changes will be verified by EVMWD.
 - 2. If a variance is granted, EVMWD will change the square footage in the billing system and calculate bills on a going forward basis from the date the variance is verified. If requested, EVMWD may adjust previous bills to reflect the correct square footage back for a maximum of 12 months from the date the variance is received. In no case will EVMWD adjust bills farther back than 12 months.
- B. Pools: For initial filling, or refilling of pools every five years, the amount will be calculated based on size of pool.
- C. Large animals: Animals such as horses and donkeys/mules may be allowed an increased budget. This will be on a case by case basis. Horses normally require eight (8) to fifteen (15) gallons per day. Multiply the number of large animals times 15 gallons per day for 30 days.
- D. Other: Requests other than stated above shall be reviewed on a case by case basis to determine the viability of the request.

§ 2364. Application Procedure.

The Application will be reviewed by Customer Service staff. If the request for variance of water allocation is declined, a written ruling on the Application will be returned to the customer stating the reasons why the request of increase was declined.

§ 2365. Appeal of Variance Review.

Any customer dissatisfied with the outcome of variance review can submit a written appeal to the General Manager.

§ 2366. Water Shortage Surcharges. (M-5081, R-23-11-02)

In times of severe water shortages EVMWD may impose water shortage surcharges and penalties (Reference § 3800) in addition to the water rates listed within §2300. The EVMWD Water Shortage Contingency Plan includes six (6) drought stages. The surcharges are activated at drought stages two (2) through six (6). Surcharges will be applied to both the Elsinore and Temescal Water Divisions as follows:

| Elsinore WSCP Surcharge (\$/ccf) - effective 1/1/2024 | | | | | | |
|--------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Customer Class | Stage 1 | Stage 2 | Stage 3 | Stage 4 | Stage 5 | Stage 6 |
| Residential | | | | | | |
| Tier 1 | \$0.61 | \$0.89 | \$1.27 | \$1.81 | \$2.61 | \$3.79 |
| Tier 2 | 0.79 | 1.17 | 1.66 | 2.36 | 3.42 | 4.96 |
| Tier 3 | 1.42 | 2.10 | 2.99 | 4.24 | 6.14 | 8.90 |
| Tier 4 | 1.85 | 2.73 | 3.89 | 5.53 | 8.00 | 11.60 |
| Irrigation | | | | | | |
| Tier 1 | 0.79 | 1.16 | 1.65 | 2.35 | 3.39 | 4.92 |
| Tier 2 | 1.51 | 2.22 | 3.17 | 4.50 | 6.51 | 9.44 |
| Tier 3 | 2.11 | 3.12 | 4.44 | 6.31 | 9.13 | 13.24 |
| Commercial | 0.78 | 1.15 | 1.63 | 2.32 | 3.35 | 4.86 |
| Institutional | 0.78 | 1.15 | 1.63 | 2.32 | 3.35 | 4.86 |
| Inter-Agency Wholesale | | | | | | |
| Tier 1 | 0.66 | 0.97 | 1.38 | 1.96 | 2.84 | 4.11 |
| Tier 2 | 1.17 | 1.73 | 2.46 | 3.49 | 5.05 | 7.33 |
| Construction | 1.35 | 2.00 | 2.84 | 4.04 | 5.85 | 8.47 |

| Elsinore WSCP Surcharge (\$/ccf) - effective 7/1/2024 | | | | | | |
|--------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Customer Class | Stage 1 | Stage 2 | Stage 3 | Stage 4 | Stage 5 | Stage 6 |
| Residential | | | | | | |
| Tier 1 | \$0.64 | \$0.94 | \$1.33 | \$1.89 | \$2.74 | \$3.98 |
| Tier 2 | 0.83 | 1.23 | 1.75 | 2.48 | 3.60 | 5.22 |
| Tier 3 | 1.49 | 2.20 | 3.14 | 4.46 | 6.47 | 9.39 |
| Tier 4 | 1.94 | 2.87 | 4.09 | 5.81 | 8.42 | 12.22 |
| Irrigation | | | | | | |
| Tier 1 | 0.83 | 1.22 | 1.74 | 2.47 | 3.57 | 5.18 |
| Tier 2 | 1.58 | 2.34 | 3.33 | 4.74 | 6.86 | 9.96 |
| Tier 3 | 2.22 | 3.27 | 4.67 | 6.63 | 9.61 | 13.94 |
| Commercial | 0.82 | 1.20 | 1.72 | 2.44 | 3.53 | 5.12 |
| Institutional | 0.82 | 1.20 | 1.72 | 2.44 | 3.53 | 5.12 |
| Inter-Agency Wholesale | | | | | | |
| Tier 1 | 0.69 | 1.02 | 1.45 | 2.06 | 2.99 | 4.33 |
| Tier 2 | 1.23 | 1.81 | 2.58 | 3.67 | 5.31 | 7.71 |
| Construction | 1.42 | 2.10 | 2.99 | 4.25 | 6.15 | 8.93 |

| Temescal WSCP Surcharge (\$/ccf) - effective 1/1/2024 | | | | | | |
|--------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Customer Class | Stage 1 | Stage 2 | Stage 3 | Stage 4 | Stage 5 | Stage 6 |
| Residential | | | | | | |
| Tier 1 | \$0.75 | \$1.14 | \$1.68 | \$2.49 | \$3.78 | \$5.92 |
| Tier 2 | 1.48 | 2.24 | 3.31 | 4.92 | 7.47 | 11.71 |
| Tier 3 | 2.16 | 3.27 | 4.83 | 7.18 | 10.90 | 17.09 |
| Tier 4 | 5.61 | 8.52 | 12.58 | 18.69 | 28.38 | 44.52 |
| Irrigation | | | | | | |
| Tier 1 | 1.30 | 1.96 | 2.90 | 4.31 | 6.53 | 10.25 |
| Tier 2 | 2.41 | 3.65 | 5.39 | 8.01 | 12.15 | 19.06 |
| Tier 3 | 6.17 | 9.36 | 13.83 | 20.55 | 31.19 | 48.94 |
| Commercial | 1.26 | 1.90 | 2.81 | 4.17 | 6.33 | 9.93 |

| Temescal WSCP Surcharge (\$/ccf) - effective 7/1/2024 | | | | | | |
|--------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Customer Class | Stage 1 | Stage 2 | Stage 3 | Stage 4 | Stage 5 | Stage 6 |
| Residential | | | | | | |
| Tier 1 | \$0.87 | \$1.32 | \$1.96 | \$2.91 | \$4.42 | \$6.93 |
| Tier 2 | 1.71 | 2.61 | 3.86 | 5.75 | 8.73 | 13.70 |
| Tier 3 | 2.50 | 3.80 | 5.62 | 8.37 | 12.71 | 19.95 |
| Tier 4 | 6.49 | 9.88 | 14.64 | 21.78 | 33.10 | 51.95 |
| Irrigation | | | | | | |
| Tier 1 | 1.50 | 2.28 | 3.38 | 5.03 | 7.64 | 11.99 |
| Tier 2 | 2.79 | 4.24 | 6.28 | 9.34 | 14.19 | 22.27 |
| Tier 3 | 7.14 | 10.87 | 16.10 | 23.96 | 36.40 | 57.14 |
| Commercial | 1.45 | 2.21 | 3.27 | 4.87 | 7.40 | 11.61 |

§ 2370. Section Removed 11/09/23 per Board Approval (M-5820)

SECTION 2400. SEWER RATES & CHARGES

§ 2401. Sewer Divisions. *(M-4757, R-23-11-01)*

There are four sewer service divisions within the District - the Regional, Canyon Lake, Southern Division (California Oaks) and Horsethief Canyon. A customer's sewer rates and charges may vary based on sewer service division.

§ 2402. Monthly Sewer Service Rates - Southern Division removed per Board approval on 07/27/17.

§ 2403. Section Removed 11/19/12 per Board Approval. *(M-4757)*

§ 2404. Sewer Rates - Regional System, Horsethief Canyon Sewer, and Southern Division.

(R- 11-05-05, M-4757, R-15-07-03, R-19-08-01, R-21-06-06, R-23-11-01)

| User Group | User Code | Description | Effective Date | | | | | | | | | |
|------------|-------------|--------------------------|---------------------------|-----------------|---------------------------|-----------------|---------------------------|-----------------|---------------------------|-----------------|---------------------------|-----------------|
| | | | 7/1/2023 | | 1/1/2024 | | 7/1/2024 | | 7/1/2025 | | 7/1/2026 | |
| | | | Fixed Monthly Charge/Unit | Rate Per Person | Fixed Monthly Charge/Unit | Rate Per Person | Fixed Monthly Charge/Unit | Rate Per Person | Fixed Monthly Charge/Unit | Rate Per Person | Fixed Monthly Charge/Unit | Rate Per Person |
| 1-A | RESIDENTIAL | | \$22.90 | \$7.82 | \$23.21 | \$8.94 | \$25.30 | \$9.75 | \$27.46 | \$10.58 | \$29.80 | \$11.48 |
| | 101 | Single Family | | | | | | | | | | |
| | 101 | Condominiums | | | | | | | | | | |
| 1-B | RESIDENTIAL | | 22.90 | 7.82 | 23.21 | 8.94 | 25.30 | 9.75 | 27.46 | 10.58 | 29.80 | 11.48 |
| | 102 | Multi-Family Residential | | | | | | | | | | |
| | 103 | Mobile Home Park | | | | | | | | | | |

| User Group | User Code | Description | Effective Date | | | | | | | | | |
|------------|------------|---------------------------------------------|---------------------------|--------------|---------------------------|--------------|---------------------------|--------------|---------------------------|--------------|---------------------------|--------------|
| | | | 7/1/2023 | | 1/1/2024 | | 7/1/2024 | | 7/1/2025 | | 7/1/2026 | |
| | | | Fixed Monthly Charge/Unit | Rate Per CCF | Fixed Monthly Charge/Unit | Rate Per CCF | Fixed Monthly Charge/Unit | Rate Per CCF | Fixed Monthly Charge/Unit | Rate Per CCF | Fixed Monthly Charge/Unit | Rate Per CCF |
| II | COMMERCIAL | | \$22.90 | \$4.70 | \$23.21 | \$5.40 | \$25.30 | \$5.89 | \$27.46 | \$6.40 | \$29.80 | \$6.95 |
| | 201 | Retail Stores | | | | | | | | | | |
| | 202 | Offices | | | | | | | | | | |
| | 203 | Bars | | | | | | | | | | |
| | 204 | Car Washes | | | | | | | | | | |
| | 205 | Gyms & Spas | | | | | | | | | | |
| | 206 | Service Shops | | | | | | | | | | |
| | 207 | Laundromats | | | | | | | | | | |
| | 208 | Hospitals | | | | | | | | | | |
| | 209 | Unclassified | | | | | | | | | | |
| | 210 | Unclassified – unit charge, not consumption | | | | | | | | | | |
| | 211 | Water Store | | | | | | | | | | |
| | 212 | Booster Pump Station-no charge | | | | | | | | | | |

| User Group | User Code | Description | Effective Date | | | | | | | | | |
|-------------|----------------------------------------|---------------------------------------------|---------------------------|--------------|---------------------------|--------------|---------------------------|--------------|---------------------------|--------------|---------------------------|--------------|
| | | | 7/1/2023 | | 1/1/2024 | | 7/1/2024 | | 7/1/2025 | | 7/1/2026 | |
| | | | Fixed Monthly Charge/Unit | Rate Per CCF | Fixed Monthly Charge/Unit | Rate Per CCF | Fixed Monthly Charge/Unit | Rate Per CCF | Fixed Monthly Charge/Unit | Rate Per CCF | Fixed Monthly Charge/Unit | Rate Per CCF |
| III | COMMERCIAL | | 22.90 | 5.64 | 23.21 | 5.53 | 25.30 | 6.03 | 27.46 | 6.55 | 29.80 | 7.11 |
| | 301 | Repair Shop/Svc Stations | | | | | | | | | | |
| | 302 | Hotel/Motel (w/o restaurants) | | | | | | | | | | |
| | 303 | Manufacturing | | | | | | | | | | |
| | 304 | RV Parks (w/o restaurants) | | | | | | | | | | |
| | 305 | Unclassified | | | | | | | | | | |
| | 306 | RV's – per site | | | | | | | | | | |
| | 307 | Lake Park Resort | | | | | | | | | | |
| | 310 | Unclassified – unit charge, not consumption | | | | | | | | | | |
| IV | COMMERCIAL | | 22.90 | 10.49 | 23.21 | 12.37 | 25.30 | 13.49 | 27.46 | 14.64 | 29.80 | 15.89 |
| | 401 | Hotel/Motels (w/ restaurant) | | | | | | | | | | |
| | 402 | Markets | | | | | | | | | | |
| | 403 | Mortuary | | | | | | | | | | |
| | 404 | Restaurants | | | | | | | | | | |
| | 405 | Beauty Shops | | | | | | | | | | |
| | 406 | Unclassified | | | | | | | | | | |
| | 410 | Unclassified – unit charge, not consumption | | | | | | | | | | |
| V | COMMERCIAL | | 22.90 | 4.26 | 23.21 | 4.40 | 25.30 | 4.80 | 27.46 | 5.21 | 29.80 | 5.66 |
| | 501 | Schools (Nurseries) | | | | | | | | | | |
| | 502 | Membership Organizations | | | | | | | | | | |
| | 503 | Government | | | | | | | | | | |
| | 504 | State Park | | | | | | | | | | |
| | 505 | Park Restrooms | | | | | | | | | | |
| | 506 | Fire Station | | | | | | | | | | |
| | 507 | Fire Station - per firefighter | | | | | | | | | | |
| | 510 | Unclassified - Unit Charge Not Consumption | | | | | | | | | | |
| VI | SEPTAGE PRETREATMENT FACILITIES | | | | | | | | | | | |
| | | \$/gallon | | 0.135 | | 0.147 | | 0.160 | | 0.174 | | 0.189 |
| VII | SEPTAGE | | | | | | | | | | | |
| | | \$/gallon | | 0.135 | | 0.147 | | 0.160 | | 0.174 | | 0.189 |
| VIII | SCHOOLS | | 22.90 | 4.26 | 23.21 | 4.40 | 25.30 | 4.80 | 27.46 | 5.21 | 29.80 | 5.66 |
| | 801 | Public School | | | | | | | | | | |
| | 802 | Private Schools | | | | | | | | | | |
| | 803 | Public/Student Count | | | | | | | | | | |

§ 2405. Sewer Rates – Canyon Lake. (R-11-05-05, R-15-07-03, R-19-08-01, R-21-06-06, R-23-11-01)

| User Group | User Code | Description | Effective Date | | | | | | | | | | | | | | |
|------------|-------------|--------------------------|---------------------------|-----------------|-------------------|---------------------------|-----------------|-------------------|---------------------------|-----------------|-------------------|---------------------------|-----------------|-------------------|---------------------------|-----------------|-------------------|
| | | | 7/1/2023 | | | 1/1/2024 | | | 7/1/2024 | | | 7/1/2025 | | | 7/1/2026 | | |
| | | | Fixed Monthly Charge/Unit | Rate Per Person | Monthly Surcharge | Fixed Monthly Charge/Unit | Rate Per Person | Monthly Surcharge | Fixed Monthly Charge/Unit | Rate Per Person | Monthly Surcharge | Fixed Monthly Charge/Unit | Rate Per Person | Monthly Surcharge | Fixed Monthly Charge/Unit | Rate Per Person | Monthly Surcharge |
| 1-A | RESIDENTIAL | | \$22.90 | \$7.82 | \$12.00 | \$23.21 | \$8.94 | \$12.00 | \$25.30 | \$9.75 | \$12.00 | \$27.46 | \$10.58 | \$12.00 | \$29.80 | \$11.48 | \$12.00 |
| | 101 | Single Family | | | | | | | | | | | | | | | |
| | 101 | Condominiums | | | | | | | | | | | | | | | |
| 1-B | RESIDENTIAL | | 22.90 | 7.82 | 9.00 | 23.21 | 8.94 | 9.00 | 25.30 | 9.75 | 9.00 | 27.46 | 10.58 | 9.00 | 29.80 | 11.48 | 9.00 |
| | 102 | Multi-Family Residential | | | | | | | | | | | | | | | |
| | 103 | Mobile Home Park | | | | | | | | | | | | | | | |

| User Group | User Code | Description | Effective Date | | | | | | | | | | | | | | | | | | | |
|------------|-------------------|---------------------------------------------|---------------------------|--------------|-------------------|------------------------|---------------------------|--------------|-------------------|------------------------|---------------------------|--------------|-------------------|------------------------|---------------------------|--------------|-------------------|------------------------|---------------------------|--------------|-------------------|------------------------|
| | | | 7/1/2023 | | | | 1/1/2024 | | | | 7/1/2024 | | | | 7/1/2025 | | | | 7/1/2026 | | | |
| | | | Fixed Monthly Charge/Unit | Rate Per CCF | Monthly Surcharge | Surcharge Rate Per CCF | Fixed Monthly Charge/Unit | Rate Per CCF | Monthly Surcharge | Surcharge Rate Per CCF | Fixed Monthly Charge/Unit | Rate Per CCF | Monthly Surcharge | Surcharge Rate Per CCF | Fixed Monthly Charge/Unit | Rate Per CCF | Monthly Surcharge | Surcharge Rate Per CCF | Fixed Monthly Charge/Unit | Rate Per CCF | Monthly Surcharge | Surcharge Rate Per CCF |
| II | COMMERCIAL | | \$22.90 | \$4.70 | \$9.00 | \$1.10 | \$23.21 | \$5.40 | \$9.00 | \$1.10 | \$25.30 | \$5.89 | \$9.00 | \$1.10 | \$27.46 | \$6.40 | \$9.00 | \$1.10 | \$29.80 | \$6.95 | \$9.00 | \$1.10 |
| | 201 | Retail Stores | | | | | | | | | | | | | | | | | | | | |
| | 202 | Offices | | | | | | | | | | | | | | | | | | | | |
| | 203 | Bars | | | | | | | | | | | | | | | | | | | | |
| | 204 | Car Washes | | | | | | | | | | | | | | | | | | | | |
| | 205 | Gyms & Spas | | | | | | | | | | | | | | | | | | | | |
| | 206 | Service Shops | | | | | | | | | | | | | | | | | | | | |
| | 207 | Laundromats | | | | | | | | | | | | | | | | | | | | |
| | 208 | Hospitals | | | | | | | | | | | | | | | | | | | | |
| | 209 | Unclassified | | | | | | | | | | | | | | | | | | | | |
| | 210 | Unclassified – unit charge, not consumption | | | | | | | | | | | | | | | | | | | | |
| III | COMMERCIAL | | 22.90 | 5.64 | 9.00 | 1.21 | 23.21 | 5.53 | 9.00 | 1.21 | 25.30 | 6.03 | 9.00 | 1.21 | 27.46 | 6.55 | 9.00 | 1.21 | 29.80 | 7.11 | 9.00 | 1.21 |
| | 301 | Repair Shop/Svc Stations | | | | | | | | | | | | | | | | | | | | |
| | 302 | Hotel/Motel (w/o restaurants) | | | | | | | | | | | | | | | | | | | | |
| | 303 | Manufacturing | | | | | | | | | | | | | | | | | | | | |
| | 304 | RV Parks (w/o restaurants) | | | | | | | | | | | | | | | | | | | | |
| | 305 | Unclassified | | | | | | | | | | | | | | | | | | | | |
| | 310 | Unclassified – unit charge, not consumption | | | | | | | | | | | | | | | | | | | | |
| IV | COMMERCIAL | | 22.90 | 10.49 | 9.00 | 2.29 | 23.21 | 12.37 | 9.00 | 2.29 | 25.30 | 13.49 | 9.00 | 2.29 | 27.46 | 14.64 | 9.00 | 2.29 | 29.80 | 15.89 | 9.00 | 2.29 |
| | 401 | Hotel/Motels (w/ restaurant) | | | | | | | | | | | | | | | | | | | | |
| | 402 | Markets | | | | | | | | | | | | | | | | | | | | |
| | 403 | Mortuary | | | | | | | | | | | | | | | | | | | | |
| | 404 | Restaurants | | | | | | | | | | | | | | | | | | | | |
| | 405 | Beauty Shops | | | | | | | | | | | | | | | | | | | | |
| | 406 | Unclassified | | | | | | | | | | | | | | | | | | | | |
| | 410 | Unclassified – unit charge, not consumption | | | | | | | | | | | | | | | | | | | | |
| V | COMMERCIAL | | 22.90 | 4.26 | 9.00 | 1.10 | 23.21 | 4.40 | 9.00 | 1.10 | 25.30 | 4.80 | 9.00 | 1.10 | 27.46 | 5.21 | 9.00 | 1.10 | 29.80 | 5.66 | 9.00 | 1.10 |
| | 501 | Schools (Nurseries) | | | | | | | | | | | | | | | | | | | | |
| | 502 | Membership Organizations | | | | | | | | | | | | | | | | | | | | |
| | 503 | Government | | | | | | | | | | | | | | | | | | | | |
| | 504 | State Park | | | | | | | | | | | | | | | | | | | | |
| | 505 | Park Restrooms | | | | | | | | | | | | | | | | | | | | |
| | 506 | Fire Station | | | | | | | | | | | | | | | | | | | | |
| | 507 | Fire Station - per firefighter | | | | | | | | | | | | | | | | | | | | |
| | 510 | Unclassified - Unit Charge Not Consumption | | | | | | | | | | | | | | | | | | | | |

§ 2406. Methods of Calculation - Sewer Rates. (M-1408, M-4816)

- A. Commercial Sewer Rates. Monthly sewer operations and maintenance fees for commercial sewer accounts other than User Codes 101, 102, 103, 304/306, 506/507, 801, 802, 803, will be billed based on one monthly minimum unit and total water consumption at the applicable CCF rate for that user classification. Multiple commercial accounts served by a single water meter shall be assigned the user rate code of the business with the highest wastewater strength.
- B. In cases where the District cannot verify the water consumption for the billing calculation of commercial accounts served water by other sources (private wells), the account will not qualify for sewer charges based on one monthly minimum. They will be charged based on a method whereby the numbers of units are determined by the number of individually owned businesses that are served by a particular meter or an estimate of the minimum units based upon the District's sewer EDU capacity fee table.
- C. The monthly minimum charge will apply to all commercial accounts with the following exceptions (residential categories included):
1. Single-Family Residential - User Code 101. The monthly minimum charge will be calculated at one. When multiple single family dwellings are located on the same parcel, each dwelling will be assigned one monthly minimum.
 2. Condominiums - User Code 101. Each condominium will be considered a single family dwelling, being charged one monthly minimum for each condo. There are existing situations where the District currently charges some condominiums at the lower multi-family rate. This will be allowed to continue until the property changes ownership. The new owners will be advised of the monthly rate change to single family residential.
 3. Multi-Family Residential - User code 102. Each apartment will be assigned one monthly minimum per unit. Each duplex, triplex, or fourplex will be assigned one monthly minimum per unit.
 4. Mobile Home Parks - User Code 103. Mobile homes within a park will be assigned one monthly minimum per mobile.

§ 2407. Sewer Deposits. (R-1239)

See section 4050. This was moved per Board approval on 3/24/08.

§ 2408. Sewer Capacity. (R-07-05-05, M-4466, M-4607, R-14-08-01, M-4542, M-5081, R-16-05-02, R-16-08-01, R-18-09-01, R-19-08-01, R-21-06-05, R-21-06-05, R-21-06-06, R-22-06-03, R-23-06-03)

A. Sewer Capacity Fee Calculation. The table below identifies the Sewer Capacity Fees to be paid for each new Equivalent Dwelling Unit (EDU) connected to the District’s wastewater (sewage) collection and treatment system. The fee for each EDU is comprised of pipeline and treatment components. The fee varies by the wastewater system that serves the development.

The Sewer Capacity Fees due for any development are equivalent to the Total Capacity Fee per EDU (see table below in §2408) multiplied by the number of EDUs being connected. The number of EDUs being connected is equivalent to the number of Units of Usage being connected multiplied by the EDUs per Unit of Usage (see table in §2409). That is,

$$\text{Sewer Capacity Fee} = \text{Total Capacity Fee per EDU} \times \# \text{ EDUs Connected}$$

where:

$$\# \text{ EDUs Connected} = \# \text{ Usage Units Connected} \times \# \text{ EDUs per Usage Unit}$$

(R-15-07-03, R-16-08-01, R-18-09-01, R-24-05-04)

| | <u>Effective Date</u> | |
|---------------------------------------------------------------------|-----------------------|----------------|
| | 7/1/2023 | 7/1/2024 |
| <u>Sewer Capacity Fees by Sewer System/Component ⁽¹⁾</u> | <u>Per EDU</u> | <u>Per EDU</u> |
| Treatment | \$4,792 | \$5,257 |
| Collection System | 4,524 | 4,963 |
| Total Capacity Fee per EDU-- Regional | 9,316 | 10,220 |
| | | |
| Horsethief/ Treatment | \$9,928 | \$10,891 |
| Horsethief/ Collection System | 4,524 | 4,963 |
| Total Capacity Fee per EDU – Horsethief | \$14,452 | \$15,854 |
| | | |
| (1) Applies to all connections except for flows from Horsethief WRF | | |

B. Restaurant Sewer Capacity Fees. Restaurant Sewer Capacity Fees are proportionate to the size of the water meter installed and the total floor

area of the restaurant. The meter size determines the amount of wastewater flow and the floor area determines how much sewage, or organic material, is generated by the restaurant. The Sewer Capacity Fees for restaurants shall be calculated by multiplying the Total Sewer Capacity Fee per EDU (from table above) by the Wastewater Flow EDU Factor by the Sewage Generation EDU Factor. The Wastewater Flow EDU Factor is from the table below. The Sewage Generation EDU Factor is calculated by dividing the restaurant's total floor area (in square feet) by 1,000 square feet. The minimum Wastewater Flow and Sewer Generation EDU Factors are 1.00. The calculation is as follows:

Sewer Capacity Fee = Total Capacity Fee per EDU x Wastewater Flow EDU Factor x Sewage Generation EDU Factor

Total Capacity Fee per EDU is from table in §2408 A;
 Wastewater Flow EDU Factor is from table below; and
 Sewage Generation EDU Factor = Total Floor Area (sq. ft.) / 1,000 sq. ft.

| Meter Size (in) | Maximum Safe Flow (GPM) | Wastewater Flow EDU Factor |
|-----------------|-------------------------|----------------------------|
| 0.75 | 30 | 1.00 |
| 1 | 50 | 1.67 |
| 1.5 | 100 | 3.33 |
| 2 | 160 | 5.33 |
| 3 | 320 | 10.67 |
| 4 | 500 | 16.67 |

Source: AWWA Manual M6, Table 2-2

June 9, 2011 shall be the baseline date for existing restaurants. That is, all Sewer Capacity Fees for all restaurants established as of that date shall be considered paid in full. Any restaurant existing as of that date that increases the size of its water meter or increases its total floor area after that date shall pay the appropriate additional fees due for such increases. The appropriate additional fees shall be determined by calculating the fees due based on the increased meter size and/or floor area and subtracting the fees due based on the existing meter size and floor area. No refunds, or Sewer Capacity Fees shall be issued for any decreases in either meter size, or floor area.

- C. Commercial Center Sewer Capacity Fee Deposit. In the event that the potential tenant in a Commercial Center is unknown, the Sewer Capacity Fee Deposit for the Unknown Spaces is equivalent to the Stores EDUs per Unit of Usage of 0.3807. At a later date, when a tenant commits to moving into the commercial space and if their business will generate a lower Sewer Capacity Fee, the payer can be reimbursed for the additional amount previously collected. However, if the tenant will generate a higher sewer capacity fee based on the type of business, then that additional amount shall be paid prior to water service being established to the business. (February 11, 2010)

§ 2409. Sewer Capacity Fees – EDUs Per Unit of Usage*(M-4466, M-4607, R 18-5-02, R-19-08-01, R-20-06-01)*

| Category | Usage Unit | EDUs Per Usage Unit |
|-------------------------------------|-----------------------|---------------------|
| Residential | | |
| Single Family | Parcel | 1.0000 |
| Duplex | Parcel | 1.2000 |
| Triplex | Parcel | 1.8000 |
| Fourplex | Parcel | 2.4000 |
| Condominium | # of Units | 0.6000 |
| 5 or More Units | # of Units | 0.6000 |
| Mobile Home Parks | Spaces | 0.6000 |
| Commercial | | |
| Animal Kennel | 1000 Sq. Ft. | 0.3807 |
| Auditorium/Amusement | 1000 Sq. Ft. | 1.3246 |
| Auto Sales/Repairs | 1000 Sq. Ft. | 0.3807 |
| Bar | Seat | 0.0685 |
| Beauty/Barber Shop | Sink | 0.2500 |
| Bowling/Skating | 1000 Sq. Ft. | 0.8165 |
| Car Wash-Wand Type | 1000 Sq. Ft. | 2.6496 |
| Car Wash-Tunnel Type | 1000 Sq. Ft. | 13.9957 |
| Car Wash-Reuse System | 1000 Sq. Ft. | 4.7500 |
| Club | 1000 Sq. Ft. | 0.4682 |
| Dentist Office | 1000 Sq. Ft. | 1.1400 |
| Doctor Office | 1000 Sq. Ft. | 1.1400 |
| Drive-In Theater | 1000 Sq. Ft. | 0.0785 |
| Dry Cleaners - Plant with Office | Employee + Machine | 0.0700 1.6200 |
| Dry Cleaners - Office Only | Employee | 0.0700 |
| Dry Manufacturing | 1000 Sq. Ft. | 0.1267 |
| Financial Institutions | 1000 Sq. Ft. | 0.3807 |
| Golf Courses/Camp/Parks | 1000 Sq. Ft. | 0.3807 |
| Health Spa W/Showers | 1000 Sq. Ft. | 1.3738 |
| Health Spa W/O Showers | 1000 Sq. Ft. | 0.6893 |
| Hospitals | Bed | 0.9456 |
| Hotels/Motels/Rooming Houses | Rooms | 0.4728 |
| Indoor Theater | 1000 Sq. Ft. | 0.4728 |
| Laundromats | Machine | 0.4675 |
| Lumber Yards | 1000 Sq. Ft. | 0.1267 |
| Mortuaries/Cemeteries | 1000 Sq. Ft. | 0.7039 |
| Night Club | 1000 Sq. Ft. | 1.3246 |
| Nurseries/Greenery's | 1000 Sq. Ft. | 0.0966 |
| Nursing Homes | Bed | 0.4728 |
| Office Building | 1000 Sq. Ft. | 0.7568 |
| Open Storage | 1000 Sq. Ft. | 0.1267 |
| Professional Building | 1000 Sq. Ft. | 1.1374 |
| RV Camp With Sewer Hookups | Site | 0.4844 |
| Campsite (Developed) | Site | 0.2422 |
| Service Shop | 1000 Sq. Ft. | 0.3807 |
| Service Stations | 1000 Sq. Ft. | 0.3807 |
| Shopping Center | 1000 Sq. Ft. | 1.6483 |

| | | |
|----------------------------------|--------------|--------|
| Special Events Center | Attendance | 0.0363 |
| Stores | 1000 Sq. Ft. | 0.3807 |
| Supermarket | 1000 Sq. Ft. | 1.0542 |
| Veterinarian | 1000 Sq. Ft. | 1.1400 |
| Warehousing | 1000 Sq. Ft. | 0.1267 |
| Wholesale Outlets | 1000 Sq. Ft. | 0.3807 |
| Institutional | | |
| Churches | 1000 Sq. Ft. | 0.1874 |
| Pre-Schools | Student | 0.0393 |
| Schools: No Cafeteria/No Showers | Student | 0.0393 |
| Schools: Cafeteria/No Showers | Student | 0.0589 |
| Schools: Cafeteria & showers | Student | 0.0785 |

§ 2410. Section removed 10/28/10

§ 2411. Section removed 10/28/10

§ 2412. Sewer Charges on Vacant New Construction. (M-767)

- A. The Developer will provide the District with a signed letter certifying that the property is vacant and an estimate of the number of days until occupancy is expected to occur.
- B. If the estimated time for move in is more than 30 days, the District will place a code on the account which will reduce the sewer charge by 50% of the appropriate monthly sewer service charge.
- C. This procedure will apply only to new construction and not model homes. When occupancy occurs, the reduction code will automatically be removed from the account allowing for full charges to be applied to the bill. If the property becomes occupied without notification to the District, the developer will be responsible for payment of all discounted charges back dated to the time of occupancy.
- D. To ensure compliance with the procedures listed above, the Customer Service Manager will, on a monthly basis, review a computer generated report identifying those services utilizing this reduced charge program. The Customer Service Manager will have her staff do a monthly on-site inspection of all services under the program.
- D. The procedure listed above does not apply to any service being provided sewer by Rancho California Water District since RCWD charges a minimum of \$20 per EDU per month regardless of lateral connection.

§ 2413. Landscape Irrigation Credit. *(R-1253)*

- A. Landscape Irrigation Credit is designed for Regional commercial accounts whose sewer charges are based on water consumption. The program is available only from April to November.
- B. Landscaping must be permanent in nature in designated areas (lawns, shrubs, trees, planters, etc.)
- C. The criteria for eligibility is that the premises must have permanently installed functioning automatic irrigation/sprinkler system. Landscaping must be kept green during the eligibility period, having the appearance of being regularly watered.
- D. Water usage in ccf (hundred cubic feet) will be credited by Customer Service personnel taking into consideration total square footage of the landscaped area on an automatic irrigation/sprinkler system as follows:

$$\text{Total Square Feet} \times .0025 \text{ ccf} = \text{water usage credit}$$

- E. In any case, dollar amount of the landscape irrigation credit cannot reduce the sewer charges below the regular minimum sewer charges. Each account under the Landscape Irrigation Program shall be reviewed annually for any changes in the landscaping which would affect the eligibility for the program or the calculation formula. The customer must define his watering schedule and agree to maintain landscaping and notify District of any change in procedure.
- F. This program is intended for commercial water/sewer accounts where, in the opinion of the General Manager, the installation of an irrigation meter will not economically or logically provide a means for a fair & equitable sewer charge. Landscape Irrigation Credit is approved by the General Manager on a case-by-case basis.

§2414. Brine Line Connection and User Fees.

(M-4526, M-4861, M-4958, M-5048, M-5145)

The Inland Empire Brine Line conveys non-reclaimable wastewater from the Upper Santa Ana River Watershed to a treatment plant in Fountain Valley that is owned and operated by the Orange County Sanitation District. In 1999, the District acquired 0.8 MGD of pipeline capacity in the Brine Line from Western Municipal Water District (WMWD), who purchased 2.0 MGD from Santa Ana Watershed Project Authority (SAWPA).

The table below reflects a pass-through of WMWD Brine Line fees, and includes the District's administrative fees and carrying cost of the currently owned pipeline capacity.

| Sewer Fees– Brine Line Brine Line–Industrial User–Direct Connection | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| EVMWD’s Rates for Treatment, Disposal, Pipeline, and Replacement Costs | |
| Variable Monthly Rate | \$1,129 per MG (Includes 3%/MG District Administration Fee) |
| Fixed Monthly Rate | \$15,187 per MGD of treatment and disposal capacity \$7,488 per MGD of pipeline capacity |
| Quality Surcharge | |
| Pass thru Brine Line Rates (for any volumetric flows): | |
| TSS | \$450/1,000 lbs. |
| BOD | 322/1,000 lbs. |
| Excess Quality Surcharge | |
| TSS | \$0.2405/lb. |
| BOD | 0.3923/lb. |
| Emergency Rates | |
| For standby discharges/emergency overflow connections | 110% of the Flow, BOD, TSS, and Excess Quality/Quantity Surcharges |
| If any day limits are exceeded, the following additional charges apply: | |
| TSS over 4,000 lbs. (in any one day) | \$292.02/1,000 lbs. |
| BOD between 10,000–12,000 lbs (in any one day) | \$188.90/1,000 lbs. |
| BOD over 12,000 lbs. (in any one day) | \$251.86/1,000 lbs. |
| Quantity Surcharge | |
| For any flow exceeding the purchased amount in any day during any month shall pay a quantity related surcharge of \$0.1978/gpd | |
| Additional Charges | |
| Any capacity-related fixed costs that a user may be required to pay under their agreement with Western. | |
| Deposit | |
| Upon execution of any agreement with EVMWD for any industrial discharge right into the Brine Line, the user shall deposit with an amount sufficient to cover operation, maintenance, and replacement costs for 90 days. | |

| Brine Line–Industrial User–Indirect Connection (Truck Hauled) | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| SAWPA Permit Fee | |
| Annual Permit Fee | \$6,535/yr. for Significant User \$5,934/yr. for Industrial User \$5,635/yr. for Non-Significant Industrial User |
| EVMWD’s Initial Deposit | |
| Post a deposit equal to 90 days anticipated billing based on discharge information provided in the questionnaire. | |
| Use Fee | |
| Brine – BOD and TSS less than 100 mg/L | \$0.038 per gallon |
| Non-Brine Tier 1 – 100 to 999 mg/L | \$0.054 per gallon |
| Non-Brine Tier 2 – 1,000 to 2,499 mg/L | \$0.103 per gallon |
| Non-Brine Tier 3 – 2,500 mg/L and higher | \$0.038 per gallon plus a surcharge of \$0.695/lb. BOD and \$0.662/lb. TSS |
| An additional \$0.02 per gallon is added to the above rates if truck-delivered non-reclaimable wastewater discharges from outside the Santa Ana River Watershed to a SAWPA authorized truck dump station. | |
| Deposit | |

Upon execution of any agreement with EVMWD for any industrial discharge right into the Brine Line, the user shall deposit with an amount sufficient to cover operation, maintenance, and replacement costs for 90 days.

§ 2415. Pre-Treatment Fees for Service. *Effective Date 12/14/23*
(O-279)

| DESCRIPTION | USER CLASS FEE (\$)¹ | | | | | |
|---------------------------------------|----------------------|-------|-----|-----|-----|-----|
| | 1 | 2 | 3 | 4 | 5 | 6 |
| Permit Fee / Year | 5,000 | 1,000 | 200 | 400 | 300 | 200 |
| Permit Revision Fee | 1,000 | 300 | 100 | 100 | 300 | 100 |
| Routine/Follow-Up Inspection | 1,500 | 500 | 200 | 200 | N/A | 200 |
| Non-Compliance Inspection | 1,200 | 800 | 500 | 500 | N/A | 300 |
| Non-Compliance Sampling | 200 | 200 | 200 | 200 | 200 | 200 |
| Non-Compliance Meeting | 200 | 200 | 200 | 200 | 200 | 200 |
| Failure to Allow Entry for Inspection | 200 | 200 | 200 | 200 | N/A | 200 |

ALL USER CLASSES FEE (\$)

| | |
|--------------------------------------|-------------------------------|
| Environmental Compliance Review Fee¹ | 230 |
| Construction Inspection Fee¹ | 320 |
| Additional Manpower / hour¹ | 100 |
| Replace Dump Station Access Card ¹ | 100 |
| Chemical Analysis¹ | Actual Costs as Billed by Lab |
| Plus G&A O/H | |

Liquid Waste (Septage) Processing Fee / gallon² 0.12

Notes:

¹These rates are periodically adjusted. For the most current rate, please refer to the <Pretreatment Fees> at <https://www.evmwd.com/customers/customer-service/rates-fees>.

²This rate is also periodically adjusted. For the most current rate, please refer to the <Sewer Rates> at <https://www.evmwd.com/customers/customer-service/rates-fees>.

§ 2416. Pre-Treatment Fees For Enforcement (M-4917)

(Reference, Enforcement Response Plan (ERP), Appendix A - Enforcement Response Guide (ERG)
Adopted December 14, 2023, O-279)

DEFINITIONS

- NOV - Notice of Violation
- HEARING - Show Cause Hearing
- ESRT - Emergency Suspension, Revocation or Termination of Service
- SRT - Suspension, Revocation, or Termination of service after hearing and appeal
- Fine - Money required to be paid as a penalty for a violation(s)
- Costs - Any/and all costs incurred by EVMWD as a result of discharger non-compliance
- CS - Compliance Schedule
- PN - Public Notice in local newspaper if it meets criteria of 40 CFR403.8 (f) (vii)
- PV - Publication of Violation at the Users expense
- JR - Judicial Remedy, civil and or criminal
- SCP – Slug Control Plan
- TOMP - Toxic Organic Management Plan
- Force Majeure - Natural disasters or other unforeseen, uncontrollable events

| TYPE OF NONCOMPLIANCE | NATURE OF VIOLATION ^{1,2} | RESPONSE ³ |
|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Exceeding discharge; per each constituent or prohibition | Not harmful <ul style="list-style-type: none"> • First occurrence • Second occurrence • Three or more occurrences | <ul style="list-style-type: none"> • NOV • NOV, \$250 fine plus costs • NOV, \$1,000/occurrence fine plus costs |
| | Harmful <ul style="list-style-type: none"> • First occurrence • Second occurrence • Three or more occurrences | <ul style="list-style-type: none"> • NOV, \$5,000 fine plus costs • SRT, JR injunction, \$5,000 fine, plus costs, PN & PV • ESRT, JR injunction, \$25,000/occurrence fine, plus costs, PN & PV |
| Slug discharge occurs; Reported as required | Not harmful <ul style="list-style-type: none"> • First occurrence • Second occurrence • Three or more occurrences | <ul style="list-style-type: none"> • NOV • NOV, \$2,000 fine plus costs • SRT, JR, \$5,000 /occurrence fine plus costs |
| | Harmful <ul style="list-style-type: none"> • First occurrence • Second occurrence • Three or more occurrences | <ul style="list-style-type: none"> • NOV, \$1,000 fine plus costs • ESRT, \$5,000 fine, plus costs, PN & PV • SRT, JR injunction, \$5,000/occurrence fine plus costs, PN & PV |
| Slug discharge occurs; Failure to report as required | Not harmful <ul style="list-style-type: none"> • First occurrence • Second occurrence • Three or more occurrences | <ul style="list-style-type: none"> • NOV • NOV, \$3,000 fine • SRT, \$5,000/occurrence fine plus costs |
| | Harmful <ul style="list-style-type: none"> • First occurrence • Second occurrence • Three or more occurrences | <ul style="list-style-type: none"> • NOV, \$5,000 fine, plus costs, PN & PV • ESRT, JR injunction, \$7,500 fine, plus costs, PN & PV • ESRT, JR injunction, \$25,000/per occurrence fine, plus costs, PN & PV |
| Discharging without a permit or approval | <ul style="list-style-type: none"> • Not harmful • Harmful | <ul style="list-style-type: none"> • NOV, \$1,000 fine/day, plus costs, PN |

| | | |
|----------------------------------------------------------------|----------------|----------------------------------------------------------------------------------------------------|
| | | <ul style="list-style-type: none"> JR, \$25,000 fine/day, plus costs, PN & PV |
| Intentional dilution of waste streams to meet discharge limits | Any occurrence | <ul style="list-style-type: none"> Hearing, \$25,000 fine, PN & PV, JR criminal |
| Unauthorized discharge to a manhole or unpermitted location | Any occurrence | <ul style="list-style-type: none"> \$25,000 fine & possible JR criminal |

Enforcement Response Guide (ERG)

| TYPE OF NONCOMPLIANCE | NATURE OF VIOLATION ^{1,2} | RESPONSE ³ |
|-----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| Late report (30 days or less) | <ul style="list-style-type: none"> First occurrence Second occurrence Three or more occurrences | <ul style="list-style-type: none"> NOV, \$100 fine NOV, \$500 fine NOV, \$1,000 fine/occurrence |
| Late report (more than 30 days) | <ul style="list-style-type: none"> First occurrence Second occurrence Three or more occurrences | <ul style="list-style-type: none"> NOV, \$250 fine NOV, \$1,000 fine NOV, \$2,000 fine/occurrence, plus costs, SRT |
| Incomplete report | <ul style="list-style-type: none"> First occurrence Second occurrence Three or more occurrences | <ul style="list-style-type: none"> NOV NOV, \$500 fine NOV, \$1,000 fine/occurrence |
| Failure to report additional monitoring | <ul style="list-style-type: none"> First occurrence Second occurrence Three or more occurrences | <ul style="list-style-type: none"> NOV, \$250 fine NOV, \$1,000 fine NOV, \$5,000 fine/occurrence |
| Failure to properly report violations or a change in characteristics of discharge | <ul style="list-style-type: none"> First occurrence Second occurrence Three or more occurrences | <ul style="list-style-type: none"> NOV, \$100 fine NOV, \$500 fine NOV, \$1,000 fine / occurrence |
| Reporting false information | Any occurrence | Hearing, \$5,000 fine, costs, PN, PV & JR criminal |
| Improper sampling/analysis procedures | <ul style="list-style-type: none"> First occurrence Second occurrence Three or more occurrences | <ul style="list-style-type: none"> NOV NOV, \$500 fine, plus costs NOV, \$1,000 fine/occurrence, plus costs |
| Complete failure to sample, monitor, or analyze after warning | Any occurrence | NOV, \$1,000 fine, plus costs, PN |
| Failure to install sampling point(s) or monitoring equipment as required | Any occurrence | NOV, \$500 fine/day, till task complete or permit is revoked |

| | | |
|----------------------------------------------------------------------------------------------|----------------|-------------------------------------|
| Falsifying, tampering with, or rendering inaccurate any required monitoring device or method | Any occurrence | Hearing, \$25,000 fine, JR criminal |
|----------------------------------------------------------------------------------------------|----------------|-------------------------------------|

| | | |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Missed interim CS date(s)</p> | <p><u>Valid reason for missing CS date, but won't miss other dates</u></p> <ul style="list-style-type: none"> • Prior notice submitted • No notice submitted <p><u>Valid reason for missing CS date, but will miss other dates</u></p> <ul style="list-style-type: none"> • Prior notice submitted • No notice submitted <p><u>None valid reason submitted</u></p> | <ul style="list-style-type: none"> • NOV • NOV, \$500 fine, plus costs • NOV, \$250 fine, plus costs • NOV, \$1,000 fine, plus costs • NOV, \$2,000/day for each missed interim date till task complete or permit revoked |
| <p>Missed final CS date</p> | <ul style="list-style-type: none"> • Because of Force Majeure • Other than Force Majeure | <ul style="list-style-type: none"> • Hearing plus costs • NOV, \$3,000/day until final compliance schedule task is complete or permit revoked, plus costs |

Enforcement Response Guide (ERG)

| TYPE OF NONCOMPLIANCE | NATURE OF VIOLATION ^{1,2} | RESPONSE ³ |
|----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| Failure to develop a TOMP or SCP | Any occurrence | NOV, \$500/day till complete or permit revoked |
| Failure to implement an approved TOMP or SCP | Any occurrence | NOV, \$1,000/day till complete or permit revoked |
| Refusal of reasonable or timely access to premises for inspection or monitoring | <ul style="list-style-type: none"> • First occurrence • Second or more occurrences | <ul style="list-style-type: none"> • NOV, \$1,000 fine, plus costs • SRT, \$5,000 fine/occurrence, plus costs |
| Failure to implement Best Management Practices (BMPs) | <ul style="list-style-type: none"> • First occurrence • Second occurrence • Three or more occurrences | <ul style="list-style-type: none"> • NOV, • NOV, \$250 fine, plus costs • NOV, \$500 fine, plus costs |
| Failure to install, properly design, operate or maintain pretreatment system(s). | <ul style="list-style-type: none"> • First occurrence • Second occurrence • Three or more occurrences | <ul style="list-style-type: none"> • NOV • NOV, \$250 fine, plus costs • NOV, \$500 fine/occurrence plus costs |
| Inadequate recordkeeping | <ul style="list-style-type: none"> • First occurrence • Second occurrence | <ul style="list-style-type: none"> • NOV • NOV, \$250 fine, plus costs • NOV, \$500 fine/occurrence plus costs |

| | | |
|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| | <ul style="list-style-type: none"> • Three or more occurrences | |
| Failure to comply with other Permit conditions Or Ordinance requirements | <ul style="list-style-type: none"> • Not harmful • Harmful | <ul style="list-style-type: none"> • NOV, \$250 fine, plus costs • NOV and \$1,000 fine/day, plus costs |

¹ Occurrences within a (12) twelve-month calendar period.

² Harmful shall mean a discharge, alone or in combination with other discharges, that cause process interference, sludge contamination or pass-through; endangers the health of POTW personnel or the public; or adversely affect any of the District’s wastewater treatment plants, collection system or the environment.

³ Guidelines for imposing fines are determined by EVMWD in its sole and reasonable discretion on a case-by-case basis. Some fines shall be in accordance with applicable State and/or Federal laws.

SECTION 2500. FINES AND PENALTIES (MO #4159, R 20-01-01)

| Action | Amount | Explanation |
|------------------------------------------------|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Meter Lock Removal, 1 st Occurrence | \$150.00 | Fine is imposed when a District lock securing the meter at a property is found removed for the first time since the opening of the most recent account. The fine is placed against the property. |
| Meter Lock Removal, More than 1 Occurrence | \$250.00 | Fine is imposed when a District lock securing the meter at a property is found removed for the second, or more, time since the opening of the most recent account. There is no time limit between the imposing of the first and second fines. The fine is placed against the property. |
| Involuntary Meter Removal Charge | \$150.00 | Fine is imposed when two (2) consecutive Cut Lock Fines have been issued to the property's open account and the removal of the meter from the property by District staff is warranted. |
| Damaged Angle Meter Stop Charge | \$75.00 | Fine is imposed in conjunction with a Cut Lock Fine in the event that the Angle Meter Stop is damaged during the process of cutting a lock from the meter. |
| Damaged Meter Fine | \$150.00 (plus material and labor to repair meter) | Fine is imposed when a preponderance of the evidence available reasonably concludes that damage to a meter was deliberately or negligently caused by the account holder, tenant, someone in their employ; or by an external contractor or other party. Fine is in addition to the charge to repair or replace the meter. |
| Straight Line/ | \$150.00 (plus | Fine is imposed when a meter has been |

| | | |
|---------------------------------------|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Meter Bypass Fine | estimated usage) | removed from the meter box, or the meter is bypassed, and a line is installed directly from the District’s service line to the customer’s service line, preventing the meter from measuring consumption. |
| Unauthorized Use Fine | \$150.00 | Fine is imposed when District facilities, including meters, are not used as intended or the use of the facilities poses a potential danger to other District facilities or rate payers. |
| Unauthorized Hydrant Use Fine | \$750.00 (plus estimated usage) | Fine is imposed when water is used from a hydrant or wharf head within the boundaries of the District without prior authorization and installation of a meter by District staff. |
| Delinquent Charge: Monthly Billing | \$5.00 or 5% of unpaid balance, whichever is greater | Generally, charged 21 days after the bill date if full payment is not received. |
| Bi-monthly Billing | \$10.00 or 10% of unpaid balance, whichever is greater | |

| | | |
|------------------------------------------------------------------|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Service Reconnection Fee | \$45.00 | Fee is imposed when the meter serving the property has been locked off due to nonpayment and the customer has made the necessary payment to have service reestablished. The customer must pay the past due in addition to the Service Reconnection Fee in order to reestablish service and have the meter unlocked. |
| Blocked Access Fine | \$100.00 | Fine is imposed when the meter serving the property is not accessible without impairment by District staff, to include fencing or walls that impede access. The fine is placed a maximum of one time per billing cycle. A warning will be issued to the property for the first occurrence only. |
| Unauthorized Sewer Connection Fine | \$1,000.00 (plus current connection fees) | Fine is imposed when a sewer connection exists between a property and the District's sewer line that was previously unauthorized or the connection fees have not been paid. |
| Returned Payment Fee | \$25.00 | The fee is applied when a check or credit card payment has been returned to the District as unpaid. |
| Negligence to perform annual backflow testing and certification. | \$150.00 | Fine will be charged when a customer fails to test the backflow device. The District will have provided a first and second notice to test the device giving the water user a two week period to have their backflow prevention device tested. If no test certification is provided by the customer to the District within the 2 week period, the District will perform the test and apply the fine. |

SECTION 2600. MISCELLANEOUS FEES AND CHARGES

§ 2601. Engineering Fees.

(R-995, R-16-05-02, R-23-06-05, M-5797, M-0889, R-1060, R-03-06-13, M-4843, R-16-06-02, R-19-09-04, R-23-06-05, M-5797)

- A. Will Serve Letters

| | |
|--------------------------------|-------|
| One Single Residence | \$170 |
| Tract & Commercial Development | \$340 |

B. Engineering Services.

**Engineering Services Billing Rates and Deposit Requirements effective September 1, 2023.*

1. Planning Deposit

For substantive projects that will require, for example, preparation of master plans with computer models or other extensive planning efforts prior to the submittal of improvement plans for plan checking, developers will be required to post a Planning Deposit. The deposit will be used to cover District staff and consultant costs. A supplemental deposit, in the amount determined by the District, will be collected if the balance is depleted. Deposit amounts remaining after completion of the planning phase will be refunded. The need for and amount of the deposit will be determined by the District Engineer.

District costs will be billed as defined in §2601.B.5.

2. Plan Check Deposit

The Plan Check deposit is 3% of the engineer’s estimate for construction or a minimum of \$3,500. Costs charged against the deposit includes District’s cost for comprehensive review of the improvement plans and documents including, but not limited to, grant of easements, water rights grant deeds, quitclaims, and termination of easements which could include review by subject matter experts, such as electrical and SCADA, as well as review by Operational staff for other site-specific operational conditions. An additional deposit, in the amount determined by the District, will be collected if the balance has been depleted. Deposit amounts remaining after plan check completion will be refunded.

District costs will be billed as defined in §2601.B.5.

The Engineer's Estimate must be prepared using District approved unit costs. Estimates of Capital Facilities must be approved by the District Engineer and must reflect actual market prices. For complex facilities such as, but not limited to, booster station, lift station, or reservoir, the engineer of record shall submit a cost estimate that reflects actual market value.

3. Inspection Deposit

An inspection deposit of 15% of the engineer's estimate for construction or a minimum of \$7,000 is collected for water and sewer facilities. The deposit will be used to cover District staff costs. An additional deposit, in the amount determined by the District, will be collected if the balance has been depleted. Deposit amounts remaining after completion of the inspection phase will be refunded.

The Engineer's Estimate must be prepared using District approved unit costs. Estimates of Capital Facilities must be approved by the District Engineer and must reflect actual market prices. For complex facilities such as, but not limited to, booster station, lift station, or reservoir, the engineer of record shall submit a cost estimate that reflects actual market value.

District costs will be billed as defined in §2601.B.5.

4. Inspection Fee - Final Inspection Services

An inspection fee of \$300.00 per inspection (undeveloped lot) to cover the District's required final inspection services was established by Resolution No. 1278. These inspection deposits will be collected from developers requiring final inspection services such as water connection, sewer connection, backflow, and certificate of occupancy inspections. The tract's infrastructure must be completely built and have been previously inspected.

5. Engineering Billing Rates

All Engineering deposits will be billed at the hourly rates in this subsection. District charges against the deposit are for development activities including, but not limited to, plan check and inspection services. Additional deposits will be collected if the balance has been depleted. Any remaining portion of the deposit is returned to the applicant after satisfying District requirements.

| | <u>Regular Rate</u> | <u>Overtime Rate⁽¹⁾</u> |
|-------------|---------------------|----------------------------------------|
| Engineering | \$357 | N/A |
| Inspectors | \$290 | \$435 |
| Operations | \$244 | \$366 |
| SCADA | \$290 | \$435 |
| Management | \$399 | N/A |

(1) Inspection regular hours are between 7:30 a.m. to 4:30 p.m. Overtime will be billed for work outside of the regular work hours.

6. Maps and Records Fee

A fixed non-refundable fee of 1.5% of the Engineer’s Estimate for water and sewer facilities.

The Engineer’s Estimate must be prepared using District approved unit costs. Estimates of Capital Facilities must be approved by the District Engineer and must reflect actual market prices. For complex facilities such as, but not limited to, booster station, lift station, or reservoir, the engineer of record shall submit a cost estimate that reflects actual market value.

7. Reproduction

\$5.00 per sheet for 24” x 36” plots, plus staff time in excess of one-half hour.

§ 2602. Service Origination Fee. (M-4253, M-3002)

| | |
|------------------------------------|---------------|
| New Accounts (advance order): | \$15.00 |
| Same Day New Accounts Turn on Fee: | \$50.00/acct |
| After Hours:* | \$100.00/acct |

* The After Hours Turn-on Service provides customers with the option to have their water service turned on after 2:30 p.m., which is the deadline for same day turn on service. This service is not available for customers that have had their service interrupted due to non-payment. These customers must wait until the following business day to restore service if their payment is made after 2:30 pm.

Should a new customer call after the District's business hours requesting turn-on services, the responding standby crew will have the customer sign an After Hours Turn-on Agreement before service is connected. The agreement advises the customer of the after hours turn-on fee, which will be added to their account.

§ 2603. Fire Flow Inspection. (R-1009)

\$125.00

§ 2604. Backflow Devices. (M-4586, R-04-06-04)

Inspection charge per backflow device for all new backflow installations will be as follows:

- A. For active construction \$300.00
- B. For existing construction \$150.00

Monthly Administration Charge per backflow device \$4.00

§ 2605. Meter Accuracy Testing. (M-4240)

Deposit of \$50.00, refunded to customer if meter is proven to register above AWWA standards for meter accuracy [98.5% - 101%].

§ 2606. Pre Treatment Fees. *Effective Date 7/1/05, See also AC §2415 (M-4595)*

| Description | 1 | 2 | | 3 | 4 | 5 |
|---------------------------------------|---------|-------|--|-------|-------|-------|
| Permit Fee/Yr. | \$4,590 | \$920 | | \$180 | \$370 | \$280 |
| Permit Revision Fee | 920 | 280 | | 90 | 90 | 280 |
| Routine/Follow-Up Inspection/Yr. | 1,380 | 460 | | 180 | 180 | N/A |
| Non - Compliance Inspection | 1,100 | 730 | | 460 | 460 | N/A |
| Non - Compliance Sampling | 180 | 180 | | 180 | 180 | 180 |
| Non - Compliance Meeting | 180 | 180 | | 180 | 180 | 180 |
| Failure To Allow Entry For Inspection | 180 | 180 | | 180 | 180 | N/A |

All Classes:

| | | |
|---------------------------------------------|--|---------------------------------------------|
| Environmental Compliance Review Fee | | \$210 |
| Construction Inspection Fee | | 290 |
| Additional Manpower/Hr. | | 88 |
| Replace Dump Station Access Card | | 92 |
| Liquid Waste Process Fee/Gallon | | \$0.03 |
| Liquid Waste Process Fee/Gallon (Offsite) | | TBD |
| Chemical Analysis | | Actual Costs As Billed By Lab Plus G&A+ O/H |

§ 2607. Annexation Fees. *(M-4029, M-4348, M-4459, M-4645, M-5127, R-20-11-03, R-23-06-05, M-5797, M-5859, M-5860, M-5932, M-5941)*

\$5,094.62 Per Acre Fee
 \$1,500.00 Initial Deposit- Administrative Fee
 (Per application)

A deposit of \$1,500.00 per application is initially required. The District will track actual time and resources charged for each application and additional deposits will be collected if the balance has been depleted.

Any deposit amounts remaining after completion of the full application process will be refunded.

District staff costs will be billed at the following hourly rates:

| | |
|--------------------------|---------------|
| Engineering | Per §2601.B.5 |
| Information Technologies | \$83 |
| Executive Admin Support | \$114 |

Note: See Section 1900 for annexation fees calculation & policy

§ 2608. Copies.

The charge for photocopies to the general public is 25¢ for the first page and 10¢ for each additional sheet thereafter.

§ 2609. Community Facilities Districts and Assessment District Administrative Fees. (R-1047, M-5707)

- A. Administrative Fees shall be charged for each Community Facilities District (CFD) or Assessment District (AD) -which shall not exceed the actual costs incurred to administer the CFD or AD. Such Administrative Fees shall represent the District’s costs of servicing the CFD or AD, including fees and costs of the assessment or levy of any parcel, fees and costs of fiscal agents/paying agents/trustee, dissemination agent, special taxes consultant, counsel and any other costs relating to outstanding debt relating thereto.
- B. Each CFD’s rate and method of apportionment of the special taxes shall provide for the calculation of Administrative Fees and such fees shall be included within the levy placed on the Riverside County Tax Rolls each year.
- B. Administrative Fees for AD’s shall be included in the engineer’s report and assessment diagram of the AD and include an annual escalation factor of an amount which is the greater of the CPI for the relevant Metropolitan Statistical Area (MSA) in which the Water District is located and shall not exceed 5% or the maximum rate of increase permitted under California law.

§ 2610. Land and Assessment Division Processing Fees. (R-1048)

- A. The following fee schedule is determined to be reasonable and is an amount that will cover reimbursement for the necessary costs in processing applications for divisions of

land and assessments pursuant to the “Improvement Bond Act of 1915”, being Division 10 of the Streets and Highways Code of the State of California. All applications for division of land and assessment shall be accompanied by a fee to be determined as follows:

| <u>No. of New Parcels</u> | <u>Fee</u> | |
|---------------------------|------------|------------------------|
| 2 - 3 | \$2,400 | lump sum |
| 4 - 10 | 3,300 | lump sum |
| 11 - 20 | 3,300 | + \$150/parcel over 10 |
| 21 - 35 | 4,900 | + \$100/parcel over 20 |
| 36 - 55 | 6,600 | + \$75/parcel over 35 |
| 56 - 80 | 8,250 | +\$55/parcel over 55 |
| 81 - 115 | 9,800 | +\$30/parcel over 80 |
| 116 - 165 | 10,900 | + \$20/parcel over 115 |
| 166 - 315 | 12,000 | + \$15/parcel over 165 |
| 316 - 500 | 14,500 | +\$10/parcel over 315 |
| 501 - 700 | 16,500 | + \$5/parcel over 500 |
| 701 and more | 17,600 | + \$3/parcel over 700 |

- B. If no application is filed, at the time the Superintendent of Streets files the amended assessment pursuant to order of the Board, the fee is determined from the above schedule with each new parcel paying its proportionate share in accordance with each new parcel’s share of the principal remaining on the original assessment. Prior to making the division, the Superintendent of Streets shall notify the property owner as to the costs for the apportionment. In the event the costs are not paid within fifteen (15) days of notification, Superintendent of Streets shall, in preparing the amended assessment, show separately thereon the amount of said fee charged to each individual parcel. The amount so charged shall then be entered, if not paid, upon the assessment roll and collected along with the first installment of the amended assessment.

- B. All fees so collected, either by application or as an installment on the assessment, are to be deposited in the General Fund of the District

§2611. Brine Line Connection and User Fees.

(M-4277, M-4526, M-4643, M-4861, M-4958, M-5048, M-5145, M-5236)

See Section 2414 also.

(Effective 8/1/17)

TREATMENT, DISPOSAL AND REPLACEMENT COSTS:

| | |
|-----------------------------------------------------|----------|
| VARIABLE MONTHLY RATE (per mg discharged). | \$1,129* |
| FIXED MONTHLY RATE FOR TREATMENT CAPACITY (per mgd) | \$15,187 |
| FIXED MONTHLY RATE FOR PIPELINE CAPACITY (per mgd) | \$7,488 |

QUALITY SURCHARGES:

PASS THRU BRINE LINE RATES (for any volumetric flows):

| | |
|-----------------------------------|-------|
| TSS (per 1,000 lbs of dry weight) | \$450 |
| BOD (per 1,000 lbs of dry weight) | \$322 |

EXCESS QUALITY SURCHARGES:

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| For any strength of the average of the sampling and metering for the month that exceeds the owned/leased treatment and disposal capacity rights | \$0.2405/lb. TSS \$0.3923/lb. BOD |
|-------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|

EMERGENCY RATES:

| | |
|-------------------------------------------------------|--------------------------------------------------------------------|
| For standby discharges/emergency overflow connections | 110% of the Flow, BOD, TSS, and Excess Quality/Quantity Surcharges |
|-------------------------------------------------------|--------------------------------------------------------------------|

EXCESS QUANTITY SURCHARGE:

| | |
|------------------------------------------------------------------------------------|----------|
| For any flow exceeding the purchased amount in any day during any month (per gpd). | \$0.1978 |
|------------------------------------------------------------------------------------|----------|

Footnote

* = EVMWD charges 3%/MG over WMWD’s rate to cover for administrative fees.

| | |
|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| Brine Line–Industrial User–Indirect Connection (Truck Hauled) | |
| SAWPA Permit Fee | |
| Annual Permit Fee | \$6,535/yr. for Significant User \$5,934/yr. for Industrial User \$5,635/yr. for Non-Significant Industrial User |
| EVMWD’s Initial Deposit | |

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Post a deposit equal to 90 days anticipated billing based on discharge information provided in the questionnaire. | |
| Use Fee | |
| Brine – BOD and TSS less than 100 mg/L | \$0.038 per gallon |
| Non-Brine Tier 1 – 100 to 999 mg/L | \$0.054 per gallon |
| Non-Brine Tier 2 – 1,000 to 2,499 mg/L | \$0.103 per gallon |
| Non-Brine Tier 3 – 2,500 mg/L and higher | \$0.038 per gallon plus, a surcharge of \$0.6957/lb. BOD and \$0.662/lb. TSS |
| An additional \$0.02 per gallon is added to the above rates if truck-delivered non-reclaimable wastewater discharges from outside the Santa Ana River Watershed to a SAWPA authorized truck dump station. | |
| Deposit | |
| Upon execution of any agreement with EVMWD for any industrial discharge right into the Brine Line, the user shall deposit with an amount sufficient to cover operation, maintenance, and replacement costs for 90 days. | |

§2612. Delinquent Notice Fee (R-20-01-01, R-23-07-01)

- Effective August 1, 2023, a Delinquent Notice Fee of \$0.91 will be added to customer accounts for every written Service Interruption Warning letter mailed out. The Fee will increase to \$0.93, effective July 1, 2024.
- A Delinquent Processing Fee of up to \$21.45 fee will be added to customer accounts for every Service Interruption Warning letter (door hanger) physically placed at the service address.

SECTION 2700. STANDBY CHARGES (O-201-205, O-234-238, O-240-244)**§ 2701. General.**

By law, the District by ordinance may fix, in each fiscal year, a water and/or sewer standby assessment or availability charge in the District, in any portion thereof, or any improvement district, to which water and wastewater service is made available by the District, whether the water and wastewater service is actually used or not.

§ 2702. Water Standby Charges.

The District-wide water availability are as follows:

Ten dollars (\$10.00) per acre per year for each acre of unimproved land located within a half-mile of a waterline or ten dollars (\$10.00) per year for each unimproved parcel of less than one acre located within a half-mile of a water line.

Seven dollars and fifty cents (\$7.50) per acre per year for each acre of unimproved land located beyond a half-mile of a waterline or seven dollars and fifty cents (\$7.50) per year for each unimproved parcel of less than one acre located beyond a half-mile of a waterline.

§ 2703. Elsinore Water District (EWD) Water Standby Charges.

The water availability charges for the area formerly served by EWD are as follows:

Twenty dollars (\$20.00) per acre per year for each acre of improved land in the area formerly served by EWD. Twenty dollars (\$20.00) per year for each parcel of improved land less than one acre in the area formerly served by EWD.

Twenty dollars (\$20.00) per acre per year for each acre of unimproved land in the area formerly served by EWD. Twenty dollars (\$20.00) per year for each parcel of unimproved land less than one acre in the area formerly served by EWD.

§ 2704. Regional Wastewater Standby Charges.

The sewage and wastewater availability charges for the Regional Division are as follows:

Ten Dollars (\$10.00) per acre per year for each acre of unimproved land within the Regional Division.

Ten Dollars (\$10.00) per year for each unimproved parcel of land of less than one acre.

§ 2705. Improvement District U-2 (Canyon Lake) Wastewater Standby Charges. *(M-5212, O-238)*

The sewage and wastewater availability charges for Improvement District U-2 (Canyon Lake) are as follows:

Ten dollars (\$10.00) per acre per year for each acre of improved land within Improvement District No. U-2. Ten dollars (\$10.00) per year for each parcel of improved land less than one acre within Improvement District No. U-2.

Thirty dollars (\$30.00) per acre per year for each acre of unimproved land within Improvement District No. U-2. Thirty dollars (\$30.00) per year for each parcel of unimproved land of less than one acre within Improvement District No. U-2.

§ 2706. California Oaks Standby Charges.

The sewage and wastewater availability charges for the California Oaks Sewer Service Area are as follows:

Thirty Dollars (\$30.00) per acre per year for each acre of unimproved land within the California Oaks Sewer Service Area.

Thirty Dollars (\$30.00) per year for each parcel of unimproved land of less than one acre within the California Oaks Sewer Service Area

§ 2750. Rate Assistance for Residents of Elsinore Valley (RARE) Program
(M-5055, M-5459, M-5561 R-20-11-04, M-5709, M-5796, M-5820)

The Rate Assistance for Residents of Elsinore Valley (RARE) program allows qualifying customers to be eligible for an income-based rate assistance program on their water and/or wastewater bill at their primary residence. Customers must meet certain income requirements and program qualifications as mandated by the program to qualify. Funds for the RARE program are available through certain unrestricted revenues, and are available on a first come, first served basis until the funding is exhausted. The EVMWD Board of Directors has earmarked this money for a limited program similar to the California Public Utilities Commission CARE program.

RARE Credit for Water Accounts

Effective July 1, 2023, a \$32.68 credit will be applied to RARE program qualified customer bills with 1-4 persons per household (pph) when water usage is 13CCF or less in a 30-day period. Households with more than 4pph will receive an additional 2.25 CCFs per 30-day period towards their monthly water usage allowance, as noted in the table below. Effective July 1, 2024, the credit will increase to \$34.16. **RARE credit amount cannot exceed total amount billed.*

| <i>Person per Household (pph)</i> | <i>Allowable CCF for RARE credit (Based on a 30-day bill)</i> |
|-----------------------------------|-------------------------------------------------------------------|
| <i>1-4</i> | <i>13.00</i> |
| <i>5</i> | <i>15.25</i> |
| <i>6</i> | <i>17.50</i> |
| <i>7</i> | <i>19.75</i> |
| <i>8</i> | <i>22.00</i> |
| <i>9</i> | <i>24.25</i> |
| <i>10</i> | <i>26.50</i> |

RARE Credit for Wastewater Accounts

Effective January 1, 2024, a \$5.00 credit will be applied to all RARE program qualified customers with wastewater service, regardless of water usage. This credit is based on a 30-day billing period and is in addition to the water RARE credit.

- A. **Income Requirements:** Total gross household income is all revenues from all household members, from whatever sources derived including, but not limited to wages, social security, SSP or SSDI, Pensions, interest or dividends from savings, stocks, bonds or retirement accounts, profits from self-employment, unemployment benefits, insurance and legal settlements, disability or workers compensation, spousal or child support, scholarships, grants or other aid used for living expenses, rental or royalty income, cash and other income.

| Persons in the Household | Annual Income |
|---------------------------------|----------------------|
| 1-2 | \$39,440 |
| 3 | \$49,720 |
| 4 | \$,60,000 |
| 5 | \$ 70,280 |
| 6 | \$80,560 |
| 7 | \$90,840 |
| 8 | \$101,120 |

Effective June 1, 2023-May 31, 2024.

Source: California PUC Alternate Rates for Energy

B. RARE Program Qualifications:

1. Must be enrolled in The Southern California Edison or Southern California Gas Company CARE Program.
2. Customer must reside at the property where the credit is received and the name on the Southern California Edison or Southern California Gas Company bill must match the name on the EVMWD bill.
 - In the event the account is deemed Owner Only as outlined in EVMWD Administrative Code 4060 and the tenant residing at the property is CARE eligible, the following documentation will be required to determine RARE eligibility:
 - Copy of the SCE/SoCal Gas bill in the tenant’s name reflecting enrollment in the CARE program.
 - Signed copy of the lease agreement for the property. The owner’s name must match the EVMWD account name on file.
3. The program is open to current residential customers only.
4. Effective July 1, 2023, any new RARE applicant has the option of completing the following:
 - Schedule and complete a water evaluation performed by EMVWD at the customer’s residence.
 - Set up water use or billed amount thresholds in the District’s Aquahawk customer portal.

C. Application Procedure:

1. Customers wishing to apply for the program must complete the RARE Program application in its entirety and provide all documentation requested on the application, including proof of enrollment in a CARE Assistance Program. Allow thirty (30) days for processing. Once approved and processed, RARE credits will be applied to all future billings and will NOT be retroactively applied.

2. The application will be reviewed by Customer Service staff. If the application is not approved a letter will be mailed to the customer on record explaining the reason for the denial.
3. Applicants may apply any time throughout the year, however, applications will be accepted and processed in the order they are received, contingent upon the availability of funds.
4. Customers that qualify for the program may be asked to provide proof of residency, income for all owners/adults residing at the property and the number of household occupants.
5. Customers are required to inform EVMWD within 30 days if they no longer qualify for the RARE program.
6. If a customer receives the RARE program credit after they no longer qualify for the program, the District has the right to back bill any ineligible credits on the customer's account.
7. Customers who qualify are required to reapply on an annual basis.

SECTION 2800. PUBLIC FINANCING POLICY**§ 2801. Policy.** *(M-5707)*

- A. The Board of Directors will consider the use of community facilities districts (hereinafter “CFDs”) or special benefit assessment districts (hereinafter “AD”) as well as other financing methods to assist residential, commercial or industrial development. Where, in the Districts opinion, the public facilities of the development represent a significant public benefit, this type or other appropriate types of public financing will also be considered.

Public facilities proposed to be financed through a CFD or AD for which the District is the lead agency must meet a significant public need and have a regional benefit. To qualify as a significant public need, the residential development within each Improvement Area of the CFD or AD must have a minimum of one hundred (100) residential units. To qualify as having a regional benefit, the improvements will benefit more than the property being developed, or a minimum of seven million five hundred thousand dollars (\$7,500,000) of bond issuance amount. Such thresholds shall apply to each improvement area therein, as applicable. For commercial developments, the project will be reviewed on a case-by-case basis.

Nothing herein shall be construed as requiring the District to utilize public financing. All requests for such financing shall be reviewed on a case-by-case basis, and the District reserves the right in its sole and absolute discretion, to approve or deny any and all such requests.

Public financing will be permitted for potable water, recycled water, and sewer facilities whose useful life will be equal to or greater than the term of the bonds. Except for maintenance and operation of facilities being financed, the use of CFDs or ADs for funding of services shall not be permitted.

- B. The proposed development project must be consistent with the District’s Master Plan and have secured appropriate land use approvals from the appropriate agencies to allow for the implementation of the ultimate development of the area.
- C. Facilities, which are upon completion, owned, operated or maintained by public agencies, shall be considered public

facilities. Limited exceptions will be made for certain facilities to be owned, operated or maintained by private utilities.

- D. An appraisal of the property subject to any lien required to secure any public financing shall be required unless five (5) conditions are satisfied: (i) Assessed Value is such that the minimum value to lien ratio requirement is satisfied by using Assessed Value (ii) building permit for more than fifty percent (50%) of the residential units used in the revenue stream for the sizing of the bonds have been issued (iii) more than thirty percent (30%) of the residential units used for the revenue stream for the sizing of the bonds have closed to individual homeowners (iv) the CFD has active development and (v) delinquencies within the subject property does not exceed ten percent (10%). A minimum property value to lien ratio of four to one (4:1) (after installation of the public facilities being financed and including any overlapping assessment or CFDs) must be present pursuant to Premise 3 entitled "Bulk Land Value" as set forth in Section 2802 as determined by an M.A.I. appraisal, i.e., an appraisal conducted by a member of the Appraisal Institute in accordance with the standards of the Appraisal Institute. Exceptions may be granted for commercial, industrial and mixed-use development projects. The appraisal shall be reviewed by the District and shall be prepared as set forth in Section 2802, herein.
- E. On a case-by-case basis, an absorption study of the proposed development project shall be required for land secured financings. The absorption study shall be used as a basis for verification that proposed development is feasible and may be used to determine the appropriate timing for the sale of CFD bonds. Additionally, the projected absorption rates will be provided to the appraiser for use in the appraisal required in Paragraph D above.
- F. With regard to CFDs, the proposed rate and method of apportionment of the special tax shall comply with the following criteria:
1. The rate and method of apportionment shall not provide for an annually increasing maximum special tax for any classification. However, under limited circumstances an increase in the maximum special tax may be permitted by the District, not to exceed two percent (2%) annually.
 2. The total projected annual special tax revenues,

less estimated annual administrative expenses, must exceed the projected annual gross debt service on the bonds by ten percent (10%).

3. The projected annual special tax revenues shall include estimated annual administrative expenses and other direct costs to the CFD.
 4. The special tax shall be apportioned on the basis of benefit to all categories and classes of property within the CFD.
 5. A formula to prepay the special tax shall be provided for all developed properties subject to the special tax.
 6. The projected ad valorem property taxes levied and other property-based fees and charges on the proposed development project (including estimated direct and overlapping debt charges, CSA charges, projected benefit assessments, levies for authorized but unissued debt and any other anticipated municipal charges, which may be included on a property owner's annual tax bill), plus the proposed CFD maximum special tax projected to be levied, should not exceed two percent (2%) of the projected market value of each improved parcel at the time of the expected sale of property, fully constructed, to an end user.
 7. A backup special tax to protect against changes in densities resulting in insufficient annual special tax revenue to pay annual debt service and administrative expenses shall be required. The backup tax shall not be applicable to determining the projected two percent (2%) effective total tax burden identified in the previous paragraph.
- G. Each bond issue shall be structured to adequately protect bond owners and to not negatively impact the bonding capacity or credit rating of the District through some combination of credit enhancement, foreclosure covenant, special reserve fund or deposits and/or a contractual commitment major property owners or special taxpayers and successors to pay the special taxes or assessments during at least the first four (4) years of the bonds. Specifically:

1. A credit enhancement may be required. If the required credit enhancement takes the form of a letter of credit, credit enhancement shall be provided as set forth in Section 2803 herein.
 2. A foreclosure covenant shall be required to ensure that the District will initiate foreclosure proceedings against any delinquent taxpayer responsible for twenty percent (20%) or more of the CFD special tax levy within the next fiscal year after which such delinquency occurred.
 3. The district may require that capitalized interest on the initial series of bonds be funded from the proceeds of the bonds. Capitalized interest shall not exceed two (2) years, or a shorter period if further restricted by statute.
 4. A reserve fund equal to the lesser of 1) ten percent (10%) of the original principal amount of the bonds, 2) the maximum annual debt service payment, or 3) one hundred twenty five percent (125%) of the average annual debt service payment. The required reserve fund shall be funded from the proceeds of each series of bonds issued. A smaller reserve fund may be utilized, based on credit quality, market conditions, and investor preferences, in the event of a refunding of existing CFD bonds or where the initial CFD bonds are secured by substantially or fully developed property.
- H. The District shall require bond issues to be structured with approximately level debt service. To the extent that bonds are issued in series, individual series of bonds may have uneven debt service if the intent is to create level debt service at such time as all series of bonds are issued and to minimize the potential of a fluctuating annual special tax or assessment. Deviations from the foregoing policy will only be permitted under limited circumstances.
- I. The term of any individual series of CFD bonds shall not exceed thirty-one (31) years. The intent is to structure the debt with thirty-year terms but depending on the time of year the debt is issued it may be greater than thirty (30) year but always less than thirty-one (31) years. However, the term of CFD bonds under no circumstance shall exceed the term of the Annual

Special Tax.

- J. With respect to CFDs and ADs, full disclosure of the special tax or assessment lien shall be in compliance with applicable statutory authority. The District, in its sole judgment, may require additional property owner notification if it deems such disclosure will assist subsequent property owners to be made aware of the lien obligation. At any time, the District may provide written notice to a developer that it requires evidence of disclosure provided to potential homebuyer. Within ten (10) business days such developer must provide the requested disclosures.
- K. The District staff will perform an initial independent review of the proposed public financing and may make recommendations to the Board of Directors regarding the financial risk, impact on District's bonding capacity, economic feasibility and related issues. The proponents may be required to provide current and two prior years financial statements, preferably audited, and other materials to assist the Board in its fiscal review.
- L. The District shall select the bond counsel, underwriter, municipal advisor and other professionals and consultants it deems appropriate in accordance with District policy. An application to form a land secured financing must be completed in full, along with a minimum initial deposit of fifty thousand dollars (\$50,000) (or an amount determined by EVMWD as sufficient to fund all expenses associated with CFD formation) before any action will be taken by the District to process a land secured financing. Additional deposits may be required when initial deposit has been depleted. A minimum fee of five thousand dollars (\$5,000) will be charged District for all costs incurred to perform its analysis of the proposal and to pay for the costs of conducting the proceedings. Such amount shall be considered for reimbursement from CFD bond proceeds.
- M. All statements and materials related to the sale of special tax bonds (CFD) and improvement bonds (AD) shall emphasize and state that neither the faith, credit nor the taxing power of the District is pledged to the repayment of the bonds, nor is there an obligation of the District to replenish the reserve fund from revenue sources other than special taxes, annual assessments or proceeds from foreclosure proceedings.
- N. All contracts for public improvements to be owned, operated, or maintained by the District shall be solicited, let and

administered pursuant to current District rules and regulations.

- O. The District may, at its sole discretion, employ a financial consultant to assist the District in its fiscal review and all costs for consulting services will be borne by the proponent.
- P. The proponents will covenant that bond proceeds will be used and disbursed at times and in the manner as specified in the resolutions forming the financing districts and other such agreements entered into with the District.
- Q. After being reviewed by District staff, all proposed refunding or refinancing issues that satisfy industry standard minimum savings thresholds or other goals of the District will be submitted to the District’s Board of Directors for review with complete disclosure of the benefits and costs of the proposed refinancing. Bonds issued for refinancing purposes shall not extend the final year of repayment of the bonds being refinanced.
- R. Policy on Joint Community Facilities Agreement (JCFA).

- 1. The District will not enter into a JCFA with regard to a community facilities district or utility agreement (pursuant to Section 10110 of the Streets & Highways Code) with regard to a non-District initiated AD unless the following minimum requirements are satisfied by the proposed financing:

Paragraphs F-1, F-2, F-8, G-4, J of Section 2801 herein.

A processing fee of five thousand dollars \$5,000 will be collected prior to initiation of a joint community financing agreement. Bond proceeds may be used to pay for District fees.

An administrative review will be made by the District of all non-District initiated CFDs or AD subject to minimum requirements.

- 2. If the District and its related Districts are to:
 - a) own, operate, or maintain a majority of the facilities to be financed, or
 - b) be the single largest recipient of the facilities to be financed, or

c) own, operate, or maintain facilities having combined construction costs of five million (\$5,000,000) (including design, engineering, construction contingencies and related costs of the construction project) with regard to a non-District initiated CFD or AD, then the District will require that all of the District's policies deemed appropriate shall be adhered to before entering into a JCFA or a utility agreement.

All such requests shall be brought before the District's Board of Directors and will be reviewed in a similar manner as are District-initiated CFDs and ADs.

- S. The District works with interested agencies to develop CFDs and manage the issuance of bonds using the CFD financing mechanism. The District has the responsibility for the bond issuance process and administering the bond issue including authorizing and controlling all disbursements of bond proceeds.
- T. The District has the right to waive or modify any of the policies included herein if, in the Board's judgment, benefit inures to the ultimate property owners, the CFD or AD or to the District.

§ 2802. Criteria for Appraisals.

- A. Definition of Appraisal. An appraisal is a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.
- B. Standards of Appraisal. The format and level of documentation for an appraisal depend on the complexity of the appraisal problem. A detailed appraisal shall be prepared for complex appraisal problems. A detailed appraisal shall reflect nationally recognized appraisal standards, including, to the extent appropriate, the Uniform Appraisal Standards for Federal Land Acquisition. An appraisal must contain sufficient documentation, including valuation data and the appraiser's analysis of the data, to support his or her opinion of value. At a minimum, the appraisal shall contain the following items:
 - 1. The purpose and/or the function of the appraisal, a definition of the estate being appraised, and a

statement of the assumptions and limiting conditions affecting the appraisal.

2. An adequate description of the physical characteristics of the property being appraised, location, zoning, present use, an analysis of highest and best use.
 3. All relevant and reliable approaches to value consistent with commonly accepted professional appraisal practices. If a discounted cash flow analysis is used, it should be supported with at least one other valuation method such as a market approach using sales that are at the same stage of land development. If more than one approach is utilized, there shall be an analysis and reconciliation of approaches to value that are sufficient to support the appraiser's opinion of value.
 4. A description of comparable sales, including a description of all relevant physical, legal and economic factors such as parties to the transaction, source and method of financing, and verification by a party involved in the transaction.
 5. A statement of the value of the real property.
 6. The effective date of valuation, date of appraisal, signature and certification of the appraiser.
- C. Conflict of Interest. No appraiser or review appraiser shall have any interest direct or indirect in the real property being appraised for the agency that would in any way conflict with the preparation or review of the appraisal. Compensation for making an appraisal shall not be based on the amount of the valuation.
- D. AD or CFD Appraisal Premises. The valuation of proposed AD or CFD should be based on three premises:
1. Raw Land Value. (Premise #1). The total land within the project is valued "as is"
 - with any existing infrastructure
 - without proposed infrastructure being

financed

- with existing parcel configuration
- considering planned densities allowed by the specific plan of the project

This is a typical type of land valuation.

2. Project Buildout Value. (Premise #2). The total land within the project is valued under projected conditions.

- with proposed infrastructure being financed completed
- at the planned densities allowed by the specific plan
- land development is at the stage of being marketed to merchant builders or tentative tract maps ready to be filed

This is a projected value based on project plans predicated on market conditions continuing as projected.

3. Bulk Land Value. (Premise #3). The total land within the project is valued under projected conditions:

- with proposed infrastructure being financed completed
- with existing parcel configuration
- considering planned densities allowed by the specific plan of the project

This premise should consider a discounted or “quick sale” valuation considering time, costs and the possibility of a per unit value based on the total size of the project.

§ 2803. Policy on Credit Enhancement.

A. With regard to the formation of either a CFD pursuant to the

Mello-Roos Community Facilities Act of 1982, as amended, or an AD pursuant to the Municipal Improvement Act of 1913, as amended, if a person or persons owning property within the proposed boundaries of a district will be responsible for payment of thirty-three (33%) or more of the total annual special tax or special assessment to be levied, then said property owner or owners will be required to provide a letter of credit naming the District as beneficiary. The letter of credit is to have an original term of one year, be subject to automatic annual renewals and to be in an amount equivalent to the gross debt service on the bonds allocable to the person's property for the current fiscal year and the succeeding fiscal year. The amount of the letter of credit will be proportionately reduced as the property owner sells portions of his or her property and will terminate when his or her property holding has an annual special tax or special assessment liability below thirty-three (33%). New property owners responsible for thirty-three (33%) or more of the total annual special tax or special assessment will be required to provide a substitute letter of credit under the same terms and conditions as described herein.

When a letter of credit is required, the letter of credit must be provided on or before the date of the delivery of the bonds and an irrevocable credit commitment, commitment letter or in-lieu letter of credit guarantee will not be accepted irrespective of whether capitalized interest is funded from bond proceeds.

SECTION 2850. INVESTMENT POLICY

(M-3973, M-4125, M-4420, M-4482, M-4607, M-4684, M-4831, M-5020, R-18-06-02, M-5536, M-5711, M-5840)

§ 2851. Scope.

EVMWD pools all cash for investment purposes. This policy is applicable to all EVMWD funds.

§ 2852. Objective.

The primary objectives, in priority order, of investment activities shall be:

- A. Safety. Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
 1. Credit Risk. Credit Risk is the risk of loss due to the failure of the security issuer or backer. Credit Risk may be mitigated by:
 - Limiting investments to the safest types of securities;
 - Pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which an entity will do business; and
 - Diversifying the investment portfolio so that potential losses on individual securities will be minimized.
 2. Interest Rate Risk. Interest Rate Risk is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. Interest Rate Risk may be mitigated by:
 - Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and
 - By investing operating funds primarily in shorter-term securities.

- B. Liquidity. The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).
- C. Yield. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

§ 2853. Standards of Care. (M-5118)

- A. Prudence. The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.
- B. Ethics and Conflicts of Interest. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment

transactions with the same individual with whom business is conducted on behalf of the District.

- C. Delegation of Authority. Authority to manage the investment program is granted to the General Manager. Responsibility for the operation of the investment program is hereby delegated to the Assistant General Manager - Business Services or his/her designee, who shall carry out established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking services contracts. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Assistant General Manager - Business Services or his/her designee.

The General Manager and Assistant General Manager - Business Services or his/her designee are responsible for qualifying and establishing relationships with investment managers. The investment manager is expected to respect and observe the specific limitations, investment guidelines, attitudes and philosophies stated within this Investment Policy or expressed in any written amendments or instructions.

§ 2854. Safekeeping and Custody (M-5118)

- A. Internal Controls. The Assistant General Manager - Business Services or his/her designee is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the Assistant General Manager - Business Services or his/her designee shall establish a process for annual independent review by an external auditor to assure

compliance with policies and procedures. The internal controls shall address the following points:

1. Control of collusion. Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
2. Separation of transaction authority from accounting and record keeping. By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
3. Custodial safekeeping. Securities purchased from any bank or dealer including appropriate collateral (as defined by State Law) shall be placed with an independent third party for custodial safekeeping.
4. Avoidance of physical delivery securities. Book entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
5. Clear delegation of authority to subordinate staff members. Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
6. Written confirmation or telephone transactions for investments and wire transfers. Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions should be supported by written communications and approved by the appropriate person, unless other internal controls are in place that will preclude the occurrence of improprieties or misuse of funds. Written communications may be via fax if on letterhead and the safekeeping institution has a list of authorized signatures.
7. Development of a wire transfer agreement with the lead bank or their party custodian. This agreement

should outline the various controls, security provisions, and delineate responsibilities of each party making and receiving wire transfers.

- B. Delivery vs. Payment. All trades where applicable will be executed by Delivery vs. Payment (DVP). This ensures that securities are deposited in the eligible financial institution prior to the release of funds. Securities will be held by a third party custodian as evidenced by safekeeping receipts. The only exceptions to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit and (iii) mutual funds and money market mutual funds, since these securities are not deliverable.

§ 2855. Suitable and Authorized Investments. (M-3494, M-4321, M-5118, M-5536, R-18-06-02)

A. Investment Types Allowed by State Law.

1. State and Local Agencies.

Introduction: These bonds, notes, warrants or other evidences of indebtedness of any local or State Agency, including a District's own bonds, within the State of California. This includes bonds payable solely out of the revenues from a revenue producing property owned, controlled or operated by the local or state agency, or by a department, board, agency, or authority of the local agency or state.

Definition: These are generally made up of Improvement Act bonds and each issue has various fixed maturities and interest rates.

Legal Authority: Section 53601 (a, c, d, e) of the Government Code authorizes local and state agencies to purchase these bonds with no limitations as to the amount that can be owned.

Characteristics: Bonds issued are registered and generally have interest paid twice a year for fixed rate bonds and more frequently for floating rate bonds. Each issue will have bonds of varying maturities with a fixed or floating interest rate that tends to increase along with the maturity. These types of issues are generally at a lower interest rate than other

instruments due to their low risk. This policy allows investments in these securities beyond 5 years.

2. U.S. Treasuries.

Introduction: These are instruments in which the full faith and credit of the United States Government is pledged.

Definition: U.S. Treasuries include Treasury Bills, Treasury Bonds, and Treasury Notes.

Legal Authority: Section 53601 (b) of the Government Code authorizes local agencies to purchase U.S. Treasuries with no limitations as to the amount that can be owned of each.

Characteristics: Treasuries can be issued in discount form for securities with maturities of one year or less. Maturities on these issues can be from just a few days to thirty years. These securities have perceived differences in quality and consequently each can trade at a different yield from the other.

3. Specified Federal Agencies.

Introduction: This category includes securities issued by federally owned or sponsored agencies that have the backing of the full faith and credit of the Federal Government or are fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. These securities are very liquid and marketable and they offer a wide range of available maturities. These securities are considered to be the safest investment next to Treasury Instruments.

Definition: Bank obligations in this category are limited to certain federally owned or sponsored agencies such as Banks of Cooperatives, Federal Land Banks, Federal Intermediate Credit Banks, Federal Farm Credit Bank (FFCB) and Federal Home Loan Banks (FHLB). Also included are obligations, participations, or other instruments of, issued by, or fully guaranteed by the Federal National Mortgage Assoc. (FNMA), Federal Home Loan Mortgage Corp. (FHLMC), guaranteed portions of Small Business

Administration notes, and obligations, participations, or other instruments of, or issued by, a federal agency or a United States government-sponsored enterprise.

Legal Authority: Section 53601 (f) of the Government Code allows public agencies to invest in obligations issued by banks.

Characteristics: Securities issued by the Government National Mortgage Association GNMA are guaranteed by the Federal government and it is a general belief that the other agencies carry an “implied” guarantee. As with treasuries, agencies securities can be issued in discount form for securities with Maturities of one year or less. Maturities on these issues can be from just a few days to thirty years. While all of these securities are classified as agencies, there are perceived differences in quality and consequently each will trade at a different yield from each other and treasuries. Issues of the GNMA, because of the government guarantee, are considered the safest of the agencies, typically followed by issues of the Federal Farm Credit System, the FHLB, and finally the FNMA and FHLMC.

4. Bankers’ Acceptances.

Introduction: Bankers’ acceptances (BA’s) are a suitable short-term investment because they provide an attractive yield and they are considered a relatively safe and liquid investment.

Definition: A BA is a time draft drawn on and accepted by a bank for payment of the shipment or storage of merchandise. The initial obligation of payment rests with the drawer, but the bank substitutes its credit standing for that of the borrower and assumes the obligation to pay ace value at maturity.

Legal Authority: Section 53601 (g) limits investments in this category to those Bankers’ Acceptances which are eligible for purchase by the Federal Reserve System and not exceeding 180 days maturity from the date of settlement. In addition, no more than 40% of the District’s surplus funds may be invested in BA’s and no more than 30% may be invested in any one bank. *(Minutes 06/28/01)*

Characteristics: BA's are issued in bearer form and are a discount instrument. Normal trading blocks are \$5 million, but the odd lot market is active. The majority of BA's are created with a 90-day maturity and rarely extend over 180 days. Since BA's are a "two-name paper" they are perceived to be the safest of bank obligations. During the past 70 years in which BA's have been actively traded in U.S., no loss of principal has been documented. For the most part, banks include a service charge for BA's which generally reduces the yield to a level too low for the District to benefit.

5. Commercial Paper.

Introduction: Commercial paper consists of promissory notes of large business concerns of high credit standing, usually maturing in four to six months. These Corporate I.O.U.'s are bought and sold in the open market. Large companies raise short term capital needs with this type of instrument.

Definition: Commercial Paper is a short term I.O.U. issued by large corporations for a fixed short period of time. It is unsecured and issued on a continuous basis.

Legal Authority: Section 53601 (h) of the Government Code allows public agencies to invest in only "prime" quality commercial paper issued with the highest rating provided by Moody's Investors' Service, Inc. (Moody's), or Standard and Poor's Corporation (S&P), or Fitch Financial Services (Fitch). Eligible paper is further limited to issuing corporations: (1) organized and operating within the United States; (2) having total assets in excess of \$500 million dollars and (3) having an "A" or higher rating for the issuers debt, other than commercial paper, if any, as provided for by Moody's, S&P or Fitch or commercial paper issued by other entities that meet the following criteria: (1) the issuer is organized within the United States as a special purpose corporation, trust, or limited liability company; (2) the securities must have program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond and (3) the securities are rated "A-1" or its equivalent or higher by at least one NRSRO. Commercial paper maturities may not exceed 270 days from the date of

settlement and must not represent more than 10% of the outstanding paper of the issuing corporation. In addition, the amount invested in this type of instrument cannot exceed 25% of the total funds available to the District. Under a provision sunsetting on January 1, 2026, no more than 40% of the portfolio may be invested in commercial paper if assets under management are greater than \$100,000,000. (*Minutes 06/27/02*)

Characteristics: Commercial paper is normally issued in multiples of \$100,000. About one-half of the outstanding commercial paper is sold directly by the borrowers and one-half is sold through dealers. Maturities can extend as far as 270 days from the date of settlement, but are generally kept at 90 days or less. Commercial paper can be issued on a discount or an interest bearing basis.

6. Non-negotiable Certificates of Deposit

Introduction: Non-negotiable Certificates of Deposit (CD's) can be attractive investments because they offer competitive yields, a wide range of Maturities, and a relatively high degree of safety if they are collateralized, insured, and/or issued by a financial institution of high quality.

Definition: A non-negotiable CD is an instrument evidencing a deposit with a financial institution for a fixed period of time and normally for a fixed rate of interest. They can be collateralized with securities or mortgages or, if issued in denominations of \$100,000 or less, they can be insured by the Federal Deposit Insurance Corporation if issued by a bank, or the Federal Savings and Loan Insurance Corporation if issued by a savings and loan association.

Characteristics: Non-negotiable CD's purchased pay interest at least quarterly. Maturities are typically one year or less. Because they are non-negotiable, they are not liquid and cannot be sold or redeemed prior to maturity without suffering a loss of interest. They can be written for any amount but must be deposited for at least 7 days.

7. Negotiable Certificates of Deposit

Introduction: New York Bank began issuing CD's in 1961 in an attempt to attract deposits from the national market. Immediately, a secondary market developed for buying and selling these instruments.

Definition: A CD is a negotiable instrument evidencing a time deposit with a bank at a fixed rate of interest for a fixed period. CD's of this type are not collateralized and should be considered an unsecured deposit.

Legal Authority: Section 53601 (i) of the Government Code allows public agencies to invest a maximum of 30% of surplus funds in the CD's of state or federal associations or state licensed foreign banks. Section 53638 stipulates that negotiable CD's may not exceed the shareholder's equity of the bank, and that the amount of CD's purchased from a state or federal association may not exceed the total of the net worth of that association unless the purchase amount is less than \$500,000.00 and the deposits are insured or secured as required by law.

Characteristics: CD's are coupon bearing, which pay interest at maturity if less than a year; if not, they generally will pay interest semi-annually. The majority of CD's are issued in the 30 to 90 day range. Negotiable CD's normally are issued in blocks of \$5 million but can be bought in pieces of \$1 million.

8. Repurchase Agreements. (M-3494)

Introduction: Repurchase Agreements (Repos) are one of the most flexible investments available to invest short-term funds and when proper guidelines are followed, are relatively safe.

Definition: A Repo involves two simultaneous transactions. One transaction involves the sale of securities (collateral) by a borrower of funds, typically a bank or broker/dealer in governments or agencies, to a lender of funds. The lender can be any investor with cash to invest. The second transaction is the commitment by the borrower to repurchase the

securities at the same price plus a predetermined amount of interest on an agreed future date.

Legal Authority: Section 53601 (j) of the Government Code permits Repos in any security that is allowed for purchase as defined in that same section of the Code and for a term that does not exceed one year, and with collateralization of 102 percent.

Characteristics: Repos can be entered into with any amount of dollars, including odd amounts. They are typically for very short periods, often one day, but it is not unusual for Repos to be for periods of up to 180 days, and occasionally longer. Any type of security can be used as collateral but most often government or agency's securities are utilized. There are minimal risks involved in a Repo transaction if the collateral is priced properly. Caution should be used for Repos of greater than 30 days so that market changes do not substantially change the value of the collateral.

9. Medium Term Corporate or Bank Notes

Introduction: Medium term Notes (MTN's) were initially issued by General Motors Acceptance Corporation (GMAC) in 1972. They have become a more prevalent investment since 1982 when the SEC removed some restrictions that had previously hindered their sale.

Definition: A medium Term Note is a promise to pay issued by a corporation or a bank at a fixed interest rate for a fixed period of nine months to fifteen years. Most are unsecured although some are collateralized or carry other credit enhancements such as letters of credit.

Legal Authority: Section 53601 (k) of the Government Code allows public agencies to invest a maximum of 30% of surplus funds in the MTN's for a maximum maturity of five years from the date of settlement. The notes must be issued by a U.S. corporation or by a depository institution licensed by the United States or any state. To minimize risk, the notes must be rated in a rating category of "A" or better by a nationally recognized rating service, like Moody's. or S&P, etc.

Characteristics: MTN's are generally issued in minimum amounts of \$25,000 or \$100,000 and integral amounts of \$1,000. Interest is calculated on a 30 day month, 360-day year basis and paid semi-annually on two pre-established dates. Floating rate MTN's can pay interest monthly, quarterly or semi-annually. Yields on MTN's will normally exceed those on treasuries with comparable maturities by about 10 to 75 basis points. Levels of interest rates, maturities, the quality of each issue, and supply and demand factors will affect available yields.

10. Designated Mutual Funds

Introduction: Mutual Funds were set up in order to combine funds from many sources in order to purchase "blocks" of funds or shares in the stock market. This allows small investors to take advantage of the rates and prices in the larger offerings.

Definition: These are companies that are defined under IRS Code, 26 U.S.C. 851, which are typically mutual funds that make diversified investments for their shareholders.

Legal Authority: Section 53601 (l) of the Government Code authorizes investments in mutual funds as long as the mutual companies are investing only in those securities and obligations otherwise authorized for direct investment by public agencies, including the securities and obligations as authorized by Section 53601 subdivisions (a) through (k) and subdivisions (m) through (o). Additionally, these companies must have attained the highest rating provided by at least two of the three largest nationally recognized rating services, or have an investment advisor registered with the SEC with assets under management in excess of \$500 million and with at least five (5) years' experience investing in statutorily permitted securities. Investments in this category are also limited to 20% of total funds available and no more than 10% may be invested in any one mutual fund with the following exceptions.

Up to 20% of investments in this category may be invested in a Government Money Market Mutual Fund. Moneys held by a trustee or fiscal agent and

pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

11. **Asset-Backed Securities (ABS)**

Definition: Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

Legal Authority: Section 53601(o) of the Government Code allows public agencies to invest in equipment lease-backed certificates, consumer receivable-backed bonds, or other pay-through bonds rated in a rating category of “AA” or its equivalent or higher by a nationally recognized statistical ratings organization (NRSRO) and with a maximum maturity of five years from the date of settlement.

12. **Mortgage Backed Securities**

Introduction: Congress created three agencies of the U.S. Government to increase liquidity in the secondary mortgage markets and thus increase the supply of capital available for residential housing loans. Those agencies are the Federal National Mortgage Association (FNMA), the Government National Mortgage Association (GNMA) and the Federal Home Loan Mortgage Corporation (FHLMC). In June 1983 they initiated collateralized mortgage obligation (CMO) securities in order to reduce the terms on mortgage securities.

Definition: Mortgage Backed Securities are guaranteed by the issuing U.S. Government agency and are collateralized by the home loans which create the mortgage pool.

Legal Authority: As of January 1, 1993, Section 53601 (o) of the Government Code allows public agencies to invest in mortgage pass-through and mortgage backed securities - rated in a rating category of “AA” or better by a nationally recognized rating service.

Characteristics: Collateralized Mortgage Obligations (CMO’s) are issued in amounts of \$100,000 or more and for a term of up to five years. Interest is paid on the fifteenth day of each month. They generally have a pay-down window the last 4-6 months when large blocks of principal are paid each month along with the interest until maturity.

13. Supranational Obligations

Introduction: A supranational organization is formed by a group of countries through an international treaty with specific objectives, such as promoting economic development. Supranational organizations also issue debt in the United States. The most commonly recognized supranational debt is issued by the International Bank for Reconstruction and Development (IBRD or World Bank).

Definition: Securities issued by supranational organizations include benchmark bonds, global bonds, structured notes, plain fixed and floating rate notes, discount notes as well as green bonds

Legal Authority: Section 53601 (q) allows local agencies to invest in bonds issued by one of three supranationals: World Bank, International Finance Corporation (IFC) and InterAmerican Development Bank (IADB), which were established by international treaties, incorporated into U.S. Federal law by Congressional Acts and headquartered in Washington, D.C. Currently, these entities carry the highest credit ratings (AAA) based on their financial structure, policies, performance and capital support from shareholders.

14. Local Government Investment Pools

Introduction: Local Government Investment Pools (LGIPs) allow local governments to pool funds for

investment purposes. By pooling funds, participating governments benefit from economies of scale, full-time portfolio management, diversification, and liquidity (especially in the case of pools that seek a constant net asset value of \$1.00).

Definition: Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (q), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority.

Legal Authority: Per section 53601 (p), to be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

- (1) The adviser is registered or exempt from registration with the Securities and Exchange Commission.
- (2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive.
- (3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

15. Local Agency Investment Fund

Introduction: The Local Agency Investment Fund allows local government agencies to obtain higher yields through pooling surplus cash with State surplus cash balances creating a multi-billion dollar money pool and enabling investment in diversified instruments.

Definition: The Local Agency Investment Fund (LAIF) is a special fund in the State of California Treasury created by law. The law permits local government agencies (cities, counties, and special districts) to pool idle monies in this fund and utilize the trained

personnel in the State Treasurer's Office for its investment.

Legal Authority: Section 16429.1 of the Government Code authorizes local agencies to invest through LAIF. The LAIF Governing Board has set a maximum limit of Seventy-five Million Dollars (\$75,000,000) per agency.

Characteristics: Local agencies can transfer monies to LAIF using their own established bank accounts at Bank of America, Wells Fargo Bank, First Interstate Bank, Bank of California, Sanwa Bank, and Union Bank. Deposits in LAIF can be converted to cash within twenty-four hours or less with no penalty. There can be no more than fifteen transactions (transfers in or out) per month.

16. Passbook Savings Account

Introduction: Passbook Savings Accounts allow an agency to earn interest on idle funds until such time as they can be invested.

Definition: A Passbook Savings Account is a savings account at a bank which earns a rate of interest set by the bank.

Characteristics: The local agency can arrange to make telephone transfers between their checking account and savings account. Funds in the savings account can earn interest while accumulating to an amount to be invested or until needed for normal cash flow requirements.

17. Prohibited Investments

Government Code 53601, as amended in 1995 by SB 866, Chapter 784 of the 1995 Statutes, prohibits a local agency from investing in any of the following: Inverse floaters, range notes, or mortgage-derived interest only strips. Securities that could result in zero interest accrual if held to maturity, (under a provision sunsetting on January 1, 2026, securities backed by the U.S. Government that could result in a zero- or negative-interest accrual if held to maturity are permitted.) However, this limitation does not apply to

shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1). Investments in cryptocurrency are prohibited. The purchase of a security with a forward settlement exceeding 45 days from the time of the investment is prohibited.

B. Investment Types Allowed by State Law and the District.
(M-4321, M-5118, R-18-06-02, M-5711, M-5840)

| <u>Investment Type</u> | <u>Code 53601 et seq</u> | <u>District Policy</u> |
|------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| State & Local Agencies District's Own Bonds | (a) No Limits | 10% of Funds, based upon revenues with Board approval 30 years (<i>Minutes 6/14/2000</i>) |
| State Instruments | (c) Warrant, Notes/Bonds | 10% of Funds, 5 years |
| Other Local Agency Inst/ | (e) Within Calif. Only | 40% of Funds, 30 years |
| U.S. Treasuries | (b) Notes, Bonds, Bills | No Limit |
| Specified Federal Agencies | (f) No Limit | 50% of Funds |
| Banker's Acceptances | (g) 40% of Total Funds, 180 days max. | 10% of Funds, 180 days max |
| Commercial Paper | (h) 25% of Funds, 40% if AUM >\$100M 270 day term A-1 Rated | 10% of Funds, 270 days A-1 Rated |
| Certificate of Deposit (CD's) | | |
| Non-Negotiable | (m) No Limit | 10% of Funds |
| Negotiable | (i) 30% of Funds | 10% of Funds |
| Repurchase Agreement | (j) 1 Year or less | 5% of Funds, 90 days |
| Reverse Repurchase Agrmnt | (j) 20% of Funds, 92 days max. | Not Allowed |
| Medium Term Corporate or Bank Notes | (k) 30% of Funds, A Rated | 30% of Funds, Under 5 years, A rated. |
| Designated Mutual Funds | (l) 20% of Funds AAA Rated | 20% of Funds, AAA rated |
| Secured Notes, Etc. | (n) Depends on Security | Not Allowed |

| | | |
|--------------------------------------------------------|-------------------------------------|----------------------------------|
| Asset-Backed Securities and Mortgage Backed Securities | (o) 20% of Funds, AA rated, 5yr max | 20% of Funds, AA rated, 5 yr max |
| Supernational Obligations | (q) 30% of Funds, AA rated, 5yr max | 10% of Funds AA rated, 5yr max |
| Local Government Investment Pools (LGIPs) | (p) No Limit | (p) No Limit |
| Local Agency Inv. Fund (LAIF) | \$75,000,000 max | \$75,000,000 max |
| Passbook Savings | Not Applicable | No Limit |
| Inverse Floaters, Range Notes, Interest Only Strips | Prohibited as per Code 53601 | Not Allowed |

C. Collateralization

In accordance with state law, full collateralization will be required on certificates of deposits, and collateralization of 102% will be required on repurchase agreements.

D. Repurchase Agreements

Special caution should be exercised in selecting parties with whom the District will conduct repurchase transactions.

§ 2856. Investment Parameters. (M-3494, M-4321, M-5118, M-5840)

A. Diversification

The investments will be diversified by security type and institution.

B. Maximum Maturities

The final maturity from the date of settlement is limited to five years with the exception of US Treasuries and Agencies, which have a maximum maturity of 30 years. To the extent possible, attempts will be made to match investments with anticipated cash flow requirements.

Reserve funds may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide nearly as practicable with the expected use of funds. The ability of investing these types of funds should be disclosed to the Board of Directors including appropriate time restrictions disclosed, if any apply.

C. Portfolio Percentage Limitations

The District shall ensure that all categories of investments are maintained within the allowable portfolio percentage limitations. Should an investment percentage of portfolio limitation be exceeded due to an incident such as a fluctuation in portfolio size, the affected securities are not required to be sold. In the event a limitation is temporarily exceeded, the Assistant General Manager - Business Services or his/her designee shall take the appropriate action to rebalance the portfolio.

D. Portfolio Adjustments

Should a security held in the portfolio be downgraded below the minimum criteria required for purchase in this Policy, the following steps will be taken:

- The Assistant General Manager will use discretion in determining whether to sell or hold the security based on its current maturity, the economic outlook for the issuer, and other relevant factors.
- If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the Governing Body.

§ 2857. Reporting. *(M-1710, M-5118)*

A. Methods

The Assistant General Manager - Business Services or his/her designee shall prepare an investment report at least quarterly, including a succinct management summary that provides a clear picture of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow the Board of Directors to ascertain whether investment activities during the reporting period have conformed to the investment policy, and will be provided to the Board within 45 days after quarter end. The report will include the following:

1. A listing of individual securities held at the end of the reporting period by maturity date.
2. The cost, par, and market value of securities, as well as the market value weighted average.

3. Unrealized gains and losses resulting from fluctuations in market value, and the issuer of the investment.
4. Average weighted yield to maturity of portfolio on existing investments.
5. The percentage of the total portfolio with each type of investment represents.
6. Statement of compliance of investments with the investment policy, or the manner in which the investments are not in compliance.
7. Statement denoting the ability of the District to meet its expenditures requirements for the next six months or an explanation as to why sufficient money will not or may not be available.

B. Performance Standards.

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. Portfolio performance should be compared to appropriate benchmarks on a regular basis.

C. Marking to Market.

A statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that the minimal amount of review has been performed on the investment portfolio in terms of value and subsequent price volatility.

§ 2858. Policy Adherence.

A. Exemption.

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

B. Amendment.

This policy shall be reviewed on an annual basis. Any changes must be approved by the Board of Directors

SECTION 2860. DEBT MANAGEMENT POLICY**§ 2861. Debt Management Policy.** *(M#5034)*A. Introduction.

The District's overriding goal in issuing debt is to respond to and to provide for the infrastructure and capital project needs of its customers while ensuring that debt is issued and managed prudently in order to maintain a sound fiscal position and protect credit quality. The District issues debt instruments, administers District-held debt proceeds and makes debt service payments, acting with prudence, diligence, and attention to prevailing economic conditions. This policy documents the District's goals for the use of debt instruments and provides guidelines for the use of debt for financing the District infrastructure and project needs.

Debt will be used to finance projects (i) if it meets the District's goal of equitable treatment of all customers, both current and future, (ii) if it is cost-effective to the District, and (iii) if it is fiscally prudent, responsible, and diligent under the prevailing economic conditions. The District will endeavor to pay for all infrastructure and other projects from an appropriate combination of current revenues, available reserves, and prudently issued debt.

The District's debt management policy is designed to:

- Establish parameters for issuing debt;
- Provide guidance to decisions makers;
- Document the objectives to be achieved by staff both prior and subsequent to issuance;
- Promote objectivity in the decision-making process; and
- Facilitate the financing process by establishing important policy decisions in advance.

The District will adhere to the following legal requirements for the issuance of public debt:

- State law authorizing debt issuance;
- Federal and state laws and regulations governing taxable and tax-exempt debt;

- Federal and state securities laws and regulations governing disclosure, sale and trading of debt instruments.

B. General Management Policies

In recognition of periodic changes in the cost of providing service to system users, service costs and fees will be reviewed annually and adjusted as necessary.

Any proposed adjustments to existing rates, fees and charges will be presented at public meetings.

All District debt proceeds will be invested according to the Annual Statement of Investment Policy of the District and according to the issuing debt documents.

Necessary funding requirements for annual debt service requirements will be included in the District's annual budget.

The District will maintain proactive communication with the investment community, including rating agencies, credit enhancers, reporting agencies, and investors, to maximize future capital market access at the lowest possible rates.

C. Financial Management Policies

The District evaluates each capital project in relation to established levels of reserves, current rate structure, expected asset life/replacement timeline, available revenue sources, and other priorities. The District strives to ensure that adequate financial resources are available to support the District's financial obligations.

The following policies outline the District's approach to debt management.

The District will evaluate financing for each capital project on a case-by-case basis.

The District will seek to pay for all capital projects from current revenues and available reserves prior to or in combination with the use of debt.

The District will issue debt when there is an identified source of repayment. Debts will be issued to the extent that (i) projected future revenues are sufficient to pay for the proposed debt service together with all existing debt service covered by such fixed revenues, or (ii) additional projected revenues have been identified as a source of repayment in an amount sufficient to pay for the proposed debt.

User Fees and Water Rates will be set in compliance with State law at adequate fair and nondiscriminatory levels. Fees and rates must generate sufficient revenues to pay all Operating and Maintenance costs, to maintain sufficient operating and rate stabilization reserves, maintain balances in the rate stabilization fund and to pay any debt service costs.

Connection Fees will be maintained at a level sufficient to finance a portion of growth-related capital costs and cover related annual debt service requirements.

To the extent permitted by law property taxes may be also utilized to finance a portion of annual debt service payments.

D. Debt and Capital Management Debt Policies

The following policies formally establish parameters for evaluating, issuing, and managing the District's debt. The policies outlined below are not intended to serve as a list of rules, but rather to serve as a set of guidelines to promote sound financial management.

1. Standards for Use of Debt Financing. When appropriate, the District will use long-term debt financing to: achieve an equitable allocation of capital costs/charges between current and future system users; to provide more manageable user rates in the near and medium term; and to minimize user rate volatility.

For growth-related projects, debt financing will be utilized, as needed, to better match the cost of anticipated facility needs with timing of expected new connections to the system and to better spread the costs more evenly between current and future users.

For betterment repair and replacement projects, debt financing may be used to better match the anticipated need and costs with available funds on hand.

Capital projects financed through debt issuance will not be financed for a term longer than the expected useful life of the facility permitted by the Internal Revenue Service. The debt repayment period, as well as the outstanding principle balance, should be less than or equal to the useful life and depreciated value of the related capital improvements.

Lease Agreements, Installment Sale Agreements and Certificates of Participation shall be considered as alternative forms of long-term debt. Although these forms of alternative financing are subject to annual funding requirements, they shall be treated as long-term debt until maturity.

2. Financing Criteria. Each debt issuance should be evaluated on an individual basis within the framework of the District's long-term financial plan, as well as within the context of the District's overall financing objectives and current market conditions.

The District will evaluate alternative debt structures (and timing considerations), selecting the structure that best meets the District's needs based on prevailing market and infrastructure conditions.

Credit Enhancement. The District will consider the use of credit enhancement on a case-by-case basis, and use it only when clearly demonstrable savings can be realized.

Cash-Funded Reserve vs. Surety. The District may purchase a surety policy or replace an existing cash-funded Debt Service Reserve Fund when deemed prudent and advantageous. The District may use guaranteed investment agreements and other investment tools legally available for the investment of reserve funds pledged to the repayment of any District debt. Debt service investments will be reviewed and approved by the Board of Directors.

Call Provisions. The District securities should evaluate the cost in relation to the benefits associated with issuing debt with optional call provisions. In many cases the District should avoid the sale of non-callable, long-term fixed rate

debt, but each new issue should be evaluated based on all market factors.

Additional Bonds Test/Rate Covenants. The amount and timing of debt will be planned to comply with the additional bonds tests and rate covenants outlined in Resolution 1108 (the Master Resolution), or the appropriate legal and financing documents, and these policies.

Short-Term Debt. The District may utilize short-term borrowing to serve as a bridge for anticipated revenues, construction financing or future debt capacity.

Use of Variable Rate Debt. The District should evaluate market factors before using variable rate debt. Variable rate debt should only be issued if it can be converted to a fixed rate. If it is not convertible the District should consider hedging its variable rate position, establishing an interest rate cap, or other appropriate means to limit the maximum interest amount owed by the District.

Use of Swaps & Derivatives. The use of any swap agreement in conjunction with the issuance or management of debt instruments will be governed by the District's Swap Policy.

Investment of Debt Proceeds. Debt proceeds will be invested in accordance with the permitted investment language outlined in the debt documents for each transaction, unless further restricted or limited in the District's Investment Policy. The District will seek to maximize investment earnings within the investment parameters set forth in the respective debt financing documentation. The reinvestment of debt proceeds will be incorporated into the evaluation of each financing decision. Arbitrage and potential arbitrage rebates should be considered when making investment decisions. Alternative debt structures should be evaluated. Refunding savings on a "net" debt service basis, should be considered where appropriate.

3. Refinancing and Outstanding Debt. The District shall have the responsibility to evaluate potential refunding opportunities presented by its financial advisor. The District should consider the following when analyzing potential refinancing opportunities:

Debt Service Savings. The District's minimum target savings level is 3% of the par amount refunded on a net present value (NPV) basis. NPV savings should be evaluated on a case-by-case basis, and should take into consideration:

- the value of the call option,
- the time to maturity,
- size of the issue,
- current interest rate environment,
- annual cash flow savings.

The decision to take all savings upfront or on a deferred basis must be explicitly approved by the Board of Directors.

Restructuring. The District may seek to refinance a debt issue on a non-economic basis, in order to restructure debt, to mitigate irregular debt service payments, accommodate revenue shortfalls, release reserve funds, comply with and/or eliminate rate/debt covenants, terminate a swap, or for other reasons as approved by the Board.

Term/Final Maturity. The District may consider the extension of the final maturity of the refunding debt in order to achieve a desired outcome, provided that such extension is legal. The term of the debt should not extend beyond the reasonably expected useful life of the asset being financed. The District may also consider shortening the final maturity of the debt. The remaining useful life of the assets and the concept of inter-generational equity should guide these decisions.

Escrow Structuring. The District shall utilize the most cost effective securities available in structuring each escrow. If purchased from a third party agent who is not acting as a broker-dealer, a certificate is required stating that the securities were purchased through an arms-length, competitive bid process (in the case of open market securities), that such securities were more cost effective than State and Local Government Series Securities (SLGS), and that the price paid was reasonable and within Federal rules and regulations.

When evaluating the economic viability of an economic versus legal defeasance, the District shall take into consideration both the financial impact on a net present value basis as well as the rating/credit impact. The District

shall take all necessary steps to optimize the yield on its refunding escrow investments, while attempting to avoid negative arbitrage to the extent permitted by Federal rules and regulations.

4. **Method of Issuance.** The District will determine, on a case-by-case basis, whether to sell its debt competitively or through negotiation.

Competitive Sale. In a competitive sale, the District's debt shall be awarded to the bidder providing the lowest true interest cost ("TIC"), as long as the bid adheres to requirements set forth in the official notice of sale.

Negotiated Sale. The District recognizes that some securities are best sold through negotiation. In consideration of a negotiated sale, the District shall assess the following alternatives:

- Issuance of variable rate or taxable debt;
- Complex structures or credit considerations (such as non-rated debt), which require a strong pre-marketing effort. Significant par value, which may limit the number of potential bidders. Unique/ proprietary financing mechanisms (such as a financing pool), or specialized knowledge of a financing mechanism or process;
- Market volatility, such that the District would be better served by flexibility in the timing of its sale in a changing interest rate environment;
- When the financial advisor has identified new financing opportunities or presented alternative structures that may financially benefit the District;
- As a result of an underwriter's familiarity with the project/financing, that enables the District to take advantage of efficiency and timing considerations.

Private Placement. From time to time the District may elect to issue debt on a private placement basis. Such method shall be considered if it is demonstrated to result in cost savings or provide other advantages relative to other methods of debt issuance, or if it is determined that access

to the public market is unavailable and timing considerations require that a financing be completed.

5. Market Communication, Debt Administration and Reporting Requirements. The Assistant General Manager – Business Services or his/her designee shall be responsible for the following:

Rating Agencies. Maintaining the District's relationships with the various rating agencies (such as Standard & Poor's, Fitch and Moody's). The District may, from time to time, choose to deal with none, or with one or more of these agencies as circumstances dictate. Maintaining its relationships includes:

- (1) Meeting with credit analysts as needed to maintain or update existing debt ratings,
- (2) Meeting with credit analysts as needed to issue new debt, and
- (3) Offering conference calls or meeting with agency analysts in connection with planned debt sales, market or local changes in conditions, requests for information from analysts, etc.

Board Communication. Providing feedback from rating agencies and/or investors regarding the District's financial strengths and weaknesses and recommendations for addressing any weaknesses in reports to the Board of Directors.

Continuing Disclosure. Ensuring the District's timely filing with each Nationally Recognized Municipal Securities Information Repository. The District shall remain in compliance with Rule 15c2-12 by filing its annual financial statements and other financial and operating data for the benefit of its debtholders within 270 days of the close of the fiscal year as outlined in section 2870 of the District Administrative Code.

Record-Keeping. Retaining copies of all debt-related records at the District's offices. At a minimum, these records shall include all official statements, bid documents, debt documents / transcripts, resolutions, trustee statements, leases, and title reports for each District financing (to the extent available). To the extent possible,

the District shall retain an electronic copy of each document for the life of the debt issue.

Arbitrage Rebate. Ensuring that all debt proceeds and investments are tracked in a manner which facilitates accurate calculation. If a rebate payment is due, make payments in a timely manner. The use of debt proceeds and their investments must be monitored to ensure compliance with all Internal Revenue Code Arbitrage Rebate Requirements.

Tax Certificates. The District shall incorporate the provisions of each tax certificate for each debt issue into its debt management procedures. The District will comply with applicable Federal tax rules and regulations. The District will comply with any arbitrage rebate requirements required by tax certificates as they relate to each tax-exempt debt issue.

Internal Controls Related to Bond Proceeds. The District shall invest the proceeds of bond sales, until used for the intended project(s) in order to maximize utilization of the public funds. The investments will be made to obtain the highest level of 1) safety, 2) liquidity, and 3) yield, and may be held as cash. The District's investment guidelines and bond indentures will govern objectives and criteria for investment of bond proceeds. The Finance & Accounting Department will oversee the investment of bond proceeds in a manner to avoid, if possible, and minimize any potential negative arbitrage over the life of the bond issuance, while complying with arbitrage and tax provisions. Bond proceeds will be deposited and recorded in separate accounts/programs to ensure funds are not comingled with other forms of District funds. The District's Trustee or Fiscal Agent will administer the disbursement of bond proceeds pursuant to each certain Indenture of Trust or Fiscal Agent Agreement, respectively. To ensure proceeds from bond sales are used in accordance with legal requirements, invoices should be approved by the Finance & Accounting Department and/or General Manager for payment. Requisition for the disbursement of bonds funds will be approved by the Assistant General Manager – Business Services or designated alternate. Responsibility for general ledger reconciliations and records is segregated from the invoice processing, cash receipting, and cash disbursement functions. The Finance & Accounting Department will be tasked with monitoring the expenditure

of bond proceeds to ensure they are used only for the purpose and authority for which the bonds were issued and exercising best efforts to spend bond proceeds in such a manner that the District will meet one of the spend-down exemptions from arbitrage rebate.

SECTION 2870. DISCLOSURE POLICY (M-4978)**§ 2871. Initial Disclosure Requirements.**

- A. General Manager's Office determines that the District will need to raise capital via the issuance of Obligations, refinance Outstanding Obligations, and assemble District finance team and designates District departments, which are responsible for information to be contained in Official Statement. The relevant District staff should be directed to assemble information necessary for preparation of the portions of the Official Statement regarding the District and the purpose of the issuance of the Obligations. The financing team will then assemble the Preliminary Official Statement from the information provided.
- B. Preliminary Official Statement circulated to the financing team and will be reviewed prior to approval by Board by representative of:
 1. General Manager;
 2. Assistant General Manager;
 3. Chief Financial Officer; and
 4. District General Counsel.

This group shall be called the "Disclosure Review Team."

- C. The Disclosure Review Team may meet in person, or by teleconference to discuss the Preliminary Official Statement and terms of the continuing disclosure agreement. District staff involved in the disclosure process is responsible for being familiar with the District's responsibilities under federal securities laws as described above. The Disclosure Review Team should err on the side of raising issues when preparing or reviewing information for disclosure. Officials and staff are encouraged to consult any member of the financing team or other legal counsel retained by the District if there are questions regarding whether an issue is material or not.
- D. Disclosure Review Team shall provide comments to the financing team either in person at a meeting, or via teleconference. It is preferred that at least one meeting with the financing team and representatives of the Disclosure Review Team is conducted either in person, or via teleconference. Additional comments to the

Preliminary Official Statement may be disseminated by electronic means from the Disclosure Review Team to the financing team.

- E. Official Statement and financing documents must be approved as discussion items on the agenda and may not be placed on the consent calendar.
- F. For financings that are to be privately placed, the Disclosure Review Team shall review all information assembled regarding the District to be delivered to the proposed purchaser for its evaluation of the credit of the District for the particular financing.
- G. At the time the Preliminary Official Statement is posted for review by potential investors, senior District officials execute certificates deeming certain portions of the Preliminary Official Statement complete (except for certain pricing terms) as required by Securities and Exchange Commission Rule 15c2-12.
- H. Between the posting of the Preliminary Official Statement for review by potential investors and delivery of the final Official Statement to the underwriter for redelivery to actual investors in the Obligations, any changes and developments will be incorporated into the Preliminary Official Statement, including particularly the District Section, if required. If necessary to reflect developments following publication of the Preliminary Official Statement, or Official Statement as applicable, supplements will be prepared and published.

§ 2872. Continuing Disclosure.

- A. General Manager/Chief Financial Officer will designate a continuing disclosure agent to regularly monitor compliance according to 15c2-12 and all of the District's continuing disclosure obligations (the "Continuing Disclosure Agent").
- B. Continuing Disclosure Agent will assemble all Continuing Disclosure Agreements and Certificates and prepare a calendar of due dates for annual disclosure and preparation dates ahead of annual disclosure dates. The District may have a firm to provide such services and report directly to General Manager and the Chief Financial Officer. The District's Chief Financial Officer will either assign trained District personnel to file the annual reports and event notices with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board (emma.msrb.org) or will engage the services of one or more dissemination agents to file the annual reports and material event

notices required pursuant to the continuing disclosure obligations.

- C. Continuing Disclosure Agent shall monitor, on a regular basis, all District transactions that are rated by a nationally recognized rating agency, and shall report any rating changes within 10 days.
- D. Continuing Disclosure Agent shall monitor compliance of transactions with covenant compliance on a semi-annual basis and report any “event disclosure,” pursuant to any continuing disclosure obligation, within 10 days of such event.
- E. Continuing Disclosure Agent shall annually meet with a representative of General Manager’s Office, Finance Department and District General Counsel’s Office to discuss compliance with disclosure requirements.
- F. Continuing Disclosure Agent shall identify any incidents of non-compliance and prepare a report to the General Manager, Chief Financial Officer and District General Counsel. Such report shall include recommendations to cure any non-compliance issue.

§ 2873. Training.

Periodic training for the staff involved in the preparation of the Official Statement (including the District Section) is coordinated by the finance team and the District’s Chief Financial Officer. These training sessions are provided to assist staff members involved in identifying relevant disclosure information to be included in the District Section. The training sessions also provide an overview of federal laws relating to disclosure, situations in which disclosure rules apply, the purpose of the Official Statement and the District Section, a description of previous SEC enforcement actions and a discussion of recent developments in the area of municipal disclosure. Attendees at the training sessions are provided the opportunity to ask questions of finance team members, including Bond Counsel and Disclosure Counsel concerning disclosure obligations and are encouraged to contact members of the finance team at any time if they have questions.

SECTION 2900. COP (Certificates of Participation) FINANCING POLICY (Master Resolution)

On September 9, 1992, the Board of Directors adopted Resolution No. 1108, "Providing for the Allocation of Water and Sewer Revenues and Establishing Covenants to Secure the Payment of Obligations Payable From Net Water and Sewer Revenues, hereinafter referred to as the "Master Resolution".

On September 23, 1992, Resolution No. 1111 was adopted amending certain defined terms included in Resolution No. 1108 and making certain technical corrections.

The Master Resolution provides the District with procedures for the allocation of revenues into various funds to make payments on the District's prior certificates of participation obligations, as well as establishes covenants to secure the payment of obligations payable from the net water and sewer revenues of the District. The Master Resolution also sets forth requirements for the issuance of any additional bonds, contracts or other parity obligations.

The covenants and agreements in the Master Resolution require the District to maintain specified debt service coverage ratios with respect to Parity Obligations and Subordinated Obligations, as well as establishing times for preparation of accounting records and financial statements. The Master Resolution increases the District's flexibility as to the types of obligations the District may incur. These securities would include securities developed in recent years such as "Capital Appreciation Bonds," "Convertible Parity Obligations," Defined Income Certificates, "Guaranties," and "Option Certificates." In certain financial markets, the issuance of these securities may be advantageous to the District.

Other benefits of the Master Resolution are:

- Permits the District to merge income sources into one for purposes of credit analysis. This enhances the already favorable perception of the District with the bond insurance companies and rating agencies.
- Provides an aggressive, yet "market accepted" manner in which the District may issue additional bonds to accommodate future growth in the District.
- Allows the District to issue certain types of debt without meeting coverage tests.

Framework of Financial Management:

- Allows the District to utilize revenues received in current year to be held for use in future years to meet coverage ratio requirements. (i.e., Rate Stabilization Fund).
- Requires establishment of Operating Reserve, which is “standard in the industry” and is looked upon with favor by the insurance companies and rating agencies.
- Requires the District to maintain water and sewer rates at minimum levels to provide sufficient revenues to the District, which will ensure the financial integrity of the District and provide security to the District’s bondholders.

The Master Resolution does not in any way inhibit the Board of Directors’ ability to set District policy or rates, charges and fees.

Resolution 1108 and Resolution 1111 are hereby incorporated into the EVMWD Administrative Code as Section 2900, herein.

SECTION 2950. RESERVE POLICY

Elsinore Valley Municipal Water District (the “District”) has a complex nature of operations. Its various legal, legislative, and contractual requirements dictate a multifaceted and sophisticated financial structure. The District has implemented numerous operating programs to secure water and wastewater service resources at the lowest possible cost to customers without compromising service, reliability or quality. To protect the District’s investment in various assets and satisfy commitments under numerous financial, regulatory, and contractual obligations, the District has developed and segregated a number of funds and reserves. The efficient and discrete use and management of these reserves, when combined with appropriate security measures, assure that the current levels of service, reliability and quality will continue into the future.

The District’s reserves, to the extent possible, will be established utilizing the following criteria:

- Distinguish between legally restricted and unrestricted net assets.
- Contain a defined and distinct purpose.
- For reserves involving construction, conformity to master plans and capital improvement plans.
- Contain a target level or minimum and maximum levels.
- Identify events or conditions that prompt the use of the reserve.
- Specify periodic review dates for balances.

Cash and/or cash equivalents and investment balances shall be maintained in amounts sufficient to cover each reserve balance. Balances shall be maintained in amounts sufficient to meet minimum reserve targets in cash and/or cash equivalents, and permitted investments.

A. Types of Reserves

The District’s reserves will be separated into three basic categories:

1. Restricted Reserves,
2. Designated Capital Replacement Reserves, and
3. Operating Reserves.

§ 2951 RESTRICTED RESERVES

Restricted Reserves are established and utilized for narrowly defined purposes and are protected by law or covenant. The District's Restricted Reserves are:

A. Capacity Charges

Definition and Purpose – Established with funds from developer capacity charges. The collection and use are restricted in accordance with applicable State of California law and regulations.

There are three categories established for the following purposes:

- Water Capacity Charges
- Wastewater Capacity Charges
- Recycled Water Capacity Charges

Conformity to Plans – Expenditures from this reserve must comply with both the District's Master Plan.

Required Level

- *Water Facilities* – Equal to the cost of the new facilities.
- *Wastewater Facilities* – Equal to the cost of the new facilities.
- *Recycled Water Facilities* – Equal to the cost of the new facilities.

Events or Conditions Prompting the Use of the Reserves – When it is necessary to upgrade and/or improve the facilities required to service growth, new areas and/or customers, in accordance with the applicable ordinance, funds will be appropriated from the respective reserves for applicable projects, by action of the Board of Directors.

Periodic Review Dates for Balances – Expenditures and Reserve balances will be reviewed annually by District staff during the preparation of the non-operating budget.

B. Employee Benefits

Definition and Purpose – Established to account for accrued and unpaid employee benefit liabilities, including:

- Vacation Days
- Sick Days
- Savings Clause

Conformity to Benefit Plans – The District shall maintain an account for each separate employee benefit.

Required Level –

- *Vacation Days* = Funded at a level equal to 100% of the accrued liability.
- *Sick Days* = Funded at a level equal to 100% of the accrued liability
- *Savings Clause* = Funded at a level equal 100% of the accrued liability.

Events or Conditions Prompting the Use of the Reserves – Vacation days, sick days and savings clause benefits shall be distributed when used or qualified, in accordance with the respective memorandum of Understanding.

Periodic Review Dates for Balances – Reserve balances will be reviewed by District staff annually during the preparation of the operating budget.

C. Obligation Proceeds

The proceeds from borrowed money typically consist of construction fund monies, and a debt service reserve fund. The use of these proceeds is restricted by conditions set forth in the respective borrowing documents. The term “Obligation” shall have the meaning set forth in the District’s Resolution No. 1108 adopted September 9, 1992.

Definition and Purpose – These funds may be held by a trustee, or fiscal agent established pursuant to the borrowing documents of the Obligation in favor of the bondholders, or lenders.

Required Level – Any debt service reserve requirement is established at the time of the borrowing. This amount may be recalculated as Obligations are paid down. Any excess principal and/or interest earnings can be used to pay debt service on the Obligation.

Events or Conditions Prompting the Use of the Reserves – As stipulated in the respective borrowing documents. Construction fund monies are expected to be spent on applicable projects, while any debt service reserve can only be used in the event of a shortfall in revenues to make payments on the Obligation.

Periodic Review Dates for Balances – Reviewed by the Trustee and District staff on every interest and/or principal payment date.

§ 2952 DESIGNATED CAPITAL AND OTHER REPLACEMENT RESERVES (MO #4939)

Designated Capital Replacement Reserves are established by action of the Board of Directors and designated for specific purposes. These funds are utilized to cover capital and asset replacement costs. The District's current Designated Capital Replacement Reserves are:

- Water Capital Replacement
- Wastewater Capital Replacement

Definition and Purpose – The Board of Directors has established a series of funds to accumulate amounts by division to accomplish the replacement or major refurbishment of aging water or wastewater utility plant and equipment. This reserve will be sufficient to fund the entire cost of replacement of the District's infrastructure utilizing a combination of pay-as-you-go and future debt borrowings.

The Capital Replacement Reserves for each will be calculated and maintained in accordance with the guidelines set forth below.

Conformity to Plans – Projected reserve levels should be developed in accordance with the District's water master plan.

Target Level – The minimum target level that the District will set aside for replacement reserves should be equal to 5% of the total depreciable asset value for the division as recorded on the District's fixed assets. The maximum target level should seek to fund a reserve equal to 20% of the inflation-adjusted replacement value of the District's capital assets or a specific project.

Replacement costs should be inflated in line with the Engineering News Record Construction Index or some other estimate of inflationary costs.

Target level for annual funding of the reserves is 100% of depreciation amount for the division or total cost of replacement projects as specified in the water or wastewater master plans, whichever is higher.

Events or Conditions Prompting the Use of the Reserves – Staff will recommend assets to be replaced during the budget preparation. By action of the Board of Directors funds will be appropriated from the reserves for the purchase or construction of replacements. If during the year emergency replacements are necessary, the Board may approve the project and appropriate funds as necessary to accomplish the replacement or refurbishment.

Periodic Review Dates for Balances – Reserve balances and replacement requirements will be reviewed annually by District staff during the preparation of the non-operating budget.

A. Administrative & General

Definition and Purpose – The Board of Directors has established a series of “general and internal service funds” to accumulate amounts by project to fund certain major general, administration and overhead projects. These accounts are intended to fund District vehicles and related equipment, as well as District computer equipment on a pay-as-you-go basis. The Board will appropriate funds from this reserve for specific projects. Funds have been authorized in specific areas, including:

- Vehicle & Equipment
- Computer

Target Level – This reserve is targeted at 100% of the cost of the replacement of each component as specified by the Vehicle Replacement and Computer Replacement policies. Special projects can be funded on an as needed or project-by-project basis.

Events or Conditions Prompting the Use of the Reserves – Replacement of the Vehicle or Computer and its related equipment will be identified by District staff and recommended to the Board during the preparation of the capital outlay budget. As projects are approved funds will be appropriated from available reserves.

Periodic Review Dates for Balances – Reserve balances and projected replacement purchases will be reviewed annually by District staff during the preparation of the annual capital outlay budget.

B. Water Purchases for Canyon Lake Elevation Maintenance

Established to provide funds for water purchases for maintenance of lake elevation.

Required Level – Equal to the cost of 3,000 Acre Feet of Untreated Water at current applicable rates.

Events or Conditions Prompting the Use of the Reserves – Purchase of untreated water for the purpose of maintaining lake elevation. Such purchases must be approved by the Board of Directors.

Periodic Review Dates for Balances - Reserve balances will be reviewed by District staff annually during the preparation of the operating budget.

§ 2953 OPERATING RESERVES

Operating Reserves have been established by the Board of Directors to safeguard the financial viability and stability of the District and are funded from revenues accumulated in the District's Water and Wastewater Operating Funds.

A. Operating Reserve

Definition and Purpose – Established pursuant to Resolution No. 1108 to ensure that the District maintains a sound financial standing for existing and future debt issuances.

Target Level – The reserve is targeted at an amount equal 1/5 of the Maintenance and Operation Costs as set forth in the District's then current annual budget.

Events or Conditions Prompting the Use of the Reserves – This reserve has to be maintained at the above stated levels, as specified by existing bond covenants.

Periodic Review Dates for Balances – Reserve balance and target level will be reviewed annually by District staff as required by

Section 2.02 (d) of Resolution No. 1108 during the preparation of the operating budget.

B. Rate Stabilization Reserve

Definition and Purpose – Established to accommodate unexpected operational changes, legislative impacts or other economic events that may affect the District’s operations which could not have been reasonably anticipated at the time the budget was prepared.

Target Level – The reserves is targeted at 15% to 30% of the District’s total operating expenses. These levels should be increased as the level of economic uncertainty increases.

Events or Conditions Prompting the Use of the Reserves – This reserve may be utilized for expenditures caused by unexpected operational changes, legislative impacts or other economic events could not have been reasonably anticipated at the time the budget was prepared. This reserve may also be utilized to cover temporary cash flow deficiencies caused by timing differences between revenue and expenses.

Periodic Review Dates for Balances – Reserve balance and target level will be reviewed by District staff during the preparation of the operating budget.

C. Rate Stabilization Reserve Fund

Definition and Purpose – Established pursuant to Resolution No. 1108 to help defray successive excessive annual rate increases.

Target Level – The reserve shall be maintained at an amount not to exceed \$3,000,000.

Events or Conditions Prompting the Use of the Reserves – This reserve is intended to be used to defray any one time and extraordinary Operating and Maintenance water expenditures. This reserve will also be utilized for the cost to purchase water for Railroad Canyon Reservoir, but only to the extent that the purchase is necessary to bring the water level specified within the Railroad Canyon Reservoir lease agreement.

Periodic Review Dates for Balances – Reserve balances will be reviewed annually by District staff as required by Section 2.02 (d) of Resolution No. 1108 and during the preparation of the operating budget.

SECTION 3000. MISCELLANEOUS POLICIES - FINANCE (M-4607)**§ 3001. Water and Sewer Connection Fee Deferral Policy.***(M-3167, M-3581)*

- A. This policy will be applicable to all categories of commercial and domestic customers for reimbursement agreements, water and/or sewer connection fees.
1. Procedure for a domestic and/or commercial customer requesting deferral for the amount of the connection fees only.
 - a. The property owner (petitioner) must provide the District a letter requesting connection fee deferment for the amount of the connection fees only.
 2. Procedure for a commercial customer requesting deferral of connection fees and facilities.
 - a. The property owner (petitioner) must provide the District with a letter requesting connection fee deferral. Concurrently with the petitioner's letter, a Petition to the Board of Directors Requesting Institution of Proceedings to Establish an Improvement District for the Issuance of Bonds packet must be completed and submitted. The packet must contain the following items:
 - 1) A completed petition signed by the property owner
 - 2) The legal description of the property
 - 3) A boundary map of the property
 - 4) A description of the facilities for which payment is being deferred.
 - b. If an improvement district has been previously formed, then the petitioner will request annexation into the existing improvement district by providing a letter requesting annexation.

- c. The property owner's letter and petition will be presented to the Board of Directors for consideration.
 - 1) If approved, the Board will authorize the formation of an Improvement District, and direct staff to continue the formation process. Or, in the case of an annexation into an existing improvement district, the Board will approve the preliminary annexation of the property.
 - 2) If not approved, the property owner will be notified in writing of the Board's decision.
3. The proposed agreement Consent of Lien Holder and Subordination of Lien Form and the Notice of Lien will be presented to the Board of Directors for approval.
 - a. If approved, the District will meet with the petitioner to review all terms and conditions of the agreement.
 - 1) The District will place a lien on the property and title report.
 - b. If not approved, modifications or amendments per Board direction will be made and brought back for additional consideration.
4. The petitioner will provide the District with a signed Consent of Lien Holder and Subordination of Lien form, signed and notarized by each of the lien holders on the property, if any.
5. The petitioner may proceed with improvements.
6. Installment Payment Terms for Reimbursement Agreements and Connection Fee Deferrals: Staff will provide a proposed agreement between the District and the petitioner describing the terms and conditions for repayment of the deferred connection fees. This agreement is to be signed by both parties. Payment terms shall be as follows:
 - a. 25% down payment.

- b. Full pay back in a period not to exceed 6 years, unless otherwise approved by the Board of Directors.
 - c. Interest rate = prime + 2%.
 - d. Petitioner to have the option of having an amount placed on the property tax rolls, or a monthly amount placed on the utility bill.
 - e. If payments on the utility bill are not made in a timely manner, the District has the right to discontinue monthly utility bill payments and place the amount on the property taxes.
 - f. A one-time set up fee of \$250 will be charged as well as an annual administrative charge of \$25 if the repayment amount is to be placed on the tax rolls.
 7. The owner of the property must sign a Lien Agreement with the District that stipulates that the District will record a lien upon the property in the Official Records of Riverside County in the amount of the deferral. The District and the petitioner will sign a Notice of Lien form, that will be used to place the agreement information on the property's title report in order to ensure that the deferral amount is paid in full should the property be sold, refinanced, or property ownership transferred in any way.
- B. This policy will be applicable to all categories of domestic and commercial water and/or sewer customers when the parcel's existing water and/or sewer service poses a significant health and safety threat.
 1. The property owner (petitioner) must provide the District with a letter requesting reimbursement agreement and/or connection fee deferral and must meet the following criteria to qualify.
 - a. Submit a written opinion from an appropriate public regulatory health official that states that the continued use and maintenance of such inadequate well or septic system on the property poses a significant threat to the health, safety and welfare of persons residing within the District.

- b. The unit to be served must be an existing unit served by a well or septic system that is inadequate and fails to meet the needs of the property.
 2. Installment Payment Terms: Staff will provide a proposed agreement between the District and the petitioner describing the terms and conditions for repayment of the deferred connection fees. This agreement is to be signed by both parties. Payment terms shall be as follows:
 - a. 10% down payment
 - b. Full pay back in a period not to exceed 10 years, unless otherwise approved by the Board of Directors.
 - c. Interest rate = District's average investment rate + 2%
 - d. Petitioner to have the option of having an amount placed on the property tax rolls, or a monthly amount placed on the utility bill.
 - e. If payments on the utility bill are not made in a timely manner, the District has the right to discontinue monthly utility bill payments and place the amount on the property taxes.
 - f. A one-time set up fee of \$250 will be charged as well as an annual administrative charge of \$25 if the repayment amount is to be placed on the tax rolls.
 3. Lien Agreement. The owner of the property must sign a Lien Agreement with the District that stipulates that the District will record a lien upon the property in the Official Records of Riverside County in the amount of the deferral. The District and the owner will sign a Notice of Lien form, which will be used to place the agreement information on the property's title report in order to ensure that the deferral amount is paid in full should the property be sold, refinanced, or property ownership transferred in any way.

§ 3002. Disposition of Unclaimed Monies. (M-3453)

- A. The Director of Finance and the Accounting Supervisor will review the District's records at the end of each fiscal year to determine the unclaimed monies.
- B. The money must have remained on the books and unclaimed for 3 years.
- C. The Board of Directors must authorize the transfer of the funds to the general use portion of each fund.
- D. Appropriate public notice must be published once a week for two successive weeks in a newspaper of general circulation in the District's service area. The notice must state the amount of money to be transferred, the fund in which it is held, and the fact that 45 days after the first published date, the funds will be transferred to the general portion of each fund involved.
- E. Upon, or prior to, publication, an interested party may file a claim with the District, which must include the claimant's name, address, amount of claim, the reason why they feel their claim is valid, and any other information that may be helpful in determining the rightful ownership of any portion of the funds to be transferred. The claim must be filed before the date specified in the public notice, otherwise the claim will be rejected.
- F. After all valid claims have been processed for payment, all remaining monies will be transferred via journal voucher to a dedicated reserve in the General Fund 110, to be utilized for community support programs.

§ 3003. Water & Sewer Standby Exemption. (M-3357)

- A. This policy will be applicable to acreage:
 - 1. That does not now and cannot reasonably expect to derive a benefit from projects funded by standby charge proceeds
 - 2. Where no water or wastewater service has been provided

3. With no future plans or intention to obtain water or wastewater service
- B. The Property Owner (petitioner) must provide the District with a written request for water and sewer standby exemption for Property
 - C. The General Manager or his designee shall have the authority to approve the standby exemption request based on information provided by Property Owner
 - D. Exemption Terms: A Water and Wastewater Standby Exemption Agreement between the District and the Property Owner will be signed by both parties and notarized. Exemption terms shall be as follows:
 1. Exemption from standby charges for current year and all subsequent fiscal years
 2. Exemption lien recorded in the Office of the Riverside County Recorder, equally binding upon any and all successors-in-interest
 3. If water or wastewater service, or both, are subsequently provided on Property or a determination has been made that Property has benefited from water or wastewater service, the Exemption Agreement shall become null and void. Property Owner will pay the following to District within 60 days of demand:
 - a. Unpaid water and/or wastewater standby charges for prior fiscal years not collected by District by reason of previously exempted Property
 - b. Water and/or wastewater standby charges for the current fiscal year for which District may impose a standby charge applicable to previously exempted Property
 - c. Interest at 10% per annum compounded annually on unpaid standby charges from the date of signed Agreement to the date of payment
 - d. A one-time 10% administrative charge to partially offset the cost of processing the exemption on such unpaid standby charges.

§ 3004. Reimbursement Agreement. (M-5465)

- A. Reimbursement agreements are applicable when a developer constructs a water or sewer improvement beyond the needs of their own development. These improvements are in addition to or in a size greater than those which would otherwise be required to provide water or sewer service for their development and is available to provide service to property other than property owned by the developer. Examples include but are not limited to extension of offsite water and sewer lines or construction of oversized water and sewer lines, water storage reservoirs or sewer lift stations.

In the event the District requires a developer to install eligible improvements, the District may enter into a reimbursement agreement with the developer.

B. Improvement Costs.

1. The cost to be reimbursed to the developer shall be limited to the cost of engineering design, construction, and inspection. The reimbursement agreement may initially be based on estimated costs however, the final reimbursement amount will be based on actual cost of the facility determined after construction is complete. Such costs must be evaluated and accepted by the District for reasonableness. All supporting documentation must be submitted to the District to validate the final reimbursement amount.

C. Reimbursement of Improvement Costs.

1. Benefit area for the facility represents property(ies) that will receive benefit from the improvements being constructed and will be served by the facility in the future, which includes the property owned by the developer. The benefit area for each facility is determined by the District.
2. Reimbursement amount for each property in the benefit area is computed by the District. The developer is responsible for the pro-rata cost of the facility associated with their development.

3. Reimbursement amounts can be computed based on property acreage, Equivalent Dwellings Units (EDUs) or front footage, whichever is most applicable.
4. Reimbursement to the developer will occur as follows:
 - a. As parcels within the benefit area connects to the District, at the time of collection of the District's Capacity Fees, the District will also collect the applicable reimbursement amount.
 - b. The Developer will be reimbursed for property(ies) within the benefiting area that connect to the District after the determination of the final reimbursement amount.
 - c. The District retains a ten percent administration fee for the cost to administer the reimbursement agreement.

D. Term.

1. Agreements are valid until the agreed amount for each connection to the facility has been repaid to the developer, or ten (10) years after the completion of the facility, whichever occurs first. Within six (6) months of the expiration of the agreement, the Developer may request a one-time extension of five (5) years. Approval of such extension will be at the discretion of the District's Board of Directors.
2. The developer solely and exclusively bears the risk that the District may not collect from all property(ies) within the benefiting area their respective share of the cost of the improvement, and that the total amount collected may be less than the total cost of the facility.

§ 3005. Capacity Fee Credit. (M-5532)

- A. Capacity fee credits are applicable when a developer constructs a master planned water or sewer facility needed to accommodate growth within the District. The eligible facility, if constructed by the District, would be funded by capacity fees. In the event that the developer constructs the master planned facility, the District may provide capacity fee credits.

B. Eligible Facility and Cost.

1. The facility being constructed must be identified and

reflected in the District's water or sewer master plan, or a facility that's constructed in lieu of a master plan facility. Developer must provide justification and documentation for in lieu facilities, which must be evaluated and accepted by the District.

2. The amount of capacity fee credits to be provided to the developer shall be limited to the cost of engineering design, construction, and inspection. The fee credit agreement may initially be based on estimated qualifying costs however, the final fee credit amount will be based on actual cost of the facilities determined after construction is complete. Such costs must be evaluated and accepted by the District for reasonableness. All supporting documentation must be submitted to the District to validate the final fee credit amount.

C. Credit Against Capacity Fees.

1. The Developer shall pay the total cost of the project and be reimbursed over the term of the agreement in the form of Capacity Fee Credits.
2. Benefit area for the facility represents property(ies) that will receive benefit from the improvements being constructed and will be served by the facility in the future, which includes the property owned by the developer. Once the benefit area is established, total Equivalent Dwelling Units (EDU) anticipated to connect within the benefit area must be calculated. The benefit area for each facility and the associated EDU's must be submitted to the District for review and approval.
3. Capacity fee credit applies to the portion of the benefit area owned by the developer.
4. Capacity fee eligible for credit is limited to the fee component related to the facilities constructed.
5. Amount of fee credits provided to the developer is the lower of:
 - a) Qualifying facilities cost, prorated for the EDU's associated with the portion of the benefit area owned by the developer, or
 - b) The capacity fee component related to the facilities constructed, applicable for all EDU's in the benefit area owned by the developer.

6. Actual fee credit calculation is based on capacity fees in effect as of the date fees are paid.
7. Fee credits will be available once facilities construction is complete. Any capacity fees paid prior to construction completion are not eligible for credit.
8. Credits are applied at time of payment of Capacity Fees.
9. Total amount of credit shall at no point exceed the actual cost by developer on qualifying Facilities.
10. The District retains a ten percent administration fee for the cost to administer the fee credit agreement.

SECTION 3100. BANK ACCOUNT SIGNATORIES

The following persons are authorized signatories on all District bank accounts:

1. Andy Morris, Director
2. Chance Edmondson, Director
3. Darcy Burke, Director
4. Harvey R. Ryan, Director
5. Christy Gonzalez, District Secretary
6. Greg Thomas, General Manager
7. Ganesh Krishnamurthy, Assistant General Manager – Engineering & Operations
8. Scott Thompson, Director of Finance

SECTION 3150. CAPITAL IMPROVEMENTS FINANCING PLAN

The District has prepared and adopted a Capital Improvements Financing Plan that will enable the District to adequately meet the rapidly increasing demands for water, sewer, and wastewater treatment services. The document is a plan for raising the funds to meet these demands in a manner that is fair and equitable to new and existing customers. *(Minutes 6/7/90)*

The District's Capital Improvements Financing Plan, by this reference, is incorporated herein.

SECTION 3160. CAPITAL ASSET POLICY (M-5889)**§ 3161. Purpose.**

The purpose of this policy is to establish control and accountability measures to ensure careful and responsible management of District capital assets. In addition, to collect and maintain complete and accurate capital asset information required for preparation of financial statements in accordance with GAAP (generally accepted accounting principles).

§ 3162. Definitions.

Fixed Assets: non-consumable items including but not limited to: land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible and intangible assets that are used in operations and that have initial useful lives extending beyond five years.

Capital Outlay Expenditure: an individually significant acquisition of capital assets (not involving construction) that is expected to last more than five years and have an individual cost of \$25,000 or more. This threshold should be applied at the individual asset level. Group purchases of individual assets under \$25,000 should not be capitalized, even if the group purchase totals to more than \$25,000. Approval of Capital Outlay expenditures will follow the purchasing policy as outlined in the Administration Code Section 1500.

Any improvements to an existing capital asset that do no more than return a capital asset to its original condition, regardless of the purchase amount, should be classified as *maintenance and repairs expense* in the period incurred.

Capital Improvement Project Expenditure: an individually significant construction project with a cost of \$100,000 or more that creates a new capital asset, improves an existing asset (Example: increases its service capacity) or significantly extends an asset's operating life. Approval of Capital Improvement Project expenditures will follow the purchasing policy as outlined in the Section 1500 of the Administration Code.

§ 3163. Asset Classes

- Land
- Construction in Progress
- Water Rights
- Infrastructure – Water
- Infrastructure – Wastewater
- Buildings and Structures
- Vehicles and Equipment
- Miscellaneous

§ 3164. Capitalization Threshold

The District maintains a capitalization threshold as follows:

- Land is not subject to capitalization thresholds (All Land Purchases, regardless of cost, are capitalized and are non-depreciable)
- Water Rights are not subject to capitalization thresholds (All Water Right Purchases, regardless of cost, are capitalized and are non-depreciable)
-
- Infrastructure, Buildings and Structures \$100,000
- Vehicles, Machinery, Equipment and Other \$25,000

§ 3165. Depreciation Method and Useful Life

All assets are depreciated using the straight line method over the following estimated useful lives:

- | | |
|-----------------------------------------|--------------|
| • Reservoirs – storage | 50-100Years |
| • Source of supply | 5-30 Years |
| • Pumping & water treatment facilities | 30-40 Years |
| • Transmission and distribution | 50-100 Years |
| • Meters | 10-20 Years |
| • Wastewater treatment | 30-40 Years |
| • Wastewater collections | 50-100 Years |
| • Wastewater pumping | 20-40 Years |
| • Transportation equipment and vehicles | 10-15 Years |
| • Studies, tools, equipment | 5-10 Years |

§ 3166. Disposal of Surplus Items

Surplus property is defined as any unnecessary, obsolete or excess supplies, materials, tools, vehicles, equipment or furniture that has been replaced or retired due to damage, age or change in District's standards and/or specifications. Please refer to Section 1511 Surplus Materials Property.

§ 3167. Physical Inventory of Fixed Assets

The District should account for and inventory all assets at least once every three years.

§ 3168. Ensuring Control over Non-capitalized items

It is important to maintain adequate control of items that fall below the capitalization thresholds and meet the following criteria:

- Require special attention to ensure legal compliance
- Require special attention to protect public safety and avoid potential liability
- Require special attention to compensate for a heightened risk of theft

Guidelines for control of these items include the following:

- Control should occur at the departmental level
- Control responsibility should be assigned within each department
- Departments are responsible for controlled capital type items and will prepare and maintain a complete list each year
- Departments will certify each year to the Finance department that updated lists of controlled capital type items are on file and available for inspection
- Finance will verify on an annual basis the data on controlled capital type items on file in each department

The Information Technology Department shall maintain a list which is updated as items are purchased and disposed of. A physical inventory shall be taken on an annual basis. The list maintained should contain items which include but are not limited to iPads, WIFI Access Points, Portable Access Points, Computers, Copiers, Printers, Monitors, Notebooks, Thin Clients, SCADA, Scanner, Servers, etc.

The Operations Department shall maintain a list which is updated as items are purchased and disposed of. A physical inventory shall be

taken on an annual basis. The list maintained should contain items which include but are not limited to generators, trailers, boring tools, cranes, light towers, pressure washers, etc.

§ 3170 Leased Assets

The Governmental Accounting Standards Board (GASB) issued a standard that was implemented July 1, 2021 (GASB 87). The objective of this new standard was to better meet the information needs of financial statement users by improving accounting and financial reporting for lease purchases by governments. GASB 87 defines the scope of leased assets as non-financial assets, such as land, buildings, equipment, and vehicles. Certain non-financial asset-based lease agreements are out of scope, such as leases of intangible assets, biological assets, and inventory. All capital lease purchases are to be evaluated to determine if they meet the GASB 87 definition of a lease in order to comply with reporting requirements

§ 3171 Subscription Based IT Agreements (“SBITA”)

The Governmental Accounting Standards Board (GASB) issued a standard that was implemented July 1, 2022 (GASB 96). The primary objective of this new standard was to enhance the relevance and consistency of information about governments’ subscription activities. This standard establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under GASB 96, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. All subscriptions purchases are evaluated to determine if they meet the GASB 96 definition of a subscription-based information technology agreement (SBITA) in order to comply with reporting requirements.

§ 3172. Policy Review

This policy must be reviewed annually to ensure careful and responsible management over District resources.

SECTION 3200. RULES AND REGULATIONS GOVERNING WATER SERVICE *(R-90)***§ 3201. General Provisions.**

- A. Words and Phrases. For the purpose of these rules and regulations used herein in the present tense shall include the future; all words in the plural number shall include the singular number; and all words in the singular number shall include the plural number.
- B. References to Gender. For the purpose of these rules and regulations herein all gender references, i.e., his, him, himself, he her, herself, hers, shall mean any person, male or female.
- C. Separability. If any section, subsection, sentence, clause, or phrase of these rules and regulations is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions.
- D. Pressure Conditions. All applicants for service connections or water service shall be required to accept such conditions of pressure and service as are provided by the distribution system at the location of the proposed service connection, and to hold the District harmless for any damage arising out of low pressure or high pressure conditions or interruptions in service.
- E. Maintenance of Water Pressure and Shutting Down for Emergency Repairs. The District shall not accept any responsibility for the maintenance of pressure and it reserves the right to discontinue service while making emergency repairs, etc. Customers dependent upon a continuous supply should provide emergency storage.
- F. High Elevation Service. Where property is situated at such an elevation that it cannot be assured of a dependable supply from the District's system, the customer, as a condition of the installation of water service, must agree to accept such water service as the District is able to render from its existing distributing system. In addition, the customer must also agree, if necessary, to construct and maintain at his expense on his property a tank and/or a booster pump of sufficient capacity to furnish an auxiliary supply of water at such times as pressure in the water mains may be

insufficient to supply the property with water. Finally, the customer must execute a written release with the District for all claims for failure to furnish an adequate water supply.

- G. Tampering with District Property. No one except an employee or representative of the District shall at any time in any manner operate the curb cocks or valves, main cocks, gates or valves of the District's system, or interfere with meters or their connections, street mains or other parts of the water system.
- H. Penalty for Violation. Fines may be levied and/or service may be discontinued if a customer fails to comply with all or any part of these rules and regulations. If such discontinuance occurs, water service shall not be supplied again to such customer until he shall have complied with the rule(s), regulation(s), rate(s) or charge(s), which he has violated or, in the event that he cannot reasonably comply with said rule(s) or regulation(s), until he shall have satisfied the District that in the future he will comply with all of the rules, regulations, rates and charges established by the District.
- I. Ruling Final. All rulings of the Board shall be final. All rulings of the General Manager shall be final unless appealed in writing to the Board within five (5) days. When appealed, the Board's ruling shall be final.

§ 3202. Definitions.

- A. Board means the Board of Directors of the District.
- B. Connection (or Service Connection) means the pipeline and appurtenant facilities such as the curb stop, meter and meter box, all used to extend water service from a main to premises, the laying thereof and the tapping of the main. Where services are divided at the curb or property line to serve several customers, each such branch service shall be deemed a separate service.
- C. Cost means the cost of labor, material, transportation, supervision, engineering, and all other necessary overhead expenses.

- D. Cross-Connection means any physical connection between the piping system from the District service and that of any other water supply that is not, or cannot be, approved as safe and potable for human consumption, whereby water from the unapproved source may be forced or drawn into the District distribution mains.
- E. District means Elsinore Valley Municipal Water District.
- F. Main means a waterline in a street, highway, alley or easement used for public and private fire protection and for general distribution of water.
- G. Person means an individual, or a company, association, co-partnership, or public, or private corporation.
- H. Premises means a lot or parcel of real property under one ownership, except where there are well-defined boundaries or partitions such as fences, hedges or other restrictions preventing the common use of the property by the several tenants, in which case each portion shall be deemed separate premises. Apartment houses and office buildings may be classified as single premises.
- I. Private Fire Protection Service means water service and facilities for building sprinkler systems, hydrants, hose reels and other facilities for installation on private property for fire protection and the water available therefore.
- J. Public Fire Protection Service means the service and facilities of the entire water supply, storage and distribution system of the District, including the fire hydrants affixed thereto and the water available for fire protection, excepting house service connections and appurtenances thereto.
- K. Owner means the person owning the fee, or the person in whose name the legal title to the property appears, by deed duly recorded in the County Recorder's office, or the person in possession of the property or buildings under claim of, or exercising acts of ownership over same for himself, or as executor, administrator, guardian or trustee of the owner.
- L. Water Service means water service and facilities rendered for normal domestic, commercial, industrial or irrigation purposes on a permanent basis, and the water available therefore.

- M. Temporary Water Service means water service and facilities rendered for construction work and other uses of limited duration, and the water available therefore.

§ 3203. Installation of Service. *(M-4734)*

- A. Customer's Guarantee. On new service connections, the water charge begins when a service connection is installed and the meter is set, unless the water is ordered to be left shutoff when the service connection is ordered to be installed. Before the District turns on water for any purpose whatsoever, the customer must request water service to which the applicant guarantees payment of future water bills for the service rendered and any other proper charges, fees, fines or penalties applied to his account. The person requesting and receiving service will be held liable for water used until the District is notified in writing to discontinue service.
- B. Water Used Without Application Being Made. A person taking possession of premises and using water without having made application to the District for water service shall, in addition to applicable fines, be held liable for the water delivered from the date of the last recorded meter reading. If the meter is found inoperative, the quantity consumed will be estimated.
- C. Service Installation Charges. Where a charge has been fixed for the installation of the size of the service connection desired, such charge shall, unless special authorization is given, be paid in advance by the applicant. Where no such charge is fixed, the District reserves the right to require the applicant to deposit an amount equal to the estimated cost of installation of such service connection. The service installation charges for the several kinds and sizes of service shall appear on a separate schedule, which may be revised from time to time with the approval of the Board.
- D. Installation of Service. Service installations will be made only to property abutting on distribution mains as have been constructed in public roads, streets, alleys or easements, or to extensions thereof as herein provided. Only duly authorized employees or agents of the District will be authorized to install service connections. Services installed in new subdivisions prior to the construction of streets or in

advance of street improvements must be accepted by the applicant in the installed location. Customers making any material change in the size, character or extent of the equipment or operations utilizing water service, or whose change in operations results in a change (either increase or decrease) in the use of water, shall immediately give the District written notice of the nature of the change and, if necessary, amend their application.

- E. Size and Location. The District reserves the right to determine the size of the service connection and its location in relation to boundaries of the premises to be served. The customer's pipe to the curb should not be laid until the service connection is installed. In the event the customer's pipe is laid to the curb prior to the time the service connection is installed, and its location does not correspond with that of the service connection at the curb, then the customer must bear the additional cost of connecting the service connection pipe with the customer's pipe.
- F. Angle Meter Stop and Customer Service Valve. Every service connection installed by the District shall be equipped with an angle meter stop or wheel valve on the inlet side of the meter. Such valve or meter stop is intended for the exclusive use of the District in controlling the water supply through the service connection pipe. If this angle meter stop or wheel valve is damaged by the customer's use to an extent requiring replacement or repair, such replacement or repair shall be at the customer's expense. The District shall also install a wheel valve on the outlet side of the meter called the customer service valve. This customer service valve shall be used by the customer to control the water supply to his property. The customer service valve shall be installed and maintained by the District.
- G. All Service Connections. It shall be unlawful to maintain a connection excepting in conformity with the following rules:
1. Each house, building or unit under separate ownership must be provided with a separate service connection. Two or more houses under one ownership and on the same lot or parcel of land may be supplied through the same service connection; or a separate service connection may be provided for each building. The Board reserves the right to limit the number of houses or the area of land under one ownership to be supplied by one service connection.

2. The District requires a separate meter for each building for commercial/industrial complexes, shopping centers, “strip” centers, and apartments. Water capacity fees will be based on the buildings total water demands. Multi-family developments (i.e. apartments) may elect to sub-meter individual units with a separate meter required for each building. (*M-5180, M-5907*)
3. A property owner shall not, through his service connection, supply water to any property, regardless of ownership, across a street or alley for the purpose of providing a permanent supply of water.
4. A service connection may be used to supply adjoining property of a different owner or to supply property across a street or alley, regardless of ownership, for the purpose of supplying water for temporary construction purposes, provided that written permission is obtained from the owner of the property on which the service connection is situated.
5. When property provided with a service connection is subdivided, the service connection shall be considered as belonging to the lot or parcel of land, which it directly enters. Additional water mains and/or service lines will be required for all subdivided areas in accordance with these rules and regulations.
6. All water used on any premises where a meter is installed must pass through the meter. Customers shall be held responsible and charged for all water passing through their meters.

H. Responsibility for Service Connections.

1. Full Service Connections. The service connections extending from the water main to the meter and including the meter box and angle meter stop on the inlet side of the meter and customer service valve on the outlet side of the meter, shall be installed by the District and shall become the property of and shall be maintained by the District. All other pipes and fixtures extending from, connected to, or lying beyond the District’s service connection shall be installed and maintained by the owner of the property.

2. Partial or Hang Meter Service Connections. In subdivisions, tracts and certain large meter installations, service connections extending from the water main, the angle meter stop on the inlet side of the meter and customer service valve on the outlet side of the meter and the meter box may be installed by the owner or contractor pursuant to District standards and shall become the property of and shall be maintained by the District. The meters shall be installed by the District. All pipes and fixtures extending from, connected to, or lying beyond the District's service connection shall be installed and maintained by the owner of the property.

I. Capacity Fees Payable Prior to Water Installation.

1. All applicable water and sewer capacity fees shall be paid prior to connection to the District's water system. Capacity Fees shall be paid in addition to the charges, if any, made for the cost of installing a meter or meters and the pipes and fittings necessary to make the connection to the District's water system known as the service installation charge.
2. Capacity fees are non-transferable, once paid for; capacity shall remain with the property.
3. Within the service areas of the District's Wholesale Water Customers, (The Farm Mutual Water Company] an amount equivalent to such fees shall be paid by the wholesale water purveyor, if any, to the District for each unit or establishment, prior to connection to the wholesaler's water system. The wholesaler may collect such in lieu of capacity fees directly from new retail customers as a condition to allowing or making connection. (M-4816)

- J. Connection/Capacity Fees Exception. In cases where a meter exists, having been installed pursuant to these regulations and capacity fees paid therefor, and a second meter is installed off of the same lateral for the sole purpose of landscape irrigation, capacity fees shall not be required for the second meter installation, provided that no additional demand for capacity results from the second meter installation. Service installation charges, however, shall be paid.

- K. Installation of Irrigation Meters. All new commercial, industrial and retail developments shall install a separate water service and meter for irrigation. In no case shall an irrigation service come from the domestic service line, but shall be extended from the main in the street to the property. This requirement shall apply to all new developments and properties undergoing remodeling and not occupied by January 1, 2012.

§ 3204. Main Extensions. *(M-3239)*

- A. Water Main Extension. Any owner of one or more lots or parcels, or subdivider of a tract of land, desiring the extension of one or more water mains, to serve such property, shall make a written application therefore to the District. Said application to contain the legal description of the property to be served and tract number thereof, and any additional information, which may be required by the District, and be accompanied by a map showing the location of the proposed connections. Water main extensions shall be constructed pursuant to the District's established procedures for construction of new water and sewer facilities and in accordance with District standards. The cost of any water main extension shall be borne by the applicant, unless other arrangements are made with the District in writing for cost participation.
- B. District Lines. All extensions thus provided for, in accordance with these regulations, shall be and remain the property of the District.
- C. Reimbursement Agreement. A reimbursement agreement shall be made with the applicant by which he will forthwith be granted a credit of an amount per frontage foot, or other unit, to be determined by the District. The District shall also pay to him the agreed amount for each subsequent connection to the extension until he has been repaid the FULL amount advanced, or until 10 years have expired after the completion of the line, whichever shall sooner occur unless otherwise agreed to in writing and approved by the Board of Directors. The District may charge a fee for the administration of such reimbursement agreements. Said fee to be established by the Board of Directors from time to time and listed on a separate schedule.

- D. Property Street Frontage Charges. The Board of Directors of Elsinore Valley Municipal Water District may, at its discretion, establish for each improvement district or other area within the District a charge known as Property Street Frontage Charge to be collected from each applicant for a service connection in said improvement district or area, such charge to be assessed on a frontage basis.

Every applicant for water service in an improvement district or other area for which a Property Street Frontage Charge has been established who has not heretofore, either in person or through his predecessor in interest, paid such service maintenance charge with respect to the property to be served, shall before such application will be acted upon or water furnished pursuant thereto, pay to the District a Property Street Frontage Charge of an amount fixed per foot of frontage (on the street wherein the main is located) of the property to be served, in addition to all other usual or regular charges of the District, including charges for service connection and meter installation.

§ 3205. Water Rates and Charges.

- A. Establishment of Rates and Charges. Rates to be charged and collected and the terms, provisions, and conditions to be effective respecting such rates for water service supplied by the District to customers within the District shall be as fixed and established by the Board from time to time and listed on a separate schedule. Such charges shall have no effect on any existing or subsequent reimbursement agreements. This provision is in addition to and not by way of derogation of any other remedies or procedures available to the District pursuant to any law or regulation or by any of the provisions of these rules and regulations.
- B. Change of Rates and Charges. The Board reserves the right to change the schedule of water rates and charges at any time.
- C. Billing. Water service charges will be rendered as part of the District Water Service Bill at intervals of one month or multiples thereof. The District reserves the right to estimate bills, based on prior consumption.
- D. Power Zone Charges. A power zone charge, also known as the energy commodity charge or electric power cost

surcharge, may be charged to pay the electric power costs to pump water to various elevations. Such charges shall be established by the Board of Directors and listed on a separate schedule.

§ 3206. General Use Regulations. *(R-08-04-03)*

- A. Number of Services per Premises. The applicant may apply for as many services as may be reasonably required for his premises provided that the pipeline system for each service be independent of the others and that they not be interconnected.
- B. Water Waste. No customer shall knowingly permit leaks or waste of water. Where water is wastefully or negligently used on a customer's premises, seriously affecting the general service, the District may discontinue the service if such conditions are not corrected within five days after giving the customer written notice.
- C. Responsibility for Equipment on Customer Premises. All facilities installed by the District on private property for the purpose of rendering water service shall remain the property of the District and may be maintained, repaired or replaced by the District without consent or interference of the owner or occupant of the property. The property owner shall use reasonable care in the protection of the facilities. No payment shall be made for placing or maintaining said facilities on private property.
- D. Damage to Water System Facilities. The customer shall be liable for any damage to the service facilities when such damage is from causes originating on the premises by an act of the customer or his tenants, agents, employees, contractors, licensees or permittees, including the breaking or destruction of locks by the customer or others on or near a meter, and any damage to a meter that may result from hot water or steam from a boiler or heater on the customer's premises. The District shall be reimbursed by the customer for any such damage promptly on presentation of a bill.
- E. Damages Through Leaking Pipes and Fixtures. When turning on the water supply as requested and the house or property is vacant, the District will endeavor to ascertain if water is running on the inside of the building. If such is

found to be the case, the water will be left shutoff at the curb cock on the inlet side of the meter. The District's jurisdiction and responsibility ends at the property line and the District will in no case be liable for damages occasioned by water running from open or faulty fixtures, or from broken or damaged pipes inside the property line.

- F. Damage to Meters. The District reserves the right to set and maintain a meter on any service connection. The water customer shall be held liable, however, for any damage to the meter due to his negligence or carelessness and in particular for damage caused by hot water or steam from the premises.
- G. Ground-Wire Attachments. All individuals or business organizations are forbidden to attach any ground-wire or wires to any plumbing, which is or may be connected to a service connection or main belonging to the District. The District will hold the customer liable for any damage to its property occasioned by such ground wire attachments.
- H. Control Valve on the Customer Property. The customer will be provided with a valve(s) on his side of the service installation (the customer service valve), as close to the meter location as practicable, to control the flow of water to the piping on his premises. The District, at its option, may require the customer to provide a suitable check valve to prevent backflow, on the customer's side of the service installation. The customer shall not use the angle meter stop to turn water on and off for his convenience. (*M-4669*)
- I. Cross-Connections. The customer must comply with State and Federal laws and District regulations governing the separation of dual water systems or installations of backflow protective devices to protect the public water supply from the danger of cross-connections.
- J. Relief Valves. As a protection to the customer's plumbing system, a suitable pressure relief valve must be installed and maintained by him, at his expense, when check valves or other protective devices are used. The relief valve shall be installed between the check valves and the water heater.
- K. Interruptions in Service. The District shall not be liable for damage, which may result from an interruption in service from a cause beyond the control of the District.

- L. Ingress and Egress. Representatives from the District shall have the right of ingress and egress to the customer's premises at reasonable hours for any purpose reasonably connected with the furnishing of water service, including the following purposes:
1. Testing, changing or reading meters installed, maintained and operated by the District.
 2. Inspecting any and all such buildings, grounds and premises (including any and all plumbing, water piping, fixtures, and connections therein or thereon) to determine (a) the manner and quantity of such use or (b) the existence of any condition causing, or likely to cause, the wastage of water or affecting, or likely to affect, the furnishing or receipt of water service.
 3. Determining the existence, operation, maintenance and/or use in, on, or about said buildings, grounds or premises of:
 - a) Any plumbing or water piping or any plumbing or water fixtures or connections which may now or hereafter cause, create or permit backflow, back-siphonage or any other condition affecting, or likely to affect, the purity and/or potability of the water supply furnished by said District; or
 - b) Any source of water supply, which may now or hereafter be connected with the water supply system of said District; or
 - c) Any source of pressure, vacua, contamination or pollution (including any and all equipment, fixtures or appliances connected or used therewith or therefore) affecting, or likely to affect, the purity and/or potability of said water supply of said District.
 4. Facilitating the enforcement, from time to time, by District of any and all of its applicable rules and regulations.

Each inspector, agent and employee shall be furnished with, and upon the request of any customer, shall display, appropriate evidence of identification.

M. District Recapture Rights to Imported Water Served to Customers

1. The District imports water from sources outside of the San Jacinto Basin / Lake Elsinore / Canyon Lake watershed and such imported water constitute a portion of the supply provided to District customers.
2. Many District customers use their District-provided water supplies, including imported water, for irrigation and other outdoor uses.
3. District water, including imported water supplies, is also discharged from onsite septic tanks and similar sewage disposal systems utilized by District water customers.
4. To the extent imported water used by District customers percolates into local groundwater basins, the District has the right under California law to “recapture” and claim the exclusive right to such non-native, imported water, and to store such recaptured water and/or put that water to other reasonable and beneficial use.
5. As a condition of water service, District customers agree that they shall not lay claim to or attempt to recapture, pump, otherwise take, or claim ownership of any imported water supplies, which after use by District customers, may percolate into local groundwater basins. Each District customer agrees, as a condition of service, that the District shall have the exclusive right to recapture and claim use or ownership rights of any such imported water supplies that percolate into any groundwater basins either within or outside the District’s service area.

§ 3207. Meters. *(M-5194)*

- A. Meter Installations. Meters will be installed in the road, street, or sidewalk area, utility easement or on the customer's property and shall be owned by the District and installed and removed at its expense. No rent, or other charge will be paid by the District for a meter or other facilities, including connections. All meters will be sealed by the District at the time of installation, and no seal shall be altered or broken except by one of its authorized employees or agents.
1. The District has the authority to and will install an advanced meter communication device on all meters.
 2. Data collected by the District from the advanced meter communication device will be used to determine water usage for billing purposes, communicate with customers, assist customers in identifying leaks and for lawful purposes only. The District will not share any data including water usage with a third party without customer notification and/or consent, unless otherwise required by law.
 3. Customers will not be permitted to "opt-out" of the advanced meter communication device.
- B. Change in Location of Meters. Meters moved for the convenience of the customer will be relocated at the customer's expense. Meters moved to protect the District's property will be moved at its expense. If the lateral distance that the customer desires to have the meter moved exceeds eight feet (8'), he may be required to pay for new service at the desired location.
- C. Meter Tests - Deposit. All meters will be tested prior to installation. If a customer desires to have the meter serving his premises tested, he shall first pay a deposit, the amount of which will be established from time to time by the Board, and may be present when the meter is tested in the meter shop of the District. Should the meter register outside the standards of the American Water Works Association (AWWA), which is between 98.5% and 101%, the deposit will be refunded to the customer. If the meter tests within the standards of AWWA, the deposit will not be refunded.
- D. Adjustment for Meter Errors - Fast Meters. If a meter tested at the request of a customer is found to be fast pursuant to Paragraph C above, the excess charges for the time service

was rendered the customer requesting the test, or for a period of six months, whichever shall be the lesser, shall be refunded to the customer.

- E. Adjustment for Meter Errors - Slow Meters. If a meter tested at the request of a customer is found to be slow pursuant to Paragraph C above, the District may bill the customer for the period, not exceeding six months that the meter was in use.
- F. Non-registering Meters. If a meter is found not to be registering water use, the customer will be charged a conservatively estimated amount based upon the customer's historical water use, meter use, or other comparable means of estimation, taking into consideration (but not limited to) the weather, landscape factors, etc., with the overriding intent to be fair and equitable.

§ 3208. Public Fire Protection.

- A. Use of Fire Hydrants. Fire hydrants are for use by the District or by organized fire protection agencies. Other parties desiring to use fire hydrants for any purposes must first make application prior to use and shall operate the hydrant in accordance with instructions issued by the District. Unauthorized use of hydrants will be prosecuted according to law.
- B. Moving of Fire Hydrants. When a fire hydrant has been installed in the location specified by the proper authority, the District has fulfilled its obligation. If a property owner or other party desires a change in the size, type or location of the hydrant, he shall bear all costs of such changes, without refund. Any change in the location of a fire hydrant must be approved by the proper authority.

§ 3209. Private Fire Protection Service.

- A. Payment of Cost. The applicant for private fire protection service shall pay the total actual cost of installation.
 - 1. For single-family residential accounts, the installation cost of the service from the distribution main to the customer's premises including the cost of a backflow device, concrete or valve box, and meter box.

2. For all others, the installation cost of the service from the distribution main to the customer's premises including the cost of a backflow device, valve and meter box. After installation is accepted by the District applicable components become the property of the District.
- B. No Connection to Other System. There shall be no connections between this fire protection system and any other water distribution system on the premises.
 - C. Use. There shall be no water used through the fire protection service except to extinguish fires and for testing the fire fighting equipment.
 - D. Meter Rates. Any consumption recorded on the meter will be multiplied by the proper consumption factor to determine the actual water usage and charged at a rate established from time to time by the Board of Directors and listed on a separate schedule. No charge will be made for water used to extinguish fires where such fires have been reported to the fire department.
 - E. Monthly Rates. The monthly rates for private fire protection shall be established by the District Board from time to time by resolution.
 - F. Water for Fire Storage Tanks. Occasionally water may be obtained from a private fire service for filling a tank connected with the fire service, but only if written permission is secured from the District in advance and an approved means of measurement is available. The regular water rates will be applied.
 - G. Water for Public Fire Fighting Agencies. No charge will be made for water taken by a public agency from a private fire system for the purpose of fighting a fire.
 - H. Violation of Regulations. If water is used from a private fire service in violation these regulations, the District may, at its option, discontinue and remove the service.
 - I. Water Pressure and Supply. The District assumes no responsibility for loss or damage due to lack of water, or high or low pressure, and merely agrees to furnish such

quantities and pressures as are available in its general distribution system. The service is subject to shutdowns and variations required by the operation of the system.

- J. Rules. The following rules shall apply to fire service connections:
1. Valve. When a fire service connection is installed, the valve governing same will be closed and sealed and remain so until a written order is received from the owner of the premises to have the water turned on.
 2. Meter. If the District does not require a meter, and if water is used through a fire service connection for any other purpose than extinguishing of fires, it shall have the right to place a meter on the fire service connection and at the owner's expense, or shutoff the entire water supply from such premises.
 3. Additional Service. The District shall have the right to take a domestic, commercial or industrial service connection from the fire service connection at the curb to supply the same premises as those to which the fire service connection belongs. The District shall also have the right to determine the proportion of the installation costs properly chargeable to each service connection, if such segregation of costs shall become necessary.
 4. Check Valve. The Board reserves the right to install on all fire service connections a check valve of a type approved by the National Board of Fire Underwriters, and to equip the same with a by-pass meter at the expense of the owner of the property.

§ 3210. Temporary Service/Construction Water.

- A. Supply from Fire Hydrant. An applicant for temporary use of water from a fire hydrant must secure a permit therefore from the District and pay the regular fee charged for the installation and removal of a meter to be installed on said hydrant.
- B. Unauthorized Use of Hydrants. Tampering with any fire hydrant for the unauthorized use of water therefrom, or for any other purpose, is a misdemeanor, punishable by law, and subject to District fines and penalties.

C. Temporary Construction Water.

1. Applicants for temporary construction water shall provide such information as the General Manager shall reasonably require so that the impact on the existing District customers may be evaluated.
2. Hydrant meters are installed, locked and read by District personnel unless specifically obtained under the provisions of Load Count Permits or Floating Hydrant Meters. The General Manager shall have the authority to determine at what location construction water shall be provided such that the supply of water service to existing customers shall not be unreasonably jeopardized by the provision of temporary construction water service. The customer may be required to pay a daily service charge in addition to charges for water consumed. The rate for hydrant water and the daily service charge shall be established by the Board of Directors. (*R-1248*). Hydrant meter services shall be terminated on the 26th day of the billing cycle if water charges remain unpaid. (*Minutes 11/24/99*)
3. Should an emergency situation develop in which the supply of water to existing customers of municipal, industrial or agricultural water is threatened or jeopardized, the General Manager, may discontinue temporary construction water service to the extent necessary to maintain the provision of municipal, industrial and agricultural water service. If possible, 48-hour notice will be provided prior to service termination. In all cases where only partial discontinuance of temporary construction water is necessary, all temporary customers within any subject zone shall have their service discontinued.
4. In the event of an emergency, which immediately threatens the supply of municipal, industrial and agricultural water supply the General Manager shall have the authority to immediately discontinue the provision of temporary construction water, as necessary, without prior notice.
5. Should the General Manager invoke the authority of Sections 3 and 4 above, all Directors shall be notified

as soon as possible and a report with justifications for the actions shall be presented to the Board of Directors at their next regularly scheduled meeting and will be deemed an emergency item should the normal notification period for placing the item on the agenda not exist.

6. Developers and general contractors shall be liable for any illegal use of fire hydrants and/or fire hydrant meters, which are installed by the District pursuant to a water plan submitted by the developer or general contractor. The developer or general contractor's liability shall extend to all use by its agents, employees, contractors, licensees, permittees or tenants, including but not limited to, the illegal taking of water. Any fine imposed by the District for such violation shall be paid by the developer or general contractor promptly on presentation of a bill.

§ 3211. Temporary Service - Floating Hydrant Meters. *(R-1248)*

- A. Floating hydrant meters are discouraged; however, the General Manager may determine that the use of a hydrant meter is warranted in cases such as the widespread use of water by a responsible public agency or local political subdivision. A floating hydrant meter is not required to be installed and locked on a hydrant as is the requirement for temporary construction water in Section 3210 (C) above. The application for a floating hydrant meter is valid for one year. Customer must submit a new written application upon permit expiration.
- B. Applicants for a floating hydrant meter shall provide such information as the General Manager may reasonably require and a deposit shall be required upon issuance of the meter. The General Manager may, at his discretion, waive the deposit.
- C. The customer shall call the Customer Service Department of the District each month and report the meter reading. Customer Service will calculate charges based on the reported meter reading and bill the customer accordingly. The customer must call and report said monthly meter reading no later than the 3rd working day of each month. Penalties may be charged for failure to call in a monthly

meter reading. The customer shall be billed for water used at a rate established by the Board of Directors.

- D. A daily service charge shall be charged for each hydrant meter. The daily service charge shall be established by the Board of Directors.
- E. Upon return of the meter, any charges and/or fines and penalties owed shall be deducted from the deposit and the remainder refunded to the customer.
- F. The General Manager shall have the authority to immediately discontinue temporary water service pursuant to Section 3210 (C) above.

§ 3212. Unmetered Construction Water Policy.

- A. Temporary connections for pressurizing homes are necessary by builders during the drywall installation phase of construction. Therefore, the service category of unmetered construction water is available.
- B. The service is available for construction only. This service is not to be used for landscaping or any domestic/commercial use. Unauthorized use is subject to the conditions, as established in Penal Code Section 498, and immediate discontinuance of water service.
- C. A monthly charge covers unmetered water use. For deposit and monthly charges, contact the Customer Service Department. There will be periodic inspections by the District Inspector.
- D. Prior to connection by the builder, the District Inspector will verify the following:
 - 1. Water system has been successfully tested and sterilized and fire hydrants have been painted.
 - 2. Service laterals have been installed with an extra length extending a minimum of two feet above ultimate grade.
 - 3. A stake with minimum dimensions of 2" X 4" will be installed to mark the location of the service lateral and

provide for temporary mounting of the extended service lateral.

- E. At such time as the builder has completed all utility installations and established final grade to the satisfaction of the District Inspector, the temporary connection will be removed, delivery of water discontinued completely and the service will be completed in accordance with the District's standard specifications.

§ 3213. Water Service Delivery Categories. *(R-1240)*

- A. Domestic. The delivery of water to single-family residential customers in single, detached residential units.
- B. Commercial. The delivery of water to multi-family residential units such as duplexes, apartments and condominiums; and commercial and industrial establishments.
- C. Wholesale. The delivery of water to an agency that distributes it for resale.
- D. Political Subdivisions. Cities, special and independent Districts, political subdivisions of the State of California or quasi-governmental nonprofit property owners association consisting of four thousand (4,000) or more property owners, except that such water commodity charge in the case of a quasi-governmental nonprofit property owners association consisting of four thousand (4,000) or more property owners shall apply only to common area park and recreation facilities generally open and available to the public and otherwise operated and maintained by such property owners association.
- E. Agricultural Service. The delivery of water for agricultural purposes in the growing or raising, in conformity with recognized practices of husbandry, for the purposes 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 feed of fowl or livestock for the purpose of obtaining their products for human consumption or for the market, such products to be grown or raised on a

parcel of land having an area of not less than one acre utilized exclusively therefore.

1. “Agricultural purposes limited to the growing of field and nursery crops and row crops” shall mean those agricultural purposes related to the growing of crops generally planted and harvested annually or more frequently, and other agricultural purposes not included in the definitions of Paragraphs 2 & 3 herein below.
2. “Agricultural purposes limited to the growing of trees and vines” shall mean those agricultural purposes limited to the growing of crops that are planted less frequently than annually in the expectation of long-term yield therefrom.
3. “Agricultural purposes limited to the feeding of fowl or livestock” shall mean those agricultural purposes encompassing the raising of animals for human consumption or for the market or for the purpose of obtaining their products for human consumption or for the market.

- F. Landscape Irrigation. Any water customer with a meter consuming water predominately for the use of irrigating outside landscaping. This can include customers from the various water service delivery categories (i.e., domestic, commercial, local political subdivision, etc.) Because sewer charges for commercial users are based on water consumption, the landscape irrigation meter is normally the second meter installed on a single lateral for the purpose of landscape watering in order to reduce the amount of water consumption that would be subject to sewer fees. Additional connection fees are not collected on the second meter unless it is determined by field review that additional demand for capacity is being required for the meter. The District reserves the right to assess additional capacity fees in this event.
- G. Hydrant Water. The delivery of water through a fire hydrant for the purpose of providing temporary water service and/or construction.

- H. Unmetered Construction Water. Temporary connections for pressurizing homes by builders during the drywall installation phase of construction.
- I. Reclaimed Water. The delivery of nonpotable, reclaimed, or recycled water.

SECTION 3300. CROSS-CONNECTION PROGRAM (R-951)**§ 3301 Purpose.**

The purpose of this program is (1) to protect the public water supply against actual or potential cross-connection by isolating within the premise contamination that may occur because of some undiscovered or unauthorized cross-connection on the premises; (2) to eliminate existing connections between drinking water systems and other sources of water that are not approved as safe and potable for human consumption; (3) to eliminate cross-connections between drinking water systems and sources of contamination; and (4) to prevent the making of cross-connections in the future.

§ 3302. Definitions.

- A. Air-Gap Separation. A physical break between a supply pipe and a receiving vessel. The air-gap shall be at least double the diameter of the supply pipe measured vertically above the top rim of the vessel, in no case less than one inch.
- B. Approved Backflow Prevention Device. Devices that have passed laboratory and field evaluation tests performed by a recognized testing organization that has demonstrated their competency to perform such tests to the California Department of Health Services.
- C. Approved Water Supply. Any water supply whose potability is regulated by a State or local health agency.
- D. Auxiliary Supply. Any water supply on or available to the premises other than the approved water supply.
- E. AWWA Standard. An official standard developed and approved by the American Water Works Association (AWWA).

- F. Backflow. A flow condition, caused by a differential in pressure, that causes the flow of water or other liquids, gases, mixtures or substances into the distributing pipes of a potable supply of water from any source or sources other than an approved water supply source. Back siphonage is one cause of backflow. Backpressure is the other cause.
- G. Contamination. A degradation of the quality of the potable water by any foreign substance that creates a hazard to the public health or that may impair the usefulness or quality of the water.
- H. Cross-Connection. Any unprotected actual or potential connection between a potable water system used to supply water for drinking purposes and any source or system containing unapproved water or a substance that is not or cannot be approved as safe, wholesome, and potable. By-pass arrangements, jumper connections, removable sections, swivel or changeover devices, or other devices through which backflow could occur, shall be considered to be cross-connections.
- I. District. Elsinore Valley Municipal Water District.
- J. Double Check Valve Assembly. An assembly of at least two independently acting check valves including tightly closing shut-off valves on each side of the check valve assembly and test cocks available for testing the water tightness of each check valve.
- K. Health Agency. The California Department of Health Services, or the local health agency with respect to a small water system.
- L. Local Health Agency. The Riverside County Health Department.
- M. Person. An individual, corporation, company, association, partnership, municipality, public utility, or other public body or institution.

- N. Premise. Any and all areas on a customers property that are served, or have the potential to be served by the public water system.
- O. Public Water System. A system for the provision of piped water to the public for human consumption, which has five or more service connections, or regularly serves an average of 25 individuals daily at least 60 days out of the year.
- P. Reclaimed Water. A wastewater that as a result of treatment is suitable for uses other than potable use.
- Q. Reduced Pressure Principle Backflow Prevention Device. A device incorporating two or more check valves and an automatically operating differential relief valve located between the two checks, a tightly closing shut-off valve on each side of the check valve assembly, and equipped with necessary test cocks for testing.
- R. Service Connection. The point of connection of a user's piping to the water supplier's facilities.
- S. Water Supplier. Elsinore Valley Municipal Water District.
- T. Water User. Any person obtaining water from an approved water supply system.

§ 3303. Cross-Connection Protection Requirements.

- A. General Provisions.
 - 1. Unprotected cross-connections with the public water supply are prohibited.
 - 2. Whenever backflow protection has been found necessary, the District will require the water user to install an approved backflow prevention device by and at his expense for continued services or before new service will be granted.

3. Wherever backflow protection has been found necessary on a water supply line entering a water user's premises, then any and all water supply lines from the District's mains entering such premises, buildings, or structures shall be protected by an approved backflow prevention device. The type of device to be installed will be in accordance with the requirements of these regulations.

B. Where Protection is Required.

1. Each service connection from the District waster system for supplying water to premises having an auxiliary water supply shall be protected against backflow of water from the premises into the public water system unless the auxiliary water supply is accepted as an additional source by the District, and is approved by the public health agency having jurisdiction.
2. Backflow prevention devices shall be installed on the service connection to any premises having (a) internal cross-connections that cannot be permanently corrected and controlled to the satisfaction of the state or local health department and the District, or (b) intricate plumbing and piping arrangements, or where entry to all portions of the premises is not readily accessible for inspection purposes, making it impracticable or impossible to ascertain whether or not cross-connections exist.

C. Type of Protection Required.

1. The type of protection that shall be provided to prevent backflow into the approved water supply shall commensurate with the degree of hazard that exists on the consumer's premises. The type of protective device that may be required (listing in an increasing level of protection) includes: Double Check Valve

Assembly (DC), Reduced Pressure Principle Backflow Prevention Device (RP), and an Air-gap separation (AG). The water user may choose a higher level of protection than required by the District. The minimum types of backflow protection required to protect the approved water supply, at the user’s water connection to premises with varying degrees of hazard are given in Table 1. Situations that are not covered in Table 1 shall be evaluated on a case-by-case basis and the appropriate backflow protection shall be determined by the District or local health agency.

Table 1

Type of Backflow Protection Required

| Degree of Hazard | Minimum Type of Backflow Prevention |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| (a) Sewage and Hazardous Substances | |
| (1) Premises where the public water system is used to supplement the reclaimed water supply | AG |
| (2) Premises where there are wastewater pumping and/or treatment plants and there is no interconnection with the potable water system. This does not include a single-family residence that has a sewage lift pump. A RP may be provided in lieu of an AG if approved by the local health agency and the District. | AG |
| (3) Premises where reclaimed water is used and there is no interconnection with the potable water system. A RP may be provided in lieu of an AG if approved by the local health agency and the District. | AG |

(4) Premises where hazardous substances AG are handled in any manner in which the substances may enter a potable water system. This does not include a single-family residence that has a sewage lift pump. A RP may be provided in lieu of an AG if approved by the local health agency and the District.

(5) Premises where there are P irrigation systems into which fertilizers, herbicides, or pesticides are, or can be, injected.

(b) Auxiliary Water Supplies

(1) Premises where there is an AG unapproved auxiliary water supply which is interconnected with the public water system. A RP or DC may be provided in lieu of an AG if approved by the local health agency and the District.

(2) Premises where there is an RP unapproved auxiliary water supply and there are no interconnections with the public water system. A DC may be provided in lieu of a RP if approved by the local health agency and the District.

(c) Fire Protection Systems

(1) Premises where the fire system is DC directly supplied from the public water system and there is an unapproved auxiliary water supply on or the premises (not interconnected).

(2) Premises where the fire system is AG supplied from the public water system and interconnected with an unapproved auxiliary water supply. A RP may be provided in lieu of an AG if approved by

the local health agency and District.

- (3) Premises where the fire system is supplied from the public water system and where either elevated storage tanks or fire pumps which take suction from the private reservoirs or tanks are used. DC
- (d) Docksider Water Points and Marine Facilities
 - (1) Pier hydrants for supplying water to vessels for any purpose. RP
 - (2) Premises where there are marine facilities RP
- (e) Premises where entry is restricted so that inspections for cross-connections cannot be made with sufficient frequency or at sufficiently short notice to assure that cross-connections do not exist. RP
- (f) Premises where there is a repeated history of cross-connections being established or re-established. RP
- 2. Two or more services supplying water from different street mains to the same building, structure, or premises through which an interstreet main flow may occur, shall have at least a standard check valve on each water service to be located adjacent to and on the property side of the respective meters. Such check valve shall not be considered adequate if backflow protection is deemed necessary to protect the District's mains from pollution or contamination; in such cases the installation of approved backflow devices at such service connections shall be required.

§ 3304. Backflow Prevention Devices.**A. Approved Backflow Prevention Device.**

1. Only backflow prevention devices that have been approved by the District shall be acceptable for installation by a water user connected to the District's potable water system.
2. The District will provide upon request to any affected customer a list of approved backflow prevention devices.

B. Backflow Prevention Device Installation.

1. Backflow prevention devices shall be installed in a manner prescribed in Section 7603, Title 22 of the California Administrative Code. Location of the devices should be as close as practical to the user's connection. The District shall have the final authority in determining the required location of a backflow prevention device.
 - a. Air-gap Separation (AG). The air-gap separation shall be located on the user's side of and as close to the service connection as is practical. All piping from the service connection to the receiving tank shall be above grade and be entirely visible. No water use shall be provided from any point between the service connection and the air-gap separation. The water inlet piping shall terminate a distance of at least two (2) pipe diameters of the supply inlet, but in no case less than one (1) inch above the overflow rim of the receiving tank.
 - b. Reduced Pressure Principle Backflow Prevention Device (RP). The approved reduced pressure principle backflow prevention device shall be installed on the

user's side of the as close to the service connection as is practical. The device shall be installed a minimum of twelve inches (12") above grade and not more than thirty-six inches (36") above grade measured from the bottom of the device and with a minimum of twelve inches (12") side clearance. The device shall be installed so that it is readily accessible for maintenance and testing. Water supplied from any point between the service connection and the RP device shall be protected in a manner approved by the District.

- c. Double Check Valve Assembly (DC). The approved double check valve assembly shall be located as close as practical to the user's connection and shall be installed above grade, if possible, and in a manner where it is readily accessible for testing and maintenance. If a double check valve assembly is put below grade it must be installed in a vault such that there is a minimum of six inches (6") between the bottom of the vault and the bottom of the device, so that the top of the device is no more than a maximum of eight inches (8") below grade, so there is a minimum of six inches of clearance between the side of the device with the test cocks and the side of the vault, and so there is a minimum of three inches (3") clearance between the other side of the device and the side of the vault. Special consideration must be given to double check valve assemblies of the "Y" type. These devices must be installed on their "side" with the test cocks in a vertical position so that either check valve may be removed for service without removing the device. Faults that do not have an integrated bottom must be placed on a three-inch (3") layer of gravel.

C. Backflow Prevention Device Testing and Maintenance.

1. The owners of any premises on which, or on account of which, backflow prevention devices are installed, shall have the devices tested by a person who has demonstrated their competency in testing of these devices to the District. Backflow prevention devices must be tested at least annually and immediately after installation, relocation or repair. The District may require a more frequent testing schedule if it is determined to be necessary. No device shall be placed back in service unless it is functioning as required. A report in a form acceptable to the District shall be filed with the District each time a device is tested, relocated, or repaired. These devices shall be serviced, overhauled, or replaced whenever they are found to be defective and all costs of testing, repair, and maintenance shall be borne by the water user.
2. The District will supply affected water users with a list of persons acceptable to the District to test backflow prevention devices. The District will notify affected customers by mail when annual testing of a device is needed and supply users with the necessary forms, which must be filled out each time a device is tested or repaired.

D. Backflow Prevention Device Removal.

1. Approval must be obtained by the District before a backflow prevention device is removed, relocated, or replaced.
 - a. Removal. The use of a device may be discontinued and the device removed from service upon presentation of sufficient evidence to the District to verify that a hazard no longer exists, or is not likely to be created in the future.

- b. Relocation. A device may be relocated following confirmation by the District that the relocation will continue to provide the required protection and satisfy installation requirements. A retest will be required following the relocation of the device.
- c. Repair. A device may be removed for repair, provided the water use is either discontinued until repair is completed and the device is returned to service, or the service connection is equipped with other backflow protection approved by the District. A retest will be required following the repair of the device.
- d. Replacement. A device may be removed and replaced provided the water use is discontinued until the replacement device is installed. All replacement devices must be approved by the District and must be commensurate with the degree of hazard involved.

§ 3305. User Supervisor.

At each premise where it is necessary, in the opinion of the District, a user supervisor shall be designated by and at the expense of the water user. This user supervisor shall be responsible for the monitoring of the backflow prevention devices and for avoidance of cross-connections. In the event of contamination or pollution of the drinking water system due to a cross-connection on the premises, the District shall be promptly notified by the user supervisor so that appropriate measures may be taken to overcome the contamination. The water user shall inform the District of the user supervisor's identity on, as a minimum, an annual basis and whenever a change occurs.

§ 3306. Administrative Procedures. (M-4548)**A. Water System Survey.**

1. The District shall review all requests for new services to determine if backflow protection is needed. Plans and specifications must be submitted to the District upon request for review of possible cross-connection hazards as a condition of service for new service connections. If it is determined that a backflow prevention device is necessary to protect the public water system, the required device must be installed before service will be granted.
2. The District may require an on-premise inspection to evaluate cross-connection hazards. The District will transmit a written notice requesting an inspection appointment to each affected water user. Any customer that cannot, or will not, allow an on-premise inspection of their piping system shall be required to install the backflow prevention device the District considers necessary.
3. The District may, require a re-inspection at its discretion for cross-connection hazards of any premise to which it serves water. The District will transmit a written notice requesting an inspection appointment to each affected water user. Any customer that cannot, or will not, allow an on-premise inspection of their piping system shall be required to install the backflow prevention device the District considers necessary.

B. Customer Notification - Device Installation.

1. The District will notify the water user in writing of the survey findings, listing corrective action to be taken, if required. A period of 60 days will be given to complete all corrective action required including installation of backflow prevention devices.
2. A second written notice will be sent to each water user that does not take the required corrective action prescribed in the first notice within the 60-day period

allowed. The second notice will give the water user a two-week period to take the required corrective action. If no action is taken within the two-week period the District may terminate water service to the affected water user until the required corrective actions are taken.

C. Customer Notification - Testing and Maintenance

1. The District will send written notification to each affected water user when it is time to test the backflow prevention device installed on their service connection. This written notification shall give the water user 30 days to complete the required testing and submit the necessary backflow test certification to the District.
2. After the allowable 30-day period, a second written notice will be sent to each water user who failed to provide an acceptable backflow test certification for their backflow prevention device. The second notice will allow the water user an additional two-week period to have their backflow prevention device tested and acceptable test certification submitted, or allow the water user to request termination of service. If the water user fails to supply the District with either an acceptable test certification or a Request for Termination of Service within the two (2)-week period, the District will test the backflow device for compliance with the California Department of Public Health regulations and impose the applicable fine. Should the device not pass, the District will terminate water service to the affected water user until the subject device is repaired, retested and shown to be operating properly.

§ 3307. Water Service Termination.

- A. General. When the District encounters water uses that represent a clear and immediate hazard to the potable water supply that cannot be immediately abated, the District shall institute the procedure for discontinuing the District water service.

- B. Basis for Termination. Conditions or water uses that create a basis for water service termination shall include, but are not limited to, the following items:
1. Refusal to install a required backflow prevention device.
 2. Refusal to test a backflow prevention device.
 3. Refusal to repair a faulty backflow prevention device.
 4. Refusal to replace a faulty backflow prevention device.
 5. Direct or indirect connection between the public water system and a sewer line.
 6. Unprotected direct or indirect connection between the public water system and a system or equipment containing contaminants.
 7. Unprotected direct or indirect connection between the public water system and an auxiliary water system.
 8. A situation, which presents an immediate health hazard to the public water system.
- C. Water Service Termination Procedures.
1. For conditions 1, 2, 3, or 4, the District will terminate service to a customer's premise after 2 written notices have been sent specifying the corrective action needed and the time period in which it must be done. If no action is taken within the allowed period of time, water service may be terminated.
 2. For conditions 5, 6, 7, or 8, the District will take the following steps:

- a. Make reasonable effort to contact and advise the water user of record of the intent to terminate water service.
- b. Terminate water supply and lock service valve. The water service will remain inactive until the District has approved correction of violations.

§ 3308. Requirements for the Certification as a Backflow Prevention Device Tester.

Competency in all phases of backflow prevention device testing and repair must be demonstrated by means of education and/or experience in order to obtain certification. The following are minimum requirements:

- a. Applicants shall have had at least (2) years experience in plumbing, or pipe fitting, or equivalent qualifications.
- b. Hold a valid certification from the American Water Works Association, California-Nevada Section, or from a County certification program.
- c. Each applicant for certification as a tester of backflow prevention devices shall furnish evidence to show that he has available the necessary tools and equipment to properly test such devices. He shall be responsible for the competency and accuracy of all tests and reports prepared by him.

The certificate issued to any tester is valid for a period of one year and maybe revoked, suspended, or not renewed by the District for improper testing, repairs, and/or reporting.

SECTION 3400. PUBLIC SEWER USE AND REGULATIONS FOR WASTE DISCHARGE

§ 3401. Use of Public Sewers.

A. Sewer Hookup Required.

1. When required by the Local Building Authority to connect to the public sewer main, the discharger shall make application to the District for sewer service.
2. No person shall make any connection to a public sewer main or appurtenance thereof without first obtaining a District sewer connection permit. Such sewer connection permit shall be in addition to any and all permits required by the local Building Authority or wastewater collection Agency.

B. District Connection Permit. To provide the maximum public benefit from the use of District facilities, written authorization to use said facilities is required. This written authorization shall be in the form of a connection permit. Connection permits shall be issued subject to the following conditions.

1. The District Sewer System and Disposal Facilities Charge shall have been paid;
2. The District Sewer Treatment Plant Capacity Charge shall have been paid;
3. A Waste Discharge Permit Application shall have been submitted where required;
4. The proposed discharge shall consist of only compatible pollutants;
5. Arrangements shall have been made to pay any collection agency fees or charges.

C. Costs.

1. All costs and expense incidental to all connections to a District public sewer main shall be borne by the discharger. The involved discharger shall indemnify the District from all losses or damages, which may result from the actions of such discharger, his contractor or agent, associated with the

installation or maintenance of such a connection to a District public sewer main.

2. All construction, reconstruction, or maintenance of a building sewer shall be accomplished by the discharger at his sole expense.

D. Connection Rules.

1. The connection of a building sewer to a District public sewer main shall conform to the requirements of applicable building and plumbing codes, and current District rules, regulations and standards. All such connections shall be gas and watertight as verified by proper testing. Any deviation from such codes and/or District rules, regulations and standards must be approved, in writing, by the District prior to the installation of the connection.
2. Following issuance of a sewer connection permit for connection to a District public sewer main, the discharger shall notify the District two working days in advance of the time when the building sewer is ready for inspection of connection to the District's public sewer main. The physical connection of the building sewer to the District's public sewer main and the testing thereof shall be accomplished under District supervision and inspection with the costs associated therewith being included as a part of the inspection fee provided for in Administrative Code Section 2601 B (1-6).
3. Whenever, in the opinion of the District there exists the possibility of sewage from a District public sewer main flooding private property as a result of a stoppage in a District public sewer main an anti-flooding device, approved by the District, shall be incorporated in the building sewer. This device shall be installed at the discharger's expense.
4. All excavations for a building sewer installation and connection thereof to a District public sewer main shall be adequately guarded with barricades and lights to protect the public from hazard. Streets, sidewalks, parkways, and other public property disturbed in the course of the work shall be restored in a satisfactory manner by the discharger as determined by the District.

§ 3402. Regulations For Waste Discharge And Sewer Use (Ordinance No.279)

ORDINANCE NO. 279 Regulations for Waste Discharge and Sewer Use (December 14, 2023) Articles 1 thru 8, and Tables A and B of the Ordinance are included in Sections 3403 through 3499 of this Administrative Code.

§ 3403. GENERAL PROVISIONS

It is the intent of the Ordinance to protect public health, Elsinore Valley Municipal Water District (District) personnel, the District’s wastewater collection, treatment systems and the environment from waste discharges by users with the potential to detrimentally impact the beneficial use of reclaimed (recycled) water and municipal sludge (biosolids).

§ 3404. Purpose.

- A. The purpose of the Ordinance is to set forth:
 - 1. Conditions and limitations on the use of the District’s sewer system;
 - 2. Specific enforcement provisions to resolve dischargers’ noncompliance with the District's Ordinance, thereby allowing the District to:
 - a. Comply with the laws, regulations, and rules imposed upon it by Regulatory Agencies;
 - b. Ensure that the District's sewerage facilities and treatment processes are protected and are able to operate with the highest degree of efficiency;
 - c. Protect the beneficial use of reclaimed (recycled) water and municipal sludge (biosolids); and
 - d. Protect the public health and environment.

§ 3405. Policy.

- A. The ordinance shall be interpreted in accordance with the definitions set forth in Section 3412. The provisions of the ordinance shall apply to the direct and indirect discharge of

all wastes to facilities of the District.

- B. The District shall seek the cooperation of the users of the sewer system to ensure compliance with the ordinance. Reasonable approaches shall be utilized when applying applicable regulations without compromising the intent, purpose and policies of the ordinance.
- C. The District shall adopt more stringent quality requirements on wastewater discharges regulated by 40 CFR, Chapter I, Subchapter N, Parts 405-471, in the event that more stringent quality requirements are necessary to protect beneficial use of reclaimed (recycled) water and municipal sludge (biosolids) or meet additional requirements set in permits issued to the District.
- D. The District shall encourage conservation and pollution prevention through source control strategies, which reduce the amount of pollutants entering the environment, prior to recycling, pretreatment, or disposal.
- E. The District shall use the revenues derived from the application of the ordinance to defray the cost of regulating sewer usage to include, but not be limited to, administration, monitoring, inspecting, permitting, reporting, and enforcement.
- F. All costs and expenses incurred by the administration, monitoring, inspecting, permitting, reporting, and enforcement procedures of the District's Pretreatment Program Section shall be paid by the applicant/discharger. All applicable fees shall be pursuant to the most current editions of the *Districts Pretreatment Program Fee Schedule and Enforcement Response Plan* (ERP) and as amended thereto.
- G. The District shall ensure that all parties are afforded due process of law. An applicant or user shall be given written notice of rejection of an application, or violation of a control mechanism, or of any enforcement action. Such notice shall include a statement of reasons in support thereof and proposed actions to be taken, if any. Affected applicants or users shall have the right to a hearing. Decisions/determinations may be appealed as set forth in Sections 3461 through 3485 and/or the District's ERP.
- H. The District, in its sole and reasonable discretion, may utilize

any-one, combination, or all enforcement remedies provided in Section 3408 (10) in response to any violation.

§3406. Scope.

The provisions of these Regulations shall apply, but not limited to sewer construction, use, maintenance, discharge, deposit, or disposal of wastewater, both directly and indirectly, into and through all District collection and treatment systems and to the issuance of control mechanisms and assessment/imposition of fees, fines and penalties thereof.

§3407. Applicability.

This "Regulations for Waste Discharge and Sewer Use" Ordinance applies to all users who discharge or have the potential to discharge wastewater to the District's POTW and specifies herein that all users are subject to regulation and enforcement.

§3408 Powers.

A. EVMWD General Manager and his designated personnel are authorized to:

Authorizations;

1. Issue, modify, and reissue Waste Discharge
2. Issue, modify, and reissue Waste Discharge Permits;
3. Require the installation and maintenance of pretreatment and/or monitoring facilities and equipment;
4. Conduct inspections of facilities, including, but not limited to, inspecting and copying records;
5. Require monitoring and reporting of discharges to the sewer system;
6. Monitor the quality of wastewater entering the sewer system;
7. Require the development of Spill Containment Plans and reporting of accidental discharges;
8. When applicable require the development of a Slug Control Plan (per Title 40 of the Code of Federal

Regulations (40 CFR) 403.8.

9. Deny, approve or approve with conditions, new or increased discharges or change in the quantity or characteristics of discharges, when such discharges do not meet applicable pretreatment requirements as specified in 40 CFR 403.8.
10. Take enforcement actions against those who violate or cause violation of the ordinance or Waste Discharge Permit conditions. These actions may include, but are not limited to the following:
 - a. Issuing letters;
 - b. Issuing Notices of Violation;
 - c. Issuing Administrative Orders;
 - d. Issuing Cease and Desist Orders;
 - e. Initiating and conducting non-compliance meetings;
 - f. Initiating and conducting non-compliance inspections;
 - g. Initiating and conducting administrative hearings;
 - h. Petitioning the courts for injunctions or civil penalties;
 - i. Signing criminal complaints;
 - j. Terminating water and or wastewater services;
 - k. Requiring payment of violation charges;
 - l. Revoking and/or suspending the Waste Discharge Permit or Authorization.
 - m. Issuing Emergency Water and/or Wastewater Suspensions.
11. Delegate authority to the Division Head, Department Head, Pretreatment Program Coordinator, or Environmental Compliance Inspector of any power granted to or the carrying out of any duty imposed upon the District pursuant to the ordinance.
12. Establish Best Management Practices applicable as Local Limits.
13. Establish policies and standards applicable for dischargers or potential discharges of non-domestic wastewater.

§3409. Access.

The District (and regulatory agencies, when accompanied by District personnel) shall have the right to enter the premises of any user to determine whether the user is complying with all requirements of the ordinance and any individual wastewater discharge permit. Users shall allow the District ready access to all parts of the premises for the purposes of inspection, sampling, measuring, testing, records examination and copying, taking photographs and the performance of any additional duties.

1. Where a user has security measures in force which require proper identification and clearance before entry into its premises, the user shall make necessary arrangements so that, upon presentation of suitable identification, the District shall be permitted to enter without delay for the purposes of performing specific responsibilities.
2. The District shall have the right to set up on the user's property, or require installation of, such devices as are necessary to conduct sampling and/or metering of the user's operations.
3. The District may require the user to install and maintain monitoring equipment as necessary. The facility's sampling and monitoring equipment shall be maintained at all times in a safe and proper operating condition by the user at its own expense. All devices used to measure wastewater flow and quality shall be calibrated at a frequency to be determined by the District to ensure their accuracy.
4. The location of the monitoring facility shall provide ample room in or near the monitoring facility to allow accurate sampling and preparation of samples and analysis. Whether constructed on public or private property, the monitoring facilities should be provided in accordance with the General Manager's requirements and all applicable local construction standards and specifications. Such facilities shall be constructed and maintained in such manner so as to enable the District to perform independent monitoring activities.
5. Any temporary or permanent obstruction to safe and easy access to the facility to be inspected and/or sampled shall be promptly removed by the user at the

written or verbal request of the General Manager and shall not be replaced. The costs of clearing such access shall be borne by the user.

6. Unreasonable delays in allowing the District access to the user's premises shall be a violation of the ordinance.

§3410. Information Required.

- A. To provide for fair and equitable use of sewerage facilities, the District shall have the unqualified right to require a discharger to provide information necessary to insure compliance with all rules, regulations and provisions of the ordinance.
- B. All information and data on a user shall be available to the public and governmental agencies in accordance with Public Records unless the user specifically requests and is able to demonstrate to the satisfaction of the District that the release of such information would divulge information, processes or methods which would be detrimental to the user's competitive position. The demonstration of the need for confidentiality made by the permittee must meet the burden necessary for holding such information from the general public under applicable State and Federal law.

In any event, the District shall not limit RWQCB and EPA's access to any information provided by the discharger.

In any event, information concerning wastewater quality and quantity will not be deemed confidential. Such information may include, but is not limited to:

1. Wastewater discharge peak flow rates and volume over a specified time period;
2. Physical, chemical, bacteriological, or radiological analysis of wastewaters;
3. Information on raw materials, processes, and products;
4. Quantity and disposition of specific liquid, sludge, oil, solvent, or other materials as required;
5. Details of wastewater pretreatment facilities, their

- operation and maintenance;
6. Details of systems to prevent and control the losses of materials through spills to the POTW;
 7. Detailed plumbing plans indicating all sources discharging to the on or off-site pretreatment or sewerage facilities;
 8. Information on slug discharges or a slug control program, per 40 CFR 403.8;
 9. Notification of discharges of a listed hazardous waste [Section 3001 of the Resource Conservation and Recovery Act (RCRA)] to the sewer system per 40 CFR 403.12.
 10. Baseline monitoring reports per 40 CFR 403.12.
 11. Compliance progress reports in accordance with all provisions listed in 40 CFR 403.12.
 12. Notification of potential problems, including slug loading in accordance with all provisions listed in 40 CFR 403.12.
 13. Prompt notification of substantial changes in volume or character of pollutants discharged in accordance with all provisions listed in 40 CFR 403.12.
 14. Monitoring and analysis reports demonstrating continued compliance in accordance with all provisions listed in 40 CFR 403.12.
 15. Site and process flow diagrams.

§3411. Authority.

The District is regulated by several agencies of the United States Government and the State of California, pursuant to the provisions of Federal and State Laws including, but not limited to:

1. Federal Water Pollution Control Act, commonly known as the Clean Water Act (33 U.S.C. Section 1251 et seq);

2. California Porter Cologne Water Quality Act (California Water Code Section 13000 et seq.);
3. California Health & Safety Code Sections 25100 to 25250;
4. Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et seq.);
5. California Government Code (Sections 54739-54740)

These agencies grant the District the authority to regulate and/or prohibit, by the adoption of an ordinance, and by issuance of control mechanisms, the discharge of any waste, directly or indirectly, to the District's wastewater systems. Said authority includes the right to establish limits, conditions, and prohibitions; to establish flow rates or prohibit flows discharged to the District's wastewater systems; to require the development of compliance schedules for the installation of equipment, systems, and materials by all users; and to take all actions necessary to enforce its authority, whether within or outside the District boundaries, including those users that are tributary to the District or within areas for which the District has contracted to provide wastewater services.

§3412. DEFINITIONS.

A. Where definitions contained within this document, conflict with definitions found in other documents or regulations, the definitions found herein shall take precedence and apply to discharges to EVMWD POTWs.

B. The following abbreviations, when used in the ordinance, shall have the designated meanings:

1. BMP – Best Management Practices
2. BMR – Baseline Monitoring Report
3. BOD – Biochemical Oxygen Demand
4. CFR – Code of Federal Regulations
5. COD – Chemical Oxygen Demand
6. EPA – Environmental Protection Agency
7. ERP – Enforcement Response Plan
8. EVMWD – Elsinore Valley Municipal Water District
(District)
9. FSF – Food Service Facility
10. gpd – Gallons Per Day
11. LWH - Liquid Waste Hauler
12. mg/L – Milligrams Per Liter
13. NAICS – North American Industry Classification System
14. NPDES – National Pollution Discharge Elimination System
15. NSIU – Non-Significant Industrial User

16. POTW – Publicly Owned Treatment Works
17. RCRA – Resource Conservation and Recovery Act
18. RWQCB – Regional Water Quality Control Board
19. RWRf – Regional Water Reclamation Facility
20. SIC – Standard Industrial Classification
21. SIU – Significant Industrial User
22. SNC – Significant Non-Compliance
23. TDS – Total Dissolved Solids
24. TRC – Technical Review Criteria
25. TSS – Total Suspended Solids
26. WDP - Waste Discharge Permit
27. WRF – Water Reclamation Facility

C. Unless a provision explicitly states otherwise, the following terms and phrases, as used in the ordinance, shall have the meanings designated hereinafter.

1. Amalgam Process Wastewater shall mean any wastewater generated and discharged by a Dental Discharger through the practice of dentistry that may contain amalgam.
2. Amalgam Separator shall mean a collection device designed to capture and remove dental amalgam from the amalgam process wastewater of a Dental Discharger.
3. Amalgam Waste shall mean any waste containing mercury or residuals from the preparation, use or removal of amalgam.
4. Applicant shall mean any person(s) who have applied for permission to discharge to the POTW.
5. Best Management Practices shall include schedule of activities, prohibitions of practices, maintenance procedures, and other management practices. BMPs include treatment requirements, operating procedures, and practices to control facility site runoff, spillage or leaks, sludge or waste disposal,
6. Board shall mean the Board of Directors of the Elsinore Valley Municipal Water District.
7. Building Sewer shall mean the entire length of a private sewage service lateral extending from the facility or

structure to be served to the point of connection with the public sewer main.

8. Categorical Pretreatment Standards shall mean those final regulations promulgated and adopted by EPA (as outlined in 40 CFR 403, and 40 CFR, Chapter I, Subchapter N, 405-471) for each Standard Industrial Classification (SIC) or subcategory containing pollutant discharge limits.
9. Categorical User shall mean any industrial user whose process(es) are subject to Categorical Pretreatment Standards.
10. Cesspool shall mean a lined excavation in the ground which receives the discharge of a sewage drainage system, or part thereof, so designed as to retain the solids and organic matter but permitting liquids to seep out. This shall also mean Seepage Pit.
11. Class I User shall mean a discharger that is a Categorical or Significant Industrial User (SIU).
12. Class II User shall mean a discharger that discharges non-domestic wastewater and has the potential to discharge incompatible pollutants and/or pollutants that are limited by the adoption of local limits established by the District or a Categorical Discharger that discharges less than one hundred (100) gallons a day of process wastewater.
13. Class III User shall mean Food Service Facilities (FSF's)
14. Class IV User shall mean a discharger that is required to install and maintain or has an existing oil/sand gravity separation interceptor or clarifier system.
15. Class V User shall mean Waste Haulers.
16. Class VI User shall mean any discharger that discharges only domestic wastewater but has the potential to discharge hazardous materials and/or incompatible pollutants and/or pollutants that are limited by the adoption of local limits established by the District.

17. Code of Federal Regulations (CFR) shall mean the codification of the general and permanent rules published in the United States Federal Register by the Executive departments and agencies of the Federal Government to include but not be limited to the Environmental Protection Agency.
18. Collection System shall mean the publicly owned combined pipes, conduits, manholes, lift stations and other structures, above and below ground, whose purpose is to convey wastewater to one of the Districts Water Reclamation Facilities (WRF).
19. Compatible or Conventional Pollutant shall mean a combination of BOD, TSS, pH, fecal coliform bacteria, nutrients, plus other pollutants that the District's treatment facilities are designed to accept, treat and/or remove. Some compatible pollutants may be considered incompatible when discharged in quantities that have an adverse effect on the District's collection, treatment, disposal systems and/or discharge permit regulating the treatment facilities, and cause process interference or pass through the treatment facilities.
20. Contact Amalgam is amalgam that has been in contact with the patient. Examples are extracted teeth with amalgam restorations, carving scrap collected at chair side, and amalgam captured by chair side traps, filters, or screens.
21. Control Mechanism shall mean Waste Discharge Permit, Waste Discharge Authorization, Zero Discharge Permit, or Special Discharge Agreement.
22. Dental Amalgam shall mean an alloy of elemental mercury and other metal(s) that is used in the practice of dentistry.
23. Dental Dischargers shall mean a facility where the practice of dentistry is performed, including, but not limited to, institutions, permanent or temporary offices, clinics, home offices, and facilities owned by Federal, State or local governments, that discharges wastewater to a POTW.

24. Dental New Sources shall mean a dental discharger whose first discharge to a POTW occurred on or before July 15, 2017.
25. Department Head or Division Manager shall mean that person duly designated by EVMWD to direct the District's Pretreatment Program and perform the duties as specified in the ordinance.
26. Dilution shall mean increase in use of process water, potable water or any other means to dilute a discharge as a partial or complete substitute for adequate treatment to achieve discharge requirements.
27. Discharger shall mean any person, entity or collection agency that discharges or causes a discharge of domestic or non-domestic wastewater directly or indirectly to a District WRF. Discharger shall mean the same as User.
28. Discharge Requirements shall mean the requirements of Federal (as listed in 40 CFR 403), state or local public agencies having jurisdiction over the effluent discharges from a District WRF.
29. District shall mean the Elsinore Valley Municipal Water District and where it refers to an action or decision of an individual, shall mean the General Manager of the District or the General Manager's designee.
30. Domestic Wastewater shall mean the liquid and solid waterborne wastes derived from the ordinary living processes of humans of such character as to allow satisfactory disposal, without special treatment, into the public sewer or by means of a private disposal system.
31. Duly Authorized Representative shall mean the same as Responsible Party.
32. Effluent shall mean wastewater flowing from a POTW or a User's facility.

33. Exempt Dental Practice shall mean any dental facility in which no amalgam is placed or removed nor is dental amalgam used at any time in the dental practice.
34. Existing Dental Sources shall mean a dental discharger that is not a Dental New Source.
35. Food Service Facilities shall include, but are not limited to, retail establishments selling prepackaged foods, prepared foods and or drinks for consumption either on or off the premises. Institutional kitchens are included, but not limited to, schools, hospitals, convalescent/health care homes, community centers, fire stations etc., also, lunch counters and refreshment stands selling prepackaged and prepared foods/drinks for immediate consumption. Restaurants, lunch counters, and drinking places operating as a subordinate service facility by other establishments are also included.
36. Grab Sample shall mean a sample taken from a waste stream without regard to the flow of the waste stream and over a period of time not to exceed fifteen (15) minutes.
37. General Manager shall mean the General Manager of the Elsinore Valley Municipal Water District or his designee, agent, representative, coordinator or inspector.
38. Incompatible or Non-Conventional Pollutant shall mean any pollutant which is not a compatible pollutant as defined herein.
39. Indirect Discharger shall mean any User which discharges or has a potential to discharge wastewater to a septic tank, cesspool, chemical toilet, or private sewer system which, from time to time, is serviced by a Liquid Waste Hauler permitted by the District to discharge to POTW.
40. Industrial User shall mean any discharger of non-domestic wastewater to a collection agency's sewer main either directly or indirectly; also, any discharger who has the potential to discharge non-domestic wastewater.

41. Industrial Wastewater shall mean, unless otherwise exempted, all liquid carried wastes including, but not limited to, all wastewater from any producing, manufacturing, processing, institutional, commercial, restaurant, agriculture, or other operation where the wastewater discharged contains quantities of wastes of non-human origin and excluding domestic wastewater, rainwater, uncontaminated groundwater, storm water, and drainage of uncontaminated water.
42. Inspector shall mean a person authorized by EVMWD to inspect any establishment directly or indirectly discharging or anticipating discharge to a public sewer main or a WRF.
43. Interference shall mean a discharge by a User which, alone or in conjunction with discharges by other sources, inhibits or disrupts the District's WRF, its treatment processes or operations, or its sludge processes (biosolids) use or disposal; and which is a cause of a violation of any requirement of the WRF's discharge order (including an increase in the magnitude or duration of a violation), or of the prevention of sewage sludge (biosolids) use or disposal in compliance with applicable Federal, State, and local regulations (per 40 CFR 403.3).
44. Liquid Waste Hauler shall mean the same as Waste Hauler.
45. Local Limits shall mean a set of technically based discharge limits that are developed by the District to protect the public sewer system and to prevent sludge (biosolids) contamination or violation of effluent or biosolids discharge requirements. Local Limits established by the District may include numeric effluent standards or BMPs. Refer to Table A (Section 3498).
46. Mass Emission Rate shall mean the weight of material discharged to the sewer system during a given time interval. Unless otherwise specified, the mass emission rate shall mean pounds per day of a particular constituent or combination of constituents.

47. New Source shall mean any building, structure, facility, or installation from which there is or may be a discharge of pollutants, the construction of which commenced after the publication of proposed pretreatment standards under Section 307c of the Act. (See also 40 CFR 403.3)
48. Non-contact Amalgam (scrap) is excess mix leftover at the end of a dental procedure.
49. Oil and Grease shall mean any petroleum derived products (e.g. oils, fuels, lubricants, solvents, cutting oils, mineral oils), any vegetable, plant, and/or nut derived products (e.g. oils, shortenings, water soluble cutting oils, etc.) or any animal derived products (e.g. fats, oils, greases, etc.) in part or in combination.
50. Non-domestic Wastewater shall mean all wastewater except domestic wastewater and pollutant-free wastewater. This shall also mean Industrial Wastewater.
51. Non-Significant Industrial User (NSIU) shall mean any industrial user that is not classified as a Categorical or Significant Industrial User.
52. Normal Working Day shall mean the period of time during which production and/or operation is taking place.
53. Pass Through shall mean the discharge of pollutants through the WRF effluent into water of the United States in quantities or concentrations, which cause the discharge to be in whole or in part of a violation of any requirement of the WRF's discharge order (per 40 CFR 403.3).
54. Permittee shall mean a person who has applied for and received permission to discharge into the District's sewer system subject to the requirements and conditions established by the District.
55. Person shall mean any individual, partnership, company, firm, association, corporation or public agency, including the State of California and the United States of America.

56. Pollutant shall mean any constituent or characteristic of wastewater on which a discharge limitation or prohibition may be imposed either by the District or the regulatory agencies empowered to regulate the District.
57. Pretreatment shall mean the reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater to a less harmful state prior to discharge of the wastewater into an agency's sewer system. The reduction or alteration may be accomplished by physical, chemical or biological process or process changes, or by other means.
58. Pretreatment Facility shall mean any works or devices for the treatment or flow control of wastewater prior to discharge.
59. Pretreatment Requirements shall mean any substantive or procedural requirements related to pretreatment imposed on a user, other than a pretreatment standard.
60. Pretreatment Standard(s) shall mean any regulation containing pollutant discharge limits promulgated by EPA in accordance with Section 307(b) and (c) of the Act, which applies to Industrial Users. This term includes prohibitive discharge limits established pursuant to Section 403.5, or BMPs established as part of categorical pretreatment standards or local limits.
61. Priority Pollutants shall refer to a list of 126 specific pollutants that includes heavy metals and specific organic chemicals. The Priority Pollutants are a subset of "toxic pollutants" as defined in the Act.
62. Public Agency shall mean the State of California or any city, county, special district, other local authority or public body within this state.
63. Publicly Owned Treatment Works (POTW) or Water Reclamation Facility (WRF) shall mean treatment works as defined by Section 212 of the Act, which is owned by a State or municipality (as defined by section 502(4) of the Act. This definition includes any devices

and systems used in the storage, treatment, recycling and reclamation of municipal sewage or industrial wastes of a liquid nature. It also includes sewers, pipes and lift stations and other conveyance systems that convey wastewater to a POTW.

64. Public Nuisance shall mean anything which: (1) is injurious to health, or is indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property, and (2) affects at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal, and (3) occurs during or as a result of the treatment or disposal of wastes.
65. Qualified Professional shall mean any person who by virtue of education, training, or experience is qualified to evaluate and assess wastewater discharges and violations of the ordinance.
66. RCRA shall mean Resource Conservation and Recovery Act of 1976, Public Law 94-580 and amendments thereto, and its regulations as found in 40 CFR Parts 260-266 and Part 270 as amended.
67. Recreational Vehicle (RV) as defined in CA Health and Safety Code Section 18010.
68. Regulatory Agencies shall mean those agencies having oversight of the operation of the District, including but not limited to the following:
 - a. United States Environmental Protection Agency (EPA);
 - b. California Environmental Protection Agency (Cal-EPA);
 - c. California State Water Resources Control Board (SWRCB);
 - d. California Regional Water Quality Control Board, Santa Ana Region (RWQCB, SAR);
 - e. California Regional Water Quality Control Board, San Diego Region (RWQCB, SDR)

69. Residential User shall mean a household which discharges only domestic wastewater from a dwelling unit.
70. Responsible Party shall mean:
- a. if the User is a corporation, a responsible corporate officer, that is:
 1. A president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation, or
 2. the manager of one or more manufacturing, production, or operation facilities if authority to sign documents has been assigned or delegated to the manager in accordance with corporate procedures.
 - b. if the User is a partnership or sole proprietorship a general partner or proprietor, respectively.
 - c. if the User is a Federal, State, or local governmental entity, or their agents, the principal executive officer or director having responsibility for the overall operation of the discharging facility.
 - d. a duly authorized representative of the individual designated in paragraph A, B or C of this definition if:
 1. The authorization is made in writing by the individual described in paragraph (A), (B) or (C);
 2. The authorization specifies either an individual or a position having responsibility for the overall operation of the facility from which the discharge originates, such as the position of plant manager, operator of a well, or well field

- superintendent, or a position of equivalent responsibility, or having overall responsibility for environmental matters for the company; and
3. The written authorization is submitted to the District.
- e. If an authorization under paragraph D of this section is no longer accurate because a different individual or position has responsibility for the overall operation of the facility or overall responsibility for environmental matters for the company, a new authorization satisfying the requirements of paragraph D of this section must be submitted to the District.
71. Sanitary Wastewater shall mean domestic quality wastewater from other than a dwelling unit.
 72. Septic Tank shall mean a watertight receptacle, which receives the discharge from a sewer system and is designed and constructed to retain solids, digest organic matter through a period of detention, and allow the liquids to discharge for disposal.
 73. Sewer system means the publicly owned wastewater collection and treatment system.
 74. Significant Industrial User (SIU) shall mean:
 - A. A user subject to categorical pretreatment standards; or
 - B. A user that:
 1. Discharges an average of twenty-five thousand (25,000) gallons per day (gpd) or more of process wastewater to the POTW (excluding sanitary, non-contact cooling, and boiler blowdown wastewater);
 2. Contributes a process waste stream which makes up five (5) percent or more of the average dry weather hydraulic or organic capacity of the WRF; or

3. Is designated as such by the District on the basis that it has a potential for adversely affecting the WRF's operation or for violating any pretreatment standard or requirement.
 - C. Upon a finding that a user meeting the criteria in Subsection (B) has no reasonable potential for adversely affecting the WRF's operation or for violating any pretreatment standard or requirement, the District may at any time, on its own initiative or in response to a petition received from a user, and in accordance with procedures in 40 CFR 403.8 determine that such user should not be considered a significant industrial user.
75. Significant Non-Compliance (SNC) shall mean any user with compliance violations, which meet one or more of the following criteria:
 - A. Chronic violations of wastewater discharge limits, defined as those in which sixty-six (66%) percent or more of all of the measurements taken during a six-month (6) period exceed (by any magnitude) the instantaneous limit, daily maximum limit or the average limit for the same pollutant parameter;
 - B. Technical review criteria (TRC) violations, defined as those in which thirty-three percent (33%) or more of all of the measurements taken during a six-month (6) period equal or exceed the product of the instantaneous limit, daily maximum limit or the average limit times the applicable TRC (TRC=1.4 for BOD, TSS, fats, oil and grease, and 1.2 for all other pollutants except pH);
 - C. Any other violation of a pretreatment effluent limit (instantaneous, limit, daily maximum or longer-term average) that the District determines has caused, alone or in combination with other discharges, interference or pass

- through (including endangering the health of District personnel or the general public);
- D. Any discharge of a pollutant that has caused imminent endangerment to human health, welfare or to the environment or has resulted in the District's exercise of its emergency authority to halt or prevent such a discharge;
 - E. Failure to meet, by ninety-days (90) or more after the schedule date, a compliance schedule milestone contained in a local control mechanism or enforcement order, for starting construction, completing construction, or attaining final compliance;
 - F. Failure to provide required reports such as baseline monitoring reports, ninety-day (90) compliance reports, periodic self-monitoring reports, and reports on compliance with compliance schedules within thirty days of the due date;
 - G. Failure to accurately report non-compliance;
 - H. Any other violation or group of violations, which the District considers to be significant
76. Single Pass Cooling shall mean unpolluted water used for the absorption and immediate discharge of excess thermal energy to the environs prior to heat exchange and reuse.
77. Slug Discharge shall mean any discharge of a non-routine, episodic nature, including but not limited to an accidental spill or a non-customary batch discharge. Also included are such discharges that have a reasonable potential to cause interference or pass-through, or in any other way violate District regulations. Additionally, SIUs are required to notify the District immediately of any changes at their facilities affecting the potential for a slug discharge.
78. Spill Containment shall mean a protection system installed by the user to prohibit the accidental discharge to the sewer of incompatible pollutants.

79. Toxic Pollutants shall mean those substances which, individually or when combined with other substances normally found in domestic sewage, result in wastes in an agency's sewer system in concentrations or quantities which could have an adverse or harmful effect on such sewer system facilities, sewage treatment plant operations and maintenance personnel or equipment, treated sewage effluent quality, water reclamation procedures, public or private property, or which may endanger the public, local environment, or create a public nuisance.
80. User shall mean any person who discharges or causes a discharge of domestic or non-domestic wastewater directly or indirectly to the District's WRF. User shall mean the same as Discharger.
81. Violation shall mean an event or condition at a user's facility or dwelling that is prohibited by Ordinance, control mechanism, Order, and/or policies and standards established by the Districts Pretreatment Program.
82. Violation Charge shall mean that charge levied against a discharger for costs incurred by the District as a result of a waste discharge violation.
83. Waste Discharge Authorization shall mean the revocable permission to discharge wastewater to the public sewer main possibly subjected to technically based limits on wastewater constituents, characteristics and/or policies and standards established by the Districts Pretreatment Program.
84. Waste Discharge Permit (WDP) shall mean the periodically renewable, revocable permission to discharge industrial wastewater to the public sewer main subject to technically based limits on wastewater constituents, characteristics and/or policies and standards established by the Districts Pretreatment Program.
85. Waste Discharge Violation shall mean the failure by a user to comply with the ordinance, or any conditions or reporting requirements as contained in their control mechanism.

86. Waste Hauler shall mean any commercial pumper that is permitted by Riverside County Department of Health as a Non-Hazardous Liquid Waste Hauler, discharging portable/chemical toilet, domestic and sanitary wastewater only. This definition shall also mean septic tank pumper and liquid waste hauler.
87. Water Reclamation Facility (WRF) shall mean the District's sewage treatment plants designed to serve specific areas of the District.
88. Wastewater Facilities shall mean any and all facilities used for collecting, conveying, pumping, treating and disposing of wastewater and biosolids.
89. Zero Discharger shall mean a Categorical User that discharges no process wastewater to the POTW besides domestic wastewater.

Words used in the ordinance in the singular may include the plural and the plural the singular. Use of masculine shall mean feminine and use of feminine shall mean masculine. Shall is mandatory; may is permissive or discretionary.

§ 3413. GENERAL SEWER USE REQUIREMENTS (Sections 3413 through 3431)

§ 3413.5 Prohibited Discharge Standards.

- A. General Prohibitions. No user shall introduce or cause to be introduced into the District's sewer system any pollutant or wastewater which, alone or in conjunction with other substances, may cause pass through and/or interference, or any wastewater which has the potential to adversely or harmfully effect the District's sewers, maintenance personnel, wastewater treatment plant personnel or equipment, treatment plant processes or the quality of treatment plant effluent or biosolids, public or private property, or wastes which may otherwise endanger the public, the environment, or create a public nuisance. These general prohibitions apply to all users whether or not they are subject to categorical pretreatment standards or any other National, State, or local pretreatment standards or requirements.
- B. Specific Prohibitions. No user shall introduce or cause to be

introduced into the District's sewer system the following pollutants, substances, or wastewater:

1. Pollutants which can create a fire or explosive hazard in the District's WRF or collection system, including, but not limited to, waste streams with a closed-cup flashpoint of less than 140°F (60°C) using the test methods specified in 40 CFR 261.21;
2. Wastewater having a pH less than 6.0 or more than 11.0, or wastewater having any other corrosive property capable of causing damage or hazard to structures, equipment and/or personnel of the POTW;
3. Any solids or viscous substances of such size or in such quantity, condition, or nature that they may cause obstruction to flow in the sewer or be detrimental to proper wastewater treatment plant operations. These objectionable substances include, but are not limited to, asphalt, dead animals, concrete, ashes, sand, mud, straw, industrial process shavings, metal, glass, diatomaceous earth, rags, feathers, tar, plastics, wood, paunch manure, bones, hair and/or fleshing's, entrails, disposable dishes, disposable cups, paper towels or other similar paper products whole or ground or any materials which tend to solidify or collect in the sewer and may obstruct wastewater flow.
4. Pollutants, including oxygen-demanding pollutants (BOD, etc.), released in a discharge at a flow rate and/or pollutant concentration which, either singly or by interaction with other pollutants, could cause interference with the District's WRF's or collection system;
5. Wastewater having a temperature greater than 140°F (60°C), or which will inhibit biological activity in the WRF resulting in interference, but in no case wastewater which causes the temperature at the introduction into the WRF to exceed 104°F (40°C);
6. Any petroleum oil, refined petroleum products, or products of mineral origin in amounts, which has the potential to cause interference or pass-through;
7. Any non-biodegradable or biodegradable cutting oils,

commonly called soluble oils, which form persistent water emulsions; including engine/machine coolants and ethylene glycol.

8. Pollutants which result in the presence of toxic gases, vapors, or fumes within the District's WRF or collection system in a quantity that may cause acute worker health and safety problems;
9. Trucked or hauled pollutants, except at discharge points designated by the District;
10. Noxious or malodorous liquids, gases, solids, or other wastewater which, either singly or by interaction with other wastes, may create a public nuisance or a hazard to life, or to prevent entry into the sewers for maintenance or repair;
11. Wastewater, which imparts color, which cannot be removed by the treatment process, such as, but not limited to, dye wastes and vegetable tanning solutions, which consequently imparts color to the WRF's effluent;
12. Any wastewater containing any radioactive wastes or isotopes of such half-life or concentration as may cause Interference, pass-through, or violation of applicable State or Federal regulations;
13. Storm water, surface/yard water, ground water, sulfur water, artesian well water, roof runoff, subsurface drainage, hot springs water, swimming pool/spa drainage and filter backwash, condensate, deionized water, non-contact cooling water, recreation vehicle (RV) holding tank waste and unpolluted wastewater;
14. Sludges, screenings, or other residues from the pretreatment of industrial wastes;
15. Detergents, surface-active agents, or other substances, which may cause excessive foaming in the District's WRF or collection system;
16. Wastewater required to be manifested under RCRA;
17. Solid wastes from hospitals, clinics, offices of medical doctors, convalescent homes, mortuaries, medical

laboratories or other medical facilities including, but not limited to, hypodermic needles, syringes, instruments, IV bags, utensils or other paper and plastic items of a disposable nature, also including, but not limited to, pharmaceutical wastes such as antibiotics, painkillers, antineoplastic, and controlled substances;

Infectious wastes may not be discharged to the District's sewer system without prior written authorization from the District. All dischargers who wish to discharge infectious waste must make the request in writing and include the source and volume of the infectious waste. The District shall have the authority to require that any discharge of an infectious waste to the sewer system be rendered non-infectious prior to discharge;

18. Dissolved sulfides above a concentration of 0.1 mg/l or wastes which contribute to excessive sulfide production;
 19. Any quantities of herbicides, germicides, biocides, algacides, pesticides, fertilizers or any types of bacteriological retardation type compounds. This shall include any of the following substances: DDT (both isomers), DDD, DDE, Aldrin, Chlordane, Dieldrin, Endosulfan (alpha, beta and sulfate), Endrin, Aldehyde, Heptachlor, Perchloroethylene, Heptachlor Epoxide, Lindane, Disulfoton, Formaldehyde, Phorate, Glutaraldehyde, Dichlorobenzene and/or Toxaphene;
 20. Any quantity of Dissolved Organic Halides (DOX), also known as Purgeable Halocarbons;
 21. Any quantity of any of the following compounds: Arochlors 1221, 1228, 1232, 1242, 1254, 1260 and 1262. Any quantity of TCDD equivalents.
- C. Pollutants, substances, or wastewater prohibited by this section shall not be processed or stored in such a manner that they could be discharged to the District's sewer system.

§ 3414. National Categorical Pretreatment Standards.

- A. Users must comply with the categorical pretreatment standards found at 40 CFR Chapter I, Subchapter N, Parts 405-471.
- B. Where a categorical pretreatment standard is expressed only in terms of either the mass or the concentration of a pollutant in wastewater, the District may impose equivalent concentration or mass limits in accordance with 40 CFR 403.6.
- C. When wastewater subject to a categorical pretreatment standard is mixed with wastewater not regulated by the same standard, the District shall impose an alternate limit using the combined waste stream formula in 40 CFR 403.6.
- D. A user may obtain a variance from a categorical pretreatment standard if the user can prove, pursuant to the procedural and substantive provisions in 40 CFR 403.13, that factors relating to its discharge are fundamentally different from the factors considered by EPA when developing the categorical pretreatment standard.
- E. A user may obtain a net gross adjustment to a categorical standard in accordance with 40 CFR 403.15..
- F. A user must implement any BMPs required by a Categorical Pretreatment Standard included among the numeric effluent limits established by the District within the user's Control Mechanism.

§ 3415. Local Limits.

- A. No user shall discharge or cause to be introduced directly or indirectly into the District's collection system, a quantity or quality of wastewater, which exceeds the Local Limits on discharges to the POTW, established by the District. (Refer to Table A – Section 3498)
- B. Local Limits apply at the point where the wastewater is discharged to the POTW, except for BMPs. The District may impose limitations based on concentrations of pollutants in milligrams per liter (mg/L) or as an amount of pollutants in pounds per day (lbs./day).
- C. As an alternative to numeric local limits, the General Manager may impose as local limits BMPs that protect against pass-through or interference, provided that such BMPs allow for

verification of compliance. No User shall discharge wastewater to the sewer system contrary to the BMPs established by the District.

§ 3416. Limitations On Water Softeners.

Residential water softeners will be regulated in accordance with State law. Industrial and commercial users may not discharge wastewater from the regenerative process of onsite water softening units into the Districts sewer system. Any person installing or operating a water softener apparatus of any kind shall make such apparatus accessible to the District for inspection at all times and shall submit pertinent information as requested by the District.

§3417. Accidental Discharge/Slug Control Plans.

The General Manager shall evaluate whether each significant industrial user needs an accidental discharge/slug control plan or other action to control slug discharges. The General Manager may require any user to develop, submit for approval, and implement such a plan or take such other action that may be necessary to control slug discharges. Alternatively, the General Manager may develop such a plan for any users. A user must implement any plan or action required by this section. An accidental discharge/slug control plan shall address, at a minimum, the following:

- A. Description of discharge practices, including non-routine batch discharges;
- B. Description of stored chemicals;
- C. Procedures for immediately notifying the General Manager of any accidental or slug discharge, as required by Section 3454 of the ordinance;
- D. Procedures or BMPs to prevent adverse impact from any accidental or slug discharge. Such procedures or BMPs may include but are not limited to inspection and maintenance of storage areas, handling and transfer of materials, loading and unloading operations, control of plant site runoff, worker training, building of containment structures or equipment, measures for containing toxic organic pollutants, including solvents, and/or measures and equipment for emergency response.

The General Manager shall evaluate each significant industrial user for accidental discharge/slug discharge control plans within one year of the user being identified as significant. The District shall re-evaluate the need for an accidental

discharge/slug control plan for each user prior to reissuance or revision of the user's control mechanism or following notification of changed discharge conditions pursuant to 40 CFR 403.12(i) or 40 CFR 403.8(f)(2)(vi). Any significant industrial user must implement any plan required by this section.

§3418. Discharges of Oxygen-Demanding Wastes.

The General Manager shall evaluate each user for impacts to District treatment facilities that may occur as a result of the discharge of oxygen-demanding wastes. As part of this evaluation, the General Manager may require industries with the potential for discharges of wastewater containing high oxygen-demanding loads (which may include breweries, microbreweries, food processing facilities, or wine processing facilities) to submit information to the District, and any user required to do so must submit information, that characterizes:

- A. The concentration of biochemical oxygen demand (BOD) or chemical oxygen demand (COD);
- B. Maximum and average anticipated discharge flows and oxygen-demanding loads;
- C. Times of the day when maximum discharge of oxygen-demanding wastes may occur; and
- D. Any facilities, operations, BMPs or other actions proposed by the discharger to mitigate impacts associated with the discharge of oxygen-demanding wastes.

The General Manger shall consider site-specific and discharge-specific factors in establishing numerical or narrative BOD or COD discharge standards within the user's control mechanism to ensure compliance with Prohibited Discharge Standard Section 3413.5 ~~3-100~~ B.4. Such site-specific factors may include evaluating: (1) industrial user discharge flows, oxygen-demanding loads, and discharge timing; (2) the availability and allocation of wastewater sewer system assimilative capacity downstream from the user's discharge; (3) treatment plant design specifications for treating oxygen-demanding waste loads; (4) potential economic impacts to the District associated with accepting oxygen-demanding waste loads; and (5) potential facilities, operations, BMPs, and other actions proposed by the discharger to mitigate impacts associated with the discharge of oxygen-demanding wastes. A user must comply with any numeric and narrative discharge standards included in the user's control mechanism pursuant to this section.

§ 3419. Right of Revision.

The District reserves the right to establish, by ordinance, Waste Discharge Authorizations or in Waste Discharge Permits, more stringent

standards, conditions or requirements on discharges to the District's WRF's or collection system in accordance with 40 CFR 403.18.

§ 3420. Dilution.

No user shall ever increase the use of process water or in any way attempt to dilute a discharge as a partial or complete substitute for adequate treatment to achieve compliance with a discharge limitation unless expressly authorized by an applicable pretreatment standards or requirements. The District may impose such limitations on the amount, in lbs./day, of pollutants discharged by users who are using dilution to meet applicable pretreatment standards or requirements, or in other cases when the imposition of such limitations is appropriate.

§ 3421. Liquid Waste Hauler Permit Applications. (Sections 3421-3422)

All liquid waste haulers shall comply with all permitting and disposal procedures as established by this Section and pay all applicable fees established by the District. In addition, all liquid waste haulers shall abide by the following requirements and conditions:

1. The District's Regional WRF located at 14980 Strickland Avenue, Lake Elsinore, CA shall be the only designated disposal site for permitted hauled liquid wastes.
2. Liquid waste haulers seeking a Waste Discharge Permit to use the District's designated disposal site shall complete and file with the District an application provided by the District. This application shall require the following information:
 - a. Name, address and telephone number of the liquid waste hauler.
 - b. Number of vehicles, gallon capacity of each vehicle, license plate of each vehicle, ownership, make and model of all vehicles that are operated by the hauler for purposes of hauling liquid wastes.
 - c. Person to contact regarding the information contained in the application.

- d. The name and policy number of the insurance carrier and bonding company.
- e. The number of the current permit required by the Riverside County Department of Environmental Health for transportation and disposal of liquid wastes.
- f. Other information as may be required by the

District.

§ 3422. Liquid Waste Hauler Discharge Permit Conditions and Limits.

- A. All liquid waste haulers shall obtain a Waste Discharge Permit for discharge to the District’s Regional WRF. This permit shall be issued for no longer than one (1) year. All terms and conditions of the permit may be subject to modification and change by the District at any time during the duration of the permit. Conditions contained within the permit may include, but are not limited to, the following:
 - 1. Business name, address, and telephone number.
 - 2. Authorized representative and signature.
 - 3. Certification of permit condition acceptance.
 - 4. Restrictions on operating hours for designated
 - 5. Conditions upon which permit revocation, suspension, or termination can occur.
 - 6. Permit number.
 - 7. Record keeping and reporting requirements.
 - 8. Compliance with applicable rules and regulations of this Article and the Riverside County Health Department regarding cleanliness and sanitary conditions.
 - 9. Requirements to notify the District immediately of any unusual circumstances observed during liquid waste pumping operations.

dumpsite.

10. Other conditions, policies, procedures, limitations or prohibitions deemed appropriate by the District.
 - B. Permits to use the designated disposal site of the District are subject to all the provisions of this section and any other discharge limits, policies and procedures enacted by the District.
 - C. Liquid wastes disposed of at the District's designated disposal site may be subject to sampling and analysis to determine compliance with all applicable provisions of this section and any other applicable provisions of the ordinance. The sampling shall be performed by automated instruments and/or authorized personnel of the District and may be taken at any time. If the wastes are found to be unacceptable, the liquid waste hauler shall be liable for all costs associated with the inspection, sampling, and analysis.
 - D. If the liquid waste hauler is in the business of hauling both industrial wastes and domestic wastes, the liquid waste hauler shall remove all industrial waste contamination from the interior of the vacuum tank prior to removing any domestic wastes from a site.
 - E. Falsification by a liquid waste hauler of any information in any permit application, hauler's report, manifest, or correspondence shall be a violation of the ordinance and may result in termination, revocation or suspension of the Waste Discharge Permit and all discharge privileges.
 - F. All reports, and records required to be retained by this Section, shall be retained for a minimum of three (3) years and shall be made available to the District immediately upon request.
 - G. All liquid waste haulers shall pay all applicable fees and charges. Failure to pay any applicable fee or charge shall be a violation of the ordinance and shall be cause for the District to suspend all waste discharge privileges until all applicable fees and charges have been paid.
 - H. All liquid waste haulers shall provide detailed documentation as to the origin of the wastes hauled prior to discharging into the District's Regional WRF.
 - I. If the wastes hauled by a liquid waste hauler are found

unacceptable for discharge into the District's Regional WRF, the liquid waste hauler shall dispose of the wastes at a legal disposal site. The liquid waste hauler shall provide the District with a copy of the waste hauler's manifest documenting the legal disposal of the rejected wastes within fourteen (14) days from the date the wastes were rejected. Failure to provide verifiable documentation shall constitute a violation of this section.

- J. Liquid waste haulers are prohibited from discharging industrial waste into the District's POTW. No liquid waste hauler shall mix industrial waste and domestic septic wastes in an attempt to discharge the mixture to the District's designated dumpsite.
- K. No liquid waste hauler shall discharge or cause to be discharged any material defined as hazardous by RCRA.
- L. The District shall accept only domestic septic tank and portable/chemical toilet wastes. At no time shall the permittee discharge grease interceptor waste, sand/oil separator waste, industrial waste, hazardous waste or any other non-domestic waste to the Regional WRF dump station. In the case of portable/chemical toilet waste, only wastes containing bacteria-based deodorizers will be accepted at the District's Regional WRF dump station. The District in its sole and reasonable discretion must first approve the type of chemical toilet products that an applicant or permittee wishes to discharge.
- M. The District may deny the issuance or re-issuance of a Waste Discharge Permit for any of the following conditions:
 - 1. The applicant knowingly falsified information on the application;
 - 2. The applicant's previous liquid waste hauler permit is under suspension or probation or has been otherwise revoked and the condition upon which such action was taken still exists; or
 - 3. The applicant is not current on all disposal and permit related reports, fees and charges.
- N. In the event that a liquid waste haulers permit is denied, the District may notify the applicant in writing of such denial and the appeal procedures. Such notification shall state the

grounds for such denial and necessary actions which must be taken by the applicant prior to the issuance of a permit.

- O. All liquid waste hauler permits issued to any person or company may be revoked, suspended or entered into a probationary period upon a finding by the District that any of the following conditions exist:
1. Such person or representative thereof failed to display the authorization document upon request by a District employee.
 2. Such person or representative thereof has changed, altered or otherwise modified the face of a permit or authorization document without the permission of the District;
 3. Such person or representative thereof has violated any condition of the permit;
 4. Such person or representative thereof has falsified any application record, report or monitoring results required to be maintained or has failed to make them immediately available to the District upon request;
 5. Such person or representative thereof failed to halt immediately the discharge from his or her truck into designated disposal facilities of the District upon the order of any authorized District employee;
 6. Such person or representative thereof discharged or attempted to discharge a hazardous waste or material into the designated discharge point;
 7. Such person or representative thereof discharged or attempted to discharge industrial waste into the designated discharge point;
 8. Such person or representative thereof has repeatedly filed documents with falsified or incorrect information;
 9. Such person or representative thereof has done physical violence or harm to any District employee;
 10. Such person or representative thereof has made threatening remarks or threatening acts toward any

District employee.

- P. Any Waste Discharge Permit, which has been revoked, suspended or entered into probation pursuant to the ordinance, may request to be reinstated after submitting a formal written request to the District for review.
- Q. Upon determination of a violation of the ordinance or a Waste Discharge Permit violation, the permittee shall be subject to the enforcement actions set forth in the Enforcement Article of the ordinance, and/or the District's Enforcement Response Plan or as is otherwise contained in the Waste Discharge Permit as necessary to protect the District's WRFs, the public, the environment or District employees.
- R. Suspension and periods of probation may be imposed by the District for any length of time, up to a five (5) year period.
- S. Any authorized District employee shall have the authority to order the immediate cessation of the discharge from any liquid waste hauler truck in the designated disposal site of the District. Such order shall be based on the employee's best professional judgment that said discharge may be in violation of any applicable condition of the ordinance or may otherwise be harmful to the operation of the District's WRF or its employees.

§ 3423. Use of and Damage to District Equipment or Facilities.

- A. No person shall enter, break, damage, destroy, uncover, deface or tamper with any temporary or permanent structure, equipment or appurtenance which is part of the District's collection system or WRF.
- B. Any person who discharges or causes the discharge of wastewater or materials, which cause detrimental effects on the Districts collection system, WRF, the environment or any other damages, including the imposition of fines by Federal, State or other regulatory agencies against the District, shall be liable to the District for all damages and fines incurred including all legal and administrative expenses. An administrative fee of fifty (50%) percent of the Districts repairs and personnel costs shall be added to these charges. All charges shall be due and payable to the District within thirty (30) days of invoicing by the District.

§ 3424. Building Sewers.

All building sewers connected to the District's wastewater collection systems shall be regularly and adequately maintained by the property owners, so as to prevent sewer blockages and/or spills caused by damage to the building sewer. All construction, reconstruction, or maintenance of a building sewer shall be accomplished by the property owner at their sole expense. All new construction and repair work shall be in accordance with District construction standards.

§ 3425. Charges For Excessive Sewer Maintenance.

No person shall discharge or cause to be discharged to a District's sewer system, either directly or indirectly, any waste that obstructs, interferes with, or otherwise requires excessive maintenance of any District's sewer or sewerage facility; including any waste that creates a stoppage or breakage; any toxic, hazardous or odorous condition; or any damage or deterioration of any District's sewer or sewerage facility. Any excessive sewer or sewerage maintenance expenses or reconstruction costs including administrative costs attributable thereto shall be charged to the discharger causing or contributing to such conditions. Any refusal to pay such charges shall constitute a violation of the ordinance.

§ 3426. Improper Use Of Connected Sewers.

The District may inspect any building sewer or collecting sewers that discharge wastewater directly or indirectly to the District's public sewer system. If the District determines that the improper use, maintenance, or construction of a building sewer or collecting sewer causes or contributes to the discharge of septic wastewater, excessive groundwater, debris or any other objectionable substance to the District's public sewer main, the District may give notice of the unsatisfactory condition to any discharger contributing to such condition and shall direct that condition be corrected. In the event of a failure to comply with the District's directive, the District may disconnect such building sewer or collecting sewer from the District's sewer system.

§ 3427. Inspection of Construction.

- A. Any person seeking to connect a building sewer or interior plumbing from a facility to the sewer system shall first submit to an Environmental Compliance Review and receive approval from the Districts Pretreatment Program prior to commencing construction. Field inspections are required

during construction and prior to back filling any trenches. A twenty-four (24) hour advance inspection request (excluding weekends and holidays) is required. If any construction is performed prior to District approval or before inspections are performed the work may be required to be exposed and may have to be altered to meet District requirements.

- B. No wastewater shall be discharged into any sewerage facility tributary to a District facility prior to obtaining final construction approval and after all appropriate fees have been paid.

§ 3428. Availability of District Sewerage Facilities.

If wastewater conveyance and treatment capacity is not available, the District may require any industrial wastewater discharger to restrict a discharge until sufficient capacity can be made available. When requested, the District will advise persons desiring to locate new facilities in those areas where industrial wastewater of their proposed quantity and quality can be accommodated by available wastewater facilities. The District may, in its sole and reasonable discretion, refuse service to persons locating facilities in areas where their proposed quantity or quality of industrial wastewater would adversely affect the available wastewater facilities.

§ 3429. Flow Measurement.

All industrial users who discharge twenty - five thousand gallons per day (gpd) or more of industrial wastewater, or as otherwise required by the District, shall install a continuous monitoring flow meter capable of measuring the industrial user's discharge to the District's collection system. The flow measurement device shall conform to standards issued by the District. Regarding industrial users who were discharging to the District's collection system prior to the adoption of the ordinance, the District may evaluate each discharger on a case-by-case basis.

§ 3430. Anti-Flooding Device.

Whenever, in the opinion of the District, there exists the possibility of domestic or non-domestic wastewater from a District collection system flooding private property as a result of a restriction or stoppage from a District collection system, an anti-flooding device (backwater valve), approved by the District, shall be installed and connected to a building sewer. This device shall be purchased, installed, and maintained at the discharger's expense.

§ 3431. Confidential Information.

In accordance with 40 CFR 403.14 any information submitted to the District pursuant to these regulations may be claimed as confidential by the submitter. Any such claim must be asserted at the time of submission in the manner prescribed on the application form or instructions, or in the case of other submissions, by stamping the words "*confidential business information*" on each page containing such information. If no claim is made at the time of submission, EVMWD may make the information available to the public without further notice. If a claim is asserted, the information will be treated in accordance with applicable law.

§ 3432. CONTROL MECHANISMS. (Sections 3432 through 3460)

Wastewater Analysis (Section 3432 through 3441) - When requested by the District, a user must submit information on the nature and characteristics of its wastewater within sixty (60) days of the request. The District may prepare a form for this purpose and may periodically require users to update this information.

§ 3433. Control Mechanism Requirements.

- A. All industrial users shall notify the District of the volume and characteristics of their wastewater at least sixty (60) days prior to commencing their discharge on a form provided by the District. This notification shall include but not be limited to any new introduction of wastewater constituents or any substantial change in the volume or character of the wastewater being introduced into the WRF.
- B. It shall be unlawful for any industrial user to discharge wastewater either directly or indirectly into the District's sanitary sewer system without first obtaining a control mechanism or other authorization from the District's Pretreatment Program Section. Any violation of the terms and conditions of a control mechanism shall be deemed a violation of the ordinance and subject the user to the sanctions set out in Sections 3461 – 3485 and/or the District's Enforcement Response Plan. Obtaining a control mechanism does not relieve the user of its obligation to comply with all Federal and State pretreatment standards or requirements or with any other requirements of Federal, State, and local law.

§ 3434. New Connections.

Any categorical or SIU required to obtain a control mechanism who proposes to begin or recommence discharging into the District's sewer system must apply for such control mechanism prior to the beginning or recommencing of such discharge. An application for this control mechanism, in accordance with Section 3437 must be filed at least sixty (60) days prior to the date upon which any discharge will begin.

§ 3435. Responsibility of Users.

It shall be the responsibility of the user and/or discharger to comply with all the provisions of the ordinance. The omission to act by the District and/or

the failure of the District to take cognizance of the nature of the operation of the user and/or the properties of the user's wastewater shall not relieve the user of responsibility to comply with the conditions of the ordinance, including, but not limited to, such requirements regarding permitting, pretreatment of wastewaters, monitoring, sampling and reporting. It shall be the responsibility of the user to make determinations as to the nature of its operation and wastewater flow and to take such actions as may be required under the ordinance prior to any discharge of wastewater, whether or not the user has been informed by the District of the requirements, which may apply to the user regarding its discharge.

§ 3436. Class of Users.

- A. The District will classify all users in accordance with the activities conducted on the premises where the discharge occurs. The purpose of the classification is to facilitate regulation of discharges to the District's POTWs on the basis of each user's waste discharge quality and quantity. The classification shall further provide a means of imposing an appropriate level of oversight, control and enforcement according to the source of the discharge. The classification system will also allow equitable recovery of capital and operating costs for the Districts Pretreatment Program.
 - 1. Users are categorized as Class I, II, III, IV, V or VI as defined in Section 3412.C (11-16)
- B. All classes of users shall apply for and must receive a Waste Discharge Permit or authorization prior to discharging wastewater to the District's POTW.
- C. Residential users, under normal circumstances, will not be required to apply for or receive a control mechanism as defined in the ordinance, providing that said residential user discharges only that wastewater which is consistent with the definition of domestic wastewater set forth in the ordinance.

§ 3437. Waste Discharge Application Contents.

All users required, or who may be required, to obtain a control mechanism must submit a Waste Discharge Application or other type of document as required by the District. The District may require all users to submit as part of an application the following information:

- A. All information required in Section 3448;
- B. Description of activities, facilities, and plant processes on the premises, including a list of all raw materials and chemicals

- used or stored at the facility, which are or could accidentally or intentionally be discharged to the District's sewer system;
- C. Number and type of employees, hours of operation, and proposed or actual hours of operation;
 - D. Each product produced by type, amount, process or processes, and rate of production;
 - E. Type and amount of raw materials processed (average and maximum per day);
 - F. Site plans, floor plans, mechanical and plumbing plans, and details to show all sewers, floor drains, and appurtenances by size, location, and elevation, and all points of discharge;
 - G. Time and duration of discharges; and
 - H. Any other information as may be deemed necessary by the District to evaluate the Waste Discharge Application, including projected discharge water quality concentrations or mass loads.

Incomplete or inaccurate applications will not be processed and will be returned to the user for revision and resubmittal.

§ 3438. Application Signatories and Certification.

All Waste Discharge Applications and user reports must be signed by a responsible corporate officer (as defined in 40 CFR 403.12 of the user and shall contain the following certification statement:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

§ 3439. Control Mechanism Decisions.

The District will evaluate the data furnished by the user and may require additional information. Within forty-five (45) days of receipt of a complete Waste Discharge Application, the District will determine whether or not to issue or

modify a control mechanism. The District may deny any application for a control mechanism.

§ 3440. Control Mechanisms Duration.

- A. A Waste Discharge Permit shall be issued for a specified time period, not to exceed three (3) years from the effective date of the permit. A Waste Discharge Permit may be issued for a period less than three (3) years, at the discretion of the District's Pretreatment Program. Each Waste Discharge Permit will indicate a specific date upon which it will expire.
- B. A Waste Discharge Authorization may be issued for an indefinite time period, subject to review and reconsideration at the discretion of the District.
- C. A Special Agreement shall be issued for a specified time period, set forth in the terms of the Special Agreement.

§ 3441. Waste Discharge Permit Contents.

- A. Waste Discharge Permit shall include such conditions as are deemed reasonably necessary by the District to prevent pass through or treatment process interference, protect the quality of the water body receiving the WRF's effluent, protect worker health and safety, facilitate sludge management and disposal, and protect against damage to the WRF and the District's collection system.

Waste Discharge Permits may contain:

- 1. A statement that indicates Waste Discharge Permit duration, which in no event shall exceed three (3) years;
- 2. A statement that the Waste Discharge Permit is nontransferable in accordance with Section 3444;
- 3. Effluent limitations or BMPs determined by the General Manager to be required in order to ensure compliance with general Pretreatment Standards (40 CFR 403), Local Limits, or Categorical Pretreatment Standards;

4. Slug control requirements or slug control preventative actions for Significant Industrial Users, as deemed necessary by the General Manager;
 5. Self-monitoring, sampling, reporting, notification, and record-keeping requirements. These requirements shall include an identification of pollutants to be monitored, sampling locations, frequency, and sample type based on Federal, State, and local laws. The reporting requirements shall also include compliance information for BMPs required under Categorical Pretreatment Standards or BMPs required under District local limits;
 6. Slug control discharges per 40 CFR 403.8 shall be referenced in SIU control mechanisms.
 7. A statement of applicable civil and criminal penalties for violations of pretreatment standards and requirements, and any applicable compliance schedule. Such schedule may not extend the time for compliance beyond that required by applicable Federal, State, or local law.
- B. Waste Discharge Permits may contain, but need not be limited to, the following conditions:
1. Limits on the average and/or maximum rate of discharge, time of discharge, and/or requirements for flow regulation and equalization;
 2. Requirements for the installation and maintenance of pretreatment technology, pollution control, or construction of appropriate containment devices, designed to reduce, eliminate, or prevent the introduction of pollutants into the District's sewer system;
 3. Requirements for the development and implementation of spill control plans or other special conditions including management practices necessary to adequately prevent accidental, unanticipated, or routine discharges;
 4. Development and implementation of waste minimization plan to reduce the amount of pollutants discharged to the District's sewer system;

5. The unit charge or schedule of user charges and fees for the management of the wastewater discharged to the District's sewer system;
6. Requirements for installation and maintenance of inspection and sampling facilities and pretreatment equipment;
7. Concentration or mass load limits determined by the General Manager as being required to ensure compliance with Prohibited Discharge Standards established in Section 3413.5;
8. A statement that compliance with the Waste Discharge Permit does not relieve the permittee of responsibility for compliance with all applicable Federal and State pretreatment standards, including those which become effective during the term of the Waste Discharge Permit; and
9. Other conditions as deemed appropriate to ensure compliance with the ordinance, and State and Federal laws, rules, and regulations.

§ 3442. Waste Discharge Permit Appeals. (Sections 3442 through 3446)

1. A. Any person, including the user, may petition in writing to the District Pretreatment Department to reconsider the terms of a Waste Discharge Permit within thirty (30) days of notice of its issuance. Failure to submit a timely petition for review shall be deemed to be a waiver of the administrative appeal.
2. In its petition, the appealing party must indicate the Waste Discharge Permit provisions objected to, the reasons for this objection, and the alternative condition, if any, it seeks to be placed in the Waste Discharge Permit.
3. The effectiveness of the Waste Discharge Permit shall not be stayed pending the appeal.

4. If the District fails to act within thirty (30) days of the filing of a petition in writing for reconsideration, the petition for reconsideration shall be deemed denied.
- B. Any person, including the User, may petition the Board of Directors to reconsider the decision of the District.
1. If the Board of Directors fails to act within thirty (30) days of the filing of a petition for reconsideration, the petition for reconsideration shall be deemed denied. Decisions not to issue a Waste Discharge Permit, not to reconsider the provisions of a Waste Discharge Permit, or not to modify the provisions of a Waste Discharge Permit shall be considered final administrative actions for the purpose of judicial review.
- C. Any party aggrieved by a final Waste Discharge Permit action may obtain review of the action by filing in court a petition for writ of mandate within ninety (90) days following the effective date of the action. If no aggrieved party petitions for writ of mandate within the time provided by this section, a final Waste Discharge Permit administrative action shall not be subject to review by any court or agency. The evidence before the court shall consist of the record before the District, and any other relevant evidence, which in the judgement of the court, should be considered to effectuate and implement the policies of the ordinance. Except as otherwise provided in this section, subdivisions (e) and (f) of the Code of Civil Procedures sections 1094.5 and 1094.6 shall govern proceedings pursuant to this section.

§ 3443. Waste Discharge Permit Modification.

The District may modify a Waste Discharge Permit for good cause including, but not limited to, the following reasons:

- A. To incorporate any new or revised Federal, State, or local pretreatment standards or requirements;
- B. To address significant alterations or additions to the discharger's operation processes, or wastewater volume or character since the time of Waste Discharge Permit issuance;
- C. A change in the WRF that requires either a temporary or permanent reduction or elimination of the authorized discharge;

- D. Information indicating that the permitted discharge poses a threat to the District's collection system, District personnel, WRF or the receiving waters;
- E. Violation of any terms or conditions of the Waste Discharge Permit;
- F. Misrepresentation or failure to fully disclose all relevant facts in the Waste Discharge Application or in any required reporting;
- G. Revision of or a grant of variance from such categorical standards pursuant to 40 CFR 403.13;
- H. Correction of typographical or other errors in the Waste Discharge permit; or
- I. Other terms and conditions determined to be necessary to protect the District's POTW.

§ 3444. Waste Discharge Permit Transfer.

Waste Discharge Permits shall not be transferred to a new owner or business operator. New applications will need to be submitted for review prior to commencing discharge to the POTW.

§ 3445. Waste Discharge Permit Revocation.

- A. A Waste Discharge Permit may be revoked for good cause including, but not limited to the following reasons:
 - 1. Failure to notify the District of significant changes to the wastewater prior to the changed discharge;
 - 2. Failure to provide prior notification to the District of changed conditions pursuant to Section 3452;
 - 3. Misrepresentation or failure to fully disclose all relevant facts in the Waste Discharge Application or other related documents;
 - 4. Falsifying self-monitoring reports;
 - 5. Tampering with monitoring equipment;

6. Refusing to allow the District timely access to the facility premises and records;
 7. Failure to meet effluent limitations;
 8. Failure to pay fines and penalties;
 9. Failure to pay monthly sewer and/or sewer connection fees;
 10. Failure to meet compliance schedules;
 11. Failure to complete a wastewater survey or the Waste Discharge Application or other documents as required by the District;
 12. Violation of any pretreatment standard, requirement, or condition or any terms of the Waste Discharge Permit or the ordinance.
- B. Waste Discharge Permits shall be void upon cessation of operations or transfer of business ownership. All Waste Discharge Permits issued to a particular user are void upon the issuance of a new Waste Discharge Permit to that user.
- C. Waste Discharge permit revocation is subject to appeal as set forth in Section 3477.

§ 3446. Waste Discharge Permit Reissuance.

A user with an expiring Waste Discharge Permit shall apply for Waste Discharge Permit reissuance by submitting a complete Waste Discharge Application (or a statement signed by the responsible party that there are no changes to the application previously submitted), in accordance with Section 3437, a minimum of sixty (60) days prior to the expiration of the user's existing Waste Discharge Permit.

§ 3447. Reporting Requirements. (Sections 3448 through 3460)

§ 3448. Baseline Monitoring Reports.

- A. Within either one hundred eighty (180) days after the effective date of a categorical pretreatment standard, or the final administrative decision on a category determination under 40 CFR 403.6, whichever is later, existing categorical users currently discharging to or scheduled to discharge to the District's collection system shall submit to the District a

report which contains the information listed in paragraph B, below. At least ninety (90) days prior to commencement of their discharge, new sources, and sources that become categorical users subsequent to the promulgation of an applicable categorical standard, shall submit to the District a report which contains the information listed in paragraph B, below. A new source shall report the method of pretreatment it intends to use to meet applicable categorical standards. A new source shall also give estimates of its anticipated flow and quantity of pollutants to be discharged.

- B. Users described above shall submit the information set forth below.
1. Identifying Information - The name and address of the facility, including the name of the operator and owner.
 2. Environmental Permits - A list of any environmental control permits held by or for the facility.
 3. Description of Operations - A brief description of the nature, average rate of production, and standard industrial classifications of the operation(s) carried out by such user. This description should include a schematic process diagram, which indicates points of discharge to the District's collection system from the regulated processes.
 4. Flow Measurement - Information showing the measured average daily and maximum daily flow, in gallons per day, to the District's collection system from regulated process streams and other streams, as necessary, to allow use of the combined waste stream formula set out in 40 CFR 403.6.
 5. Measurement of Pollutants -
 - a. The categorical pretreatment standards applicable to each regulated process.
 - b. The results of sampling and analysis identifying the nature and concentration, and/or mass, where required by the standard or by the District, of the regulated pollutants in the discharge from each regulated process. Instantaneous, daily maximum, and long-term

- average concentrations, or mass, where required, shall be reported. The sample shall be representative of daily operations and shall be analyzed in accordance with procedures set out in Section 3457.
- c. A minimum of four (4) grab samples must be used for pH, cyanide, total phenols, oil and grease, sulfide, and volatile organics. For all other pollutants, 24-hour composite samples must be obtained through flow-proportional composite sampling techniques where feasible. The District may waive flow-proportional composite sampling for any Industrial User that demonstrates that flow-proportional sampling is infeasible. In such cases, sampling may be obtained through time-proportional composite sampling techniques or through a minimum of four (4) grab samples per day where the User demonstrates that this will provide a representative sample of the effluent being discharged. The User shall take a minimum of one (1) representative sample to compile that data necessary to comply with the requirements of this paragraph.
 - d. Samples should be taken immediately downstream from pretreatment facilities if such exist or immediately downstream from the regulated process if no pretreatment exists. If other wastewaters are mixed with the regulated wastewater prior to pretreatment, the User should measure the flows and concentrations necessary to allow use of the combined waste stream formula of 40 CFR 403.6 in order to evaluate compliance with Pretreatment Standards. Where an alternate concentration or mass limit has been calculated in accordance with 40 CFR 403.6 this adjusted limit along with supporting data shall be submitted to the District.
 - e. Sampling shall be performed in accordance with procedures prescribed in 40 CFR Part 136 and amendments thereto set out in Section 3458.
6. Certification. A statement, reviewed by the user's authorized representative and certified by a qualified

professional, indicating whether pretreatment standards are being met on a consistent basis, and, if not, whether additional operation and maintenance (O&M) and/or additional pretreatment is required to meet the pretreatment standards and requirements.

7. Compliance Schedule. If additional pretreatment and/or operation and maintenance will be required to meet the pretreatment standards, the shortest schedule by which the user will provide such additional pretreatment and/or operation and maintenance shall be implemented. The completion date in this schedule shall not be later than the compliance date established for the applicable pretreatment standard. A compliance schedule pursuant to this section must meet the requirements set out in Section 3449.
8. Signature and Certification. All baseline-monitoring reports must be signed and certified in accordance with Section 3438.

§ 3449. Compliance Schedule Progress Reports.

The following conditions shall apply to the compliance schedule required by Section 3448.B.7:

- A. The schedule shall contain progress increments in the form of dates for the commencement and completion of major events leading to the construction and operation of additional pretreatment required for the user to meet the applicable pretreatment standards (such events include, but are not limited to, hiring an engineer, completing preliminary and final plans, executing contracts for major components, commencing and completing construction, and beginning and conducting routine operation);
- B. No increment referred to above shall exceed nine (9) months;
- C. The user shall submit a progress report to the District no later than fourteen (14) days following each date in the schedule and the final date of compliance including, as a minimum, whether or not it complied with the increment of progress, the reason for any delay, and, if appropriate, the steps being taken by the user to return to the established schedule; and
- D. In no event shall more than nine (9) months elapse between

such progress reports to the District.

§ 3450. Reports on Compliance with Categorical Pretreatment Standard Deadline.

Within ninety (90) days following the date for final compliance with applicable categorical pretreatment standards, or in the case of a new source following commencement of the introduction of wastewater into the District's sewer system, any user subject to such pretreatment standards and requirements shall submit to the District a report containing the information described in Section 3448.

For user's subject to equivalent mass or concentration limits established in accordance with the procedures in 40 CFR 403.6, this report shall contain a reasonable measure of the user's long-term production rate. For all other user's subject to categorical pretreatment standards expressed in terms of allowable pollutant discharge per unit of production (or other measure of operation), this report shall include the user's actual production during the appropriate sampling period. All compliance reports must be signed and certified in accordance with Section 3438.

§ 3451. Periodic Compliance Reports.

- A. If a permitted user monitors any pollutant using the procedures prescribed in Section 3457, the results of this monitoring shall, at a frequency determined by the District but in no case less than twice per year be reported. The report shall indicate the nature and concentration of pollutants in the discharge, which are limited by Pretreatment Standards, and the measured or estimated average and maximum daily flows for the reporting period. Where the District has imposed mass limitations on permitted users as provided for by CFR 40 403.6, the report shall indicate the mass of pollutants regulated by Pretreatment Standards in the discharge.

For dischargers subject to equivalent mass or concentration limits established by the District in accordance with the procedures in 40 CFR 403.6, the report shall contain a reasonable measure of the Users long term production rate. For all other Users subject to categorical Pretreatment Standards expressed only in terms of allowable pollutant discharge per unit of production (or other measure of operation), the report shall include the Users actual average production rate for the reporting period. . For users subject to BMPs as part of the federal categorical pretreatment standards, such reports shall include BMP compliance information required by the General Manager, or required as

part of federal pretreatment standards. All such reports must be signed and certified in accordance with Section 3438.

- B. All wastewater samples must be representative of the Users discharge. Wastewater monitoring and flow measurement equipment shall be properly operated, calibrated per manufactures specifications or every six (6) months per calendar year if there are no specific requirements, kept clean, and maintained in good working order at all times. The failure of a user to keep its monitoring facility in good working order shall not be grounds for the user to claim that sample results are unrepresentative of its discharge.
- C. If a User subject to the reporting requirement in this section monitors any regulated pollutant at the appropriate sampling location more frequently than required by the General Manager or the ordinance, using the procedures prescribed in Section 3458, the results of this monitoring shall be included in the report.

§ 3452. Reports Of Changed Conditions.

Each user must notify the District of any planned significant changes to the user's operations or system, which might alter the nature, quality, or volume of its wastewater at least forty-five (45) days before the change is made. Each user must also notify the General Manager of any planned changes that may affect the potential for slug discharge.

- A. The District may require the user to submit such information as may be deemed necessary to evaluate the changed condition, including the submission of a Waste Discharge Application under Section 3437
- B. The District may issue a Waste Discharge Permit under Section 3436 or modify an existing Waste Discharge Permit under Section 3443 in response to changed conditions or anticipated changed conditions.
- C. For purposes of this requirement, significant changes include, but are not limited to, flow or pollutant load increases of twenty percent (20%) or greater, and the discharge of any previously unreported pollutants.

§ 3453. Reports of A Discharge of Hazardous Waste.

Any industrial user shall give immediate notice of the discharge of

hazardous waste, as defined in 40 CFR Part 261, and in accordance with the pretreatment requirements in 40 CFR Part 403.12 (p)(1).

§ 3454. Reports Of Potential Problems.

- A. In the case of any discharge, including, but not limited to, accidental discharges, discharges of a non-routine, episodic nature, a non-customary batch discharge, or a slug load, that may cause potential problems for the WRF or the District's collection system, the user shall immediately telephone and notify the District of the incident. This notification shall include the location of the discharge, type of waste, concentration and volume, if known, and corrective actions taken by the user.
- B. Within five (5) days following such discharge, the user shall, unless waived by the District, submit a detailed written report describing the cause(s) of the discharge and the measures to be taken by the user to prevent similar future occurrences. Such notification shall not relieve the user of any expense, loss, damage, or other liability which may be incurred as a result of damage to the District's collection system or WRF, natural resources, or any other damage to person or property; nor shall such notification relieve the user of any fines, penalties, or other liability which may be imposed pursuant to the ordinance.

§ 3455. Reports From Users.

All users shall provide appropriate surveys, applications, information forms and/or reports to the District as required by the Pretreatment Program.

§ 3456. Reports Of Sampling Violations/Repeat Sampling.

If sampling performed by a user indicates a violation, the user must notify the District within twenty-four (24) hours of becoming aware of the violation. The user shall also repeat the sampling and analysis and submit the results of the repeat analysis to the District within thirty (30) days after becoming aware of the violation. The user is not required to resample if the District monitors at the user's facility at least once a month, or if the District samples between the user's initial sampling and when the user receives the results of this sampling.

If sampling and analysis performed by the District indicates a violation, the District may notify the user of the violation and require the user to conduct the repeat sampling and analysis.

§ 3457. Analytical Requirements.

All pollutant analyses, compliance monitoring and sampling including sampling techniques, to be submitted as part of a waste discharge application or report shall be performed in accordance with the techniques prescribed in 40 CFR Part 136, unless otherwise specified in an applicable categorical pretreatment standard. If 40 CFR Part 136 does not contain sampling or analytical techniques for the pollutant in question, sampling and analysis must be performed in accordance with procedures approved by US EPA.

§ 3458. Sample Collection.

A. Except as indicated in Section B below, the user must collect wastewater samples using flow proportional composite collection techniques. In the event flow proportional sampling is infeasible, the District may authorize the use of time proportional sampling or a minimum of four (4) grab samples where the user demonstrates that this will provide a representative sample of the effluent being discharged. In addition, grab samples may be required to show compliance with instantaneous discharge limits.

B. Samples for oil and grease, temperature, pH, cyanide, phenols, sulfides, and volatile organic compounds must be obtained using grab sample collection techniques.

§ 3459. Timing.

Written reports will be deemed to have been submitted on the date postmarked. For reports which are not mailed, postage prepaid, into a mail facility serviced by the United States Postal Service, the date of the District's receipt of the report shall govern.

§ 3460. Record Keeping.

Users subject to the reporting requirements of the ordinance shall retain, and make available for inspection and copying, all records of information obtained pursuant to monitoring activities undertaken by the user independent of such requirements. Records shall be maintained in accordance with 40 CFR 403.12(o), and shall include the date, exact place, method, and time of sampling, and the name of the person(s) taking the samples; the dates analyses were performed; who performed the analyses; the analytical techniques or methods used; the results of such analyses; and the results of BMP monitoring and compliance. These records shall remain available for a period of at least three (3) years. This period shall be automatically extended for the duration of any litigation

concerning the user or EVMWD, or where the District has specifically notified the user of a longer retention period.

§ 3461. ENFORCEMENT. (Sections 3461 through 3485)

§ 3462. Compliance Inspections Monitoring, and Enforcement.

A. Enforcement Responsibility.

The District shall have primary responsibility to enforce all applicable pretreatment requirements and standards established in the ordinance and as detailed in 40 CFR 403.8.

Any of the following is a reason for enforcement action:

1. Failure to file a waste discharge permit application in accordance with provisions established in 40 CFR 403 or within the ordinance.
2. Knowingly providing false statements, representations, records, reports, or other documents to the District.
3. Falsifying, tampering or knowingly rendering inaccurate any monitoring device or method required under a control mechanism or regulations established within the ordinance.
4. Failure of the user to report significant changes in operations or wastewater constituents and characteristics in accordance with regulations established in 40 CFR 403.12.
5. Refusal of reasonable access to the user's premises for the purpose of inspection or monitoring.
6. Violation of any pretreatment standard or requirement established in 40 CFR.
7. Violation of requirements or standards established in control mechanisms.
8. Violations of any requirements or local limits established in the ordinance.
9. Failure to pay fees and charges pursuant to requirements established in the ordinance.

B. Discharger Compliance Sampling.

Per requirements established in 40 CFR 403.8, the District shall randomly sample and analyze the effluent from industrial

users and conduct surveillance activities in order to identify, independent of information supplied by industrial users, occasional and continuing noncompliance with pretreatment standards. Inspection and sampling from each SIU shall be conducted at a frequency of at least once per year.

C. Non-Compliance Investigations.

The District shall investigate instances of noncompliance with Pretreatment Standards and Requirements, as indicated in the reports, self-monitoring information, or notices submitted by the discharger, or as indicated by District analysis, inspection, and surveillance activities. District sample collection, analysis, and collection of other information shall be performed with sufficient care to produce evidence admissible in enforcement proceedings or in judicial actions.

D. Slug Control Plan Determination

Users shall comply per requirements established in 40 CFR 403.8 SIUs shall have slug control requirements referenced within their control mechanisms. Additionally, SIUs are required to notify the District immediately of any changes at their facilities affecting the potential for a slug discharge.

E. Self-Monitoring Reports

The District shall receive and analyze self-monitoring reports and other notices submitted by dischargers in accordance with self-monitoring requirements established in 40 CFR 403.12.

F. Self-Monitoring Requirements as a Result of Non-Compliance

1. If analysis of any sample obtained by the District or by a user shows non-compliance with the applicable wastewater discharge limits set forth in the ordinance or in the permittee's discharge permit, the District may impose self-monitoring requirements on the permittee or user.
2. A user shall perform required self-monitoring of constituents in a frequency, at the specific location, and in a manner directed by the District.

3. All analyses of self-monitoring samples shall be performed by an independent laboratory acceptable to the District and submitted to the District in a form and at a frequency determined by the District.
4. All self-monitoring costs shall be borne by the user.
5. Nothing in this section shall be deemed to limit the authority of the District to impose self-monitoring as a permit condition.

G. Non-Compliance Sampling Fees.

1. If analysis of any sample of a user's discharge obtained by the District shows a violation by the user of the mass emission rates or concentration limits specified in the user's discharge permit or in the ordinance, then the user shall be subject to noncompliance sampling fees pursuant to the most current edition of the Districts Pretreatment Program Fee Schedule and/or the Enforcement Response Plan and as amended.
2. The fees specified within the Districts Pretreatment Program Fee Schedule and/or the Enforcement Response Plan as amended thereto shall be imposed for each date on which the District conducts sampling as a result of a violation by a user.

H. Non-Compliance Inspection Fees.

1. Each user is subject to routine inspections and fees. When non-compliance with any of the provisions of the ordinance or in the permittee's discharge permit is determined, a follow-up inspection may be required. Each user shall receive one follow-up inspection to verify compliance for each routine inspection without being subject to noncompliance inspection fees.
2. When it becomes necessary to perform additional inspections in order to determine compliance with the provisions of the ordinance, then the user shall pay noncompliance fees to the District pursuant to the most current edition of the Districts Pretreatment Program Fee Schedule and/or the Enforcement Response Plan as amended thereto.

§ 3463. Election of Enforcement Remedies.

The District, upon finding a violation, may employ any of the remedies set forth this article, or as otherwise authorized by law, subject to due consideration of the following factors and the District's Enforcement Response Plan:

- A. The magnitude of the violation;
- B. The duration of the violation;
- C. The effect of the violation on WRF compliance with Discharge Order;
- D. The effect of the violation on the operation of the District's sewer system, District personnel, the environment, or the public;
- E. The compliance history of the user; and
- F. The good faith of the user.

The District's election of remedies is not exclusive as further set forth in Section 3481.

§ 3464. Notice of Violation.

- A. Upon finding a violation, the District may issue a notice of violation. Within ten (10) working days of the delivery of this notice, the user may respond to the Pretreatment Program Section with either an objection contesting the finding, or an explanation of the violation and a plan for the satisfactory correction and prevention thereof, to include specific required action. Failure to submit a timely petition for review shall be deemed to be a waiver of the administrative appeal process. Said response in no way relieves the user of liability for any violations occurring before or after the receipt of the notice of violation.
- B. Upon receipt of an objection contesting a finding of violation, the Department Head will schedule a hearing within ten (10) working days at which the user may present information supporting the objection. Within five (5) working days of the hearing, the Department Head shall determine the validity of the objection, either rescinding the notice of violation or denying the objection, thereby requiring submission of the

plan of corrective action. The user may appeal the Department Head's determination as set forth in Section 3477..

§ 3465. Administrative Orders. (Sections 3465 through 3468)

Administrative Orders include, but are not limited to, Consent Orders, Show Cause Orders, Cease and Desist Orders, and Compliance Orders.

§ 3466. Consent Orders.

The District may enter into Consent Orders, assurances of voluntary compliance, or other similar documents establishing an agreement with any user responsible for noncompliance. Such documents will include specific action to be taken by the user to correct the noncompliance within a time period specified by the document. Such documents shall have the same force and effect as the administrative orders issued pursuant to Section 3468. and shall be judicially enforceable.

§ 3467. Show Cause Orders.

- A. The District may order a user which has been given a notice of violation and which has failed to submit an acceptable plan of corrective action or which, having submitted such a plan, fails to follow through with execution of the plan, to appear at a hearing scheduled by the General Manager to show cause why the enforcement action proposed in the Show Cause Order should not be taken.
- B. The Show Cause Order shall specify the time and place for the hearing, the proposed enforcement action, the reasons for such action, and a request that the user show why the proposed enforcement action should not be taken. The Show Cause Order shall be served personally or by registered or certified mail (return receipt requested) at least fifteen (15) days prior to the hearing. The Order may be served on any authorized representative of the user. A Show Cause Order shall not be a bar against, or prerequisite for, taking any other action against the user.
- C. At the conclusion of the show cause hearing, the District may rescind previous enforcement action; issue an appropriate Administrative Order (Consent Order, Compliance Order, or Cease and Desist Order), including assessment of fines; initiate control mechanism revocation proceedings or termination of sewer services; or direct the action on the file to Counsel for legal action.

§ 3468. Compliance Orders.

- A. When the District finds a violation, he may issue an order to the user responsible for the discharge directing that the user come into compliance within a specified time. If the user does not come into compliance within the time provided, sewer service may be discontinued unless adequate treatment facilities, devices, or other related appurtenances are installed and properly operated.
- B. Compliance orders also may contain other requirements to address the noncompliance, including additional self-monitoring and management practices designed to minimize the amount of pollutants discharged to the sewer. A compliance order may not extend the deadline for compliance established for a pretreatment standards or requirement, nor does a compliance order relieve the user of liability for any violation, including any continuing violation.
- C. Issuance of a compliance order shall not be a bar against, or a prerequisite for, taking any other action against the user.

§ 3469. Administrative Fines.

- A. When, subsequent to a Show Cause hearing, the District finds a violation, he may fine the user in an amount not to exceed \$5,000.00 per violation per day of discharge in violation of any control mechanism or order issued hereunder, or any other pretreatment standards or requirement.
- B. The user may be responsible for the District's costs of preparing administrative enforcement actions, such as notices and orders.
- C. Unpaid charges, fines, and penalties shall, after thirty (30) calendar days, be assessed an additional penalty of five percent (5%) of the unpaid balance, and interest shall accrue thereafter at a rate of one and one-half percent (1.5%) per month. A lien against the user's property will be sought for unpaid charges, fines, and penalties.
- D. Users desiring to dispute an administrative fine must file a written request for the District to reconsider the fine along with full payment of the fine amount within thirty (30) days of the user's receipt of notice of the fine. Assessment of fines may be appealed pursuant to Section 3477. In the event the

user's appeal is successful, the payment, together with any interest accruing thereto, shall be returned to the user.

- E. Issuance of an administrative fine shall not be a bar against, or a prerequisite for, taking any other action against the user.

§ 3470. Emergency Suspensions.

- A. The District may immediately suspend a user's discharge or water supply, after informal notice to the user, whenever such suspension is necessary to stop an actual or threatened discharge which reasonably appears to present or cause an imminent or substantial endangerment to the health or welfare of persons or the environment.
- B. The District may also immediately suspend a user's discharge or water supply, after notice and opportunity to respond, that threatens to interfere with the operation of a WRF, or which presents, or may present, an endangerment to the environment.
- C. Any user notified of a suspension of its discharge or water supply shall immediately stop or eliminate its contribution. In the event of a user's failure to immediately comply voluntarily with the suspension order, the District may take such steps as deemed necessary, including immediate severance of the sewer connection, to prevent or minimize damage to the District's collection system, the District's WRFs, the receiving stream, or endangerment to any individuals. The District may allow the user to recommence its discharge when the user has demonstrated to the satisfaction of the District that the period of endangerment has passed, unless the termination proceedings in Section 3471 are initiated against the user.
- D. A user that is responsible, in whole or in part, for any discharge presenting imminent endangerment shall submit a detailed written statement, describing the causes of the harmful contribution and the measures taken to prevent any future occurrence, to the District prior to the date of any show cause or termination hearing under Sections 3467 or 3471.
- E. Nothing in this section shall be interpreted as requiring a hearing prior to any emergency suspension.

§ 3471. Termination Of Discharge.

In addition to the provisions in Section 3445, any user who violates the following conditions is subject to discharge termination:

- A. Violation of Waste Discharge Permit conditions;
- B. Failure to accurately report the wastewater constituents and characteristics of its discharge;
- C. Failure to report significant changes in operations or wastewater volume, constituents, and characteristics prior to discharge;
- D. Refusal of reasonable access to the user's premises for the purpose of inspection, monitoring, or sampling; or
- E. Violation of the pretreatment standards in Sections 3413-. Such user will be notified of the proposed termination of its discharge and be offered an opportunity to show cause under Section 3467 why the proposed action should not be taken. Exercise of this option by the District shall not be a bar to, or a prerequisite for, taking any other action against the user.
- F. Failure to pay any monthly sewer fees, pretreatment fees for service, violation fees, or sewer connection fees.

§ 3472. Published Notices For Significant Noncompliance.

In accordance with Federal Regulations, the District shall annually cause to be published the names of all Categorical or SIUs in significant non-compliance. Said publication shall be made in the newspaper of the largest daily circulation published in the District's service area.

§ 3473. Judicial Enforcement Remedies. (Sections 3473 through 3476)

In certain circumstances, judicial enforcement may be appropriate. Such remedies may include, but are not limited to, injunctive relief, civil penalties, and criminal prosecution.

§ 3474. Injunctive Relief.

When the District finds a violation, the District may petition the Superior Court for the issuance of a temporary or permanent injunction, as appropriate, which restrains or compels the specific performance of the control

mechanism, order, or other requirement imposed by the ordinance on activities of the user. The District may also seek such other action as is appropriate for legal and/or equitable relief, including a requirement for the user to conduct environmental remediation. A petition for injunctive relief shall not be a bar against, or a prerequisite for, taking any other action against the user.

§ 3475. Civil Penalties.

A. Authority.

All users of the District's system and facilities are subject to administrative or judicial enforcement actions by the District, U.S. EPA, State of California Regional Water Quality Control Board, or the County of Riverside District Attorney. Said actions may be taken pursuant to the authority and provisions of several laws, including but not limited to: (1) Federal Water Pollution Control Act, commonly known as the Clean Water Act (33 U.S.C.A. Section 1251 et seq.); (2) California Porter-Cologne Water Quality Act (California Water Code Section 13000 et seq.); (3) California Hazardous Waste Control Law (California Health & Safety Code Sections 25100 to 25250); (4) Resource Conservation and Recovery Act of 1976 (42 U.S.C.A. Section 6901 et seq.); and (5) California Government Code, Sections 54739-54740.

B. Recovery of Fines or Penalties.

When the District must pay fines or penalties imposed by other regulatory or enforcement agencies based, and the District can establish said violation was the result of the discharge of any user, which discharge was in violation, as defined in the ordinance, the District shall be entitled to recover from the user all costs and expenses, including, but not limited to, the full amount of said fines or penalties.

C. Ordinance.

Pursuant to the authority of California Government Code Sections 54739-54740, any person who violates any provision of the ordinance, any permit condition, prohibition or effluent limit, or any suspension or revocation order, shall be liable civilly for a sum not to exceed \$25,000.00 per violation for each day in which such violation occurs. Pursuant to the authority of the Clean Water Act, 33 U.S.C. Section 1251 et seq., any person who violates any provision of the ordinance, or any permit condition, prohibition, or effluent limit shall be liable civilly for a sum not to exceed \$25,000.00 per violation

for each day in which such violation occurs. The District shall petition the Superior Court to impose, assess, and recover such penalties, or such penalties as the District may impose, assess, and recover pursuant to Federal and/or State law.

D. Administrative Civil Penalties.

1. Pursuant to the authority of California Government Code Sections 54740.5 and 54740.6, the District may issue an administrative complaint against any person who violates:
 - a. any provision of the ordinance;
 - b. any permit condition, prohibition, or effluent limit; or
 - c. any suspension or revocation order.
2. The administrative complaint shall be served by personal delivery or certified mail and shall specify a date and time for a hearing, which will be held within sixty (60) days following service. The administrative complaint will allege the act or failure to act that constitutes the violation of the District's requirements, the provisions of law authorizing civil liability to be imposed, and the proposed civil penalty. A hearing officer designated by the Board of Directors shall hear the matter. The person against whom an administrative complaint has been issued may waive the right to a hearing.
3. At the hearing, the person shall have an opportunity to respond to the allegations set forth in the administrative complaint by presenting written or oral evidence.
4. After the hearing, the hearing officer shall deliver a written report to the District, setting forth findings of fact, conclusions and a recommendation. Upon receipt of the written report, the District shall issue his decision and order in writing within thirty (30) calendar days after the hearing. The decision and order shall be served by personal delivery or certified mail.
5. In determining the amount of civil penalties, the

District may take into consideration all relevant circumstances, including but not limited to the extent of harm caused by the violation, the economic benefit derived through any noncompliance, the nature and persistence of the violation, the length of time over which the violation occurs, and corrective action, if any, attempted or taken by the person involved.

6. Civil penalties may be assessed as follows:
 - a. In an amount which shall not exceed \$2,000.00 for each day for failing or refusing to furnish technical or monitoring reports;
 - b. In an amount, which shall not exceed \$3,000.00 for each, day for failing or refusing to timely comply with any compliance schedules established by the District;
 - c. In an amount, which shall not exceed \$5,000.00 per violation for each day of discharge in violation of any waste discharge limit, permit condition, or requirement issued, reissued, or adopted by the District;
 - d. In any amount, which does not exceed \$10.00 per gallon for discharges in violation of any suspension, revocation, cease and desist order or other orders, or prohibition issued, reissued, or adopted by the District;
 - e. The District has the authority to seek civil or criminal penalties in at least the amount of \$1,000 a day for each violation by industrial users of pretreatment standards or requirements.
7. The District's order assessing administrative civil penalties shall be final on the thirty-first (31st) day after it is served on the person unless an appeal and request for hearing is filed with the Board of Directors before the thirty-first (31st) day. Copies of the administrative order shall be served on the party served with the administrative complaint, either by personal service or by registered mail, and a copy forwarded to other persons who appeared at the hearing and requested a copy.

8. The District's decision and order is subject to appeal to the Board of Directors pursuant to Section 3478. Any person aggrieved by a final order issued by the Board of Directors may obtain review of the order of the Board of Directors in the superior court, pursuant to Government Code Section 54740.6, by filing a petition for writ of mandate within thirty (30) days following service of the Board's decision or order.
 9. Payment of any order setting administrative civil penalties shall be made within thirty (30) days of the date the order becomes final. The amount of any administrative civil penalties imposed, which have remained delinquent for a period of sixty (60) days, shall constitute a lien against the real property of the discharger from which the discharge resulting in the imposition of the civil penalty originated. The lien shall have no effect until recorded with the county recorder. The District may record the lien for any unpaid administrative civil penalties on the ninety-first (91st) day following the date the order becomes final.
 10. No administrative civil penalties shall be recoverable under Section 3475 (D) for any violation for which the District has recovered civil penalties through a judicial proceeding filed pursuant to Government Code Section 54740.
- E. Filing a suit for civil penalties shall not be a bar to, or a prerequisite for, taking any other action against a user.

§ 3476. Criminal Prosecution.

A user who willfully or negligently violates any provision of the ordinance, a control mechanism, or order issued hereunder, or any other pretreatment standard or requirement shall, upon conviction, be guilty of a misdemeanor, punishable by a fine not to exceed \$25,000.00, or imprisonment for not more than six (6) months, or both. Each violation and each day in which a violation occurs may constitute a new and separate violation of the ordinance and shall be subject to the penalties contained herein.

§ 3477. Appeals To General Manager.

A. General.

Any user or applicant affected by any decision, action or determination may file with the General Manager a written request for an appeal hearing. The District must receive the request within thirty (30) days of mailing of notice of the decision, action, or determination to the user or applicant. The request for hearing shall set forth in detail all facts supporting the request.

B. Notice.

The General Manager shall, within fifteen (15) days of receiving the request for appeal, designate a Hearing Officer who will hear the appeal and provide written notice to the user or applicant of the hearing date, time and place. The hearing date shall not be more than thirty (30) days from the mailing of such notice by certified mail, unless the user or applicant agrees to a later date. If the hearing is not held at the agreed time due to actions or inactions of the user or applicant, then the decision shall be deemed final.

C. Hearing.

At the hearing, the user or applicant shall have the opportunity to present information supporting its position concerning the decision, action or determination.

D. Written Determination.

After the hearing, the Hearing Officer shall deliver a written report to the General Manager setting forth findings of fact, conclusions, and a recommendation whether to uphold, modify or reverse the original decision, action or determination. Upon receipt of the written report, the General Manager shall issue his decision and order within thirty (30) calendar days of the hearing. The written decision and order of the General Manager shall be sent by certified mail. The order of the General Manager shall be final on the sixteenth (16th) day after it is mailed, unless a request for hearing is filed with the Board of Directors pursuant to Section 3478, no later than 5:00 p.m. on the fifteenth (15th) day following such mailing.

§ 3478. Appeals To The Board of Directors.A. General.

1. Any user or applicant may appeal a decision, action, or determination made by the General Manager prior to the date that the General Manager's order becomes final, by filing a written request for hearing with the Board of Directors accompanied by an appeal fee of \$2,000.00. The request for hearing shall set forth in detail all the issues in dispute and all facts supporting the request.
2. No later than sixty (60) days after receipt of the request for hearing, the Board of Directors shall either set the matter for a hearing or deny the request for a hearing.
3. A hearing shall be held by the Board of Directors within sixty-five (65) days of the date the request for a hearing was granted, unless the user or applicant and the Board of Directors agree to a later date. If the matter is not heard within the required time, due to actions or inactions of the user or applicant, the General Manager's order shall be final.

B. Granting Request for Hearing.

The Board of Directors shall grant all requests for an appeal's hearing concerning permit suspension, revocation, or denial. Whether to grant or deny the request for a hearing on appeals of other decisions of the General Manager shall be within the sole discretion of the Board of Directors.

C. Appeal Fee Refund.

The appeal fee shall be refunded if the Board of Directors denies a hearing.

D. Written Determination.

1. After the hearing, the Board of Directors shall make a determination whether to uphold, modify, or reverse the decision, action, or determination made by the General Manager.
2. The Board's decision shall be set forth in writing and shall contain findings of fact and conclusions. The written decision and order of the Board of Directors shall be sent by certified mail within sixty-five (65)

days after the close of the hearing

3. The order of the Board of Directors shall be final upon its adoption.

§ 3479. Appeal of Charges and Fees.

- A. Any user or applicant may request in writing reconsideration of the imposition and collection of fees or charges, such as connection charges, sewer use charges, and waste hauler fees. Following review of such a request, the District shall notify the user or applicant by certified mail of the District's decision on the reconsideration request within thirty (30) days of the District's receipt of the request. Any user or applicant may file an appeal, which shall be heard by the Board of Directors. The District must receive the notice of appeal within thirty (30) days of the mailing of the District's decision on the reconsideration request.
- B. Notwithstanding the foregoing, appeals of non-compliance sampling fees shall be made pursuant to the appeal procedure set forth in Sections 3477 and 3478.

§ 3480. Payment of Charges.

- A. Except as otherwise provided, all fees, charges and penalties established by the ordinance and/or by the most current edition of the *District's Pretreatment Program Fee Schedule and/or Enforcement Response Plan* and as amended thereto are due and payable upon notice thereof. All such amounts are delinquent if unpaid thirty (30) days after date of invoice.
- B. Any charge that becomes delinquent shall have added to it a penalty in accordance with the following:
 1. Thirty-one (31) days after date of invoice, a basic penalty of 5% of the base invoice amount, not to exceed a maximum of \$1,000.00; and
 2. Interest at a rate of 1.5% per month of the sum of base invoice amount and basic penalty shall accrue from and after the thirty-first (31st) day after date of invoice.
- C. Any invoice outstanding and unpaid after sixty (60) days shall be cause for immediate initiation of permit revocation

proceedings or immediate suspension of the permit.

- D. Penalties charged under this section shall not accrue to those invoices successfully appealed.

§ 3481. Remedies Nonexclusive.

The remedies provided for in the ordinance and the most current edition of the Districts Enforcement Response Plan are not exclusive. The District may take any, all, or any combination of these actions against a noncompliant user. Enforcement of pretreatment violations will be in accordance with the ordinance. However, the District may take other action against any user when the circumstances warrant. Further, the District is empowered to take more than one enforcement action against any noncompliant user.

§ 3482. Collection of Delinquent Accounts.

Collection of delinquent accounts shall be in accordance with the District's policy resolution establishing procedures for collection of delinquent obligations owed to the District, as amended from time to time by the Board of Directors. Any such action for collection may include an application for an injunction to prevent repeated and recurring violations of the ordinance.

§ 3483. Recovery of Costs Incurred By District.

In the event a user fails to comply with any of the terms and conditions of the District's Ordinance, an administrative order, a permit suspension or revocation, a Consent Order, or a permit issued hereunder, the District shall be entitled to reasonable attorney's fees and costs which may be incurred in order to enforce any of said terms and conditions with or without filing proceedings in court.

§ 3484. Financial Security/Amendments to Permit.

- A. Compliance Deposit.

Users that have been subject to enforcement and/or collection proceedings may be required to deposit with the District an amount necessary to guarantee payment of all charges, fees, penalties, costs and expenses that may be incurred in the future, before permission is granted for further discharge to the sewer system. In the District's sole discretion, the deposit required by this subsection may be made as a performance bond, letter of credit, cash, or other security.

- B. Delinquent Accounts.

The District shall review and examine user's account to determine whether previously incurred fees and charges have been paid in accordance with time requirements prescribed by the ordinance. The District may thereafter issue an amendment to the user's control mechanism in accordance with the provisions of Sections 3432-3460 and Section 3484.(E).

C. Bankruptcy.

Every user filing any legal action in any court of competent jurisdiction, including the United States Bankruptcy Court, for purposes of discharging its financial debts or obligations or seeking court-ordered, protection from its creditors, shall, within ten (10) days of filing such action, apply for and obtain the issuance of an amendment to its control mechanism.

D. Permit Amendments.

The District shall review and examine user's account to determine whether previously incurred fees and charges have been paid in accordance with time requirements prescribed by the ordinance. The District may thereafter issue an amendment to the user's permit in accordance with the provisions of Sections 3432-3460 and Section 3484 (E).

E. Security.

An amendment to a control mechanism issued pursuant to Sections 3466-3468, may be conditioned upon the user depositing financial security in an amount equal to the average total fees and charges for three (3) calendar months during the preceding year. Said deposit shall be used to guarantee payment of all fees and charges incurred for future services and facilities furnished by District and shall not be used by the District to recover outstanding fees and charges incurred prior to the user filing and receiving protection from creditors in the United States Bankruptcy Court.

F. Return of Security.

In the event the user makes payment in full within the time prescribed by the ordinance of all fees and charges incurred over a period of two (2) years following the issuance of an amendment to the control mechanism pursuant to Sections

3484 (B), (C), & (D), the District shall either return the security deposit posted by the user or credit their account.

G. Water Supply Severance.

Water service to the user may be severed for any violation. Service will only recommence, at the user's expense, after it has satisfactorily demonstrated its ability to comply.

§ 3485. Judicial Review.

A. Purpose and Effect.

Pursuant to Section 1094.6 of the California Code of Civil Procedure, the District hereby enacts this part to limit to ninety (90) days following final decisions in adjudicatory administrative hearings the time within which an action can be brought to review such decisions by means of administrative mandamus.

B. Definitions.

As used in this section, the following terms and words shall have the following meanings:

1. Decision shall mean and include adjudicatory administrative decisions that are made after hearing, or after revoking, suspending, or denying an application for a permit or a license.
2. Complete Record shall mean and include the transcript, if any, of the proceedings, all pleadings, all notices and orders, any proposed decision by the General Manager, the final decision, all admitted exhibits, all rejected exhibits in the possession of the District or its offices or agents, all written evidence, and any other papers in the case.
3. Party shall mean a person whose permit or service has been denied, suspended, or revoked.

C. Time Limit for Judicial Review.

Judicial review of any decision of the District or its officer or agent may be made pursuant to Section 1094.5 of the Code of Civil Procedure only if the petition for writ of mandate is filed

not later than the 90th day following the date on which the decision becomes final. If there is no provision for reconsideration in the procedures governing the proceedings or if the date is not otherwise specified, the decision is final on the date it is made. If there is provision for reconsideration, the decision is final upon the expiration of the period during which reconsideration can be sought; provided that if reconsideration is sought pursuant to such provision the decision is final for the purpose of this section on the date that reconsideration is rejected.

D. Preparation of the Record.

The petitioner may request, in writing, the complete record of the proceedings. The record shall be prepared by the District officer or agent who made the decision and shall be delivered to the petitioner within ninety (90) days after filing the written request. The District may recover from the petitioner its actual costs for transcribing or preparing the record.

E. Extension.

If the petitioner files a request for the record within ten (10) days after the date the decision becomes final, the time within which a petition, pursuant to Section 1094.5 of the Code of Civil Procedure, may be filed shall be extended to not later than the 30th day following the date on which the record is either personally delivered or mailed to the petitioner or the petitioner's attorney of record, if appropriate.

F. Notice.

In making a final decision, the District shall provide notice to the party that the time within which judicial review must be sought is governed by Section 1094.6 of the Code of Civil Procedure.

G. Administrative Civil Penalties

Notwithstanding the foregoing in Section 3484, and pursuant to Government Code Section 54740.6, judicial review of an order of the Board of Directors imposing administrative civil penalties pursuant to Section 3475 (D) may be made only if the petition for writ of mandate is filed not later than the 30th day following the day on which the order of the Board of Directors becomes final.

§ 3486. GRAVITY SEPARATION INTERCEPTOR PROGRAM.
(Sections 3486 through 3490)

Purpose And Scope:

- A. All industrial users shall be required to install and maintain a gravity separation interceptor system when the District finds that it is necessary for the proper handling of (a) liquid waste containing fats, oils and grease (of animal, vegetable, plant, nut, or petroleum origin), (b) flammable wastes, (c) sand and or suspended solids that will settle, or (d) other harmful constituents which may be properly eliminated from the collection system by use of a gravity separation interceptor. The interceptor shall have a minimum operational fluid capacity of not less than 750 gallons. The interceptor system shall be watertight, structurally sound, and durable and shall have a minimum of two chambers and a sample box.
- B. An interceptor system is not required for a building used solely for residential purposes except where common food preparation occurs.
- C. An interceptor system shall be required when the wastewater flow from the building is anticipated to contain fats, oils, grease (of animal, vegetable, plant, nut, or petroleum origin), flammable substances, sand and or suspended solids or other harmful ingredients in amounts or concentrations which, in the sole discretion of the District, present the possibility of causing or contributing to the fouling of, the blockage of, or other damage to the District's POTW.
- D. All industrial users for which a gravity separation interceptor system is required shall have an interceptor system, which shall serve only that singular establishment or business.
- E. Hydromechanical grease traps may not be used as a substitute to the gravity separation interceptors required under Section 3486 A. Alternative grease interceptor devices may be approved by the District on a case-by-case basis only in circumstances where (1) installation of a 750-gallon gravity separator is impractical or not physically possible at the site, (2) the District determines that the proposed alternative grease interceptor device can achieve adequate grease removal on a sustained basis, and (3) the District determines that the alternative grease interceptor device can be

adequately maintained and serviced. As a condition of approving any such alternative grease interceptor devices, the District may establish additional requirements (over and above the requirements of Section 3488) that may include special onsite kitchen-practices, BMPs, or grease interceptor device maintenance, cleaning, or servicing requirements.

- F. Existing establishments shall not be exempt from the requirements of the Ordinance. There is no Grandfather clause.

§ 3487. Administration Of Interceptor Program.

- A. The District may administer a Gravity Separation Interceptor Program which is intended to prevent fats, oils, and grease (of animal, vegetable, plant, nut, and petroleum origin), sand, flammable liquids, and other substances which are likely to block, restrict or create a hazard within the collection system, from entering the system through use of gravity separation interceptors.
- B. The District may require any industrial user to install or increase the size of an interceptor system according to the guidelines set forth in the District's Standard Specifications, the most current edition of the Uniform Plumbing Code, and or any other District requirement, program or procedure prior to connection to the District or at any time after connection to the District if the District discovers or determines subsequent to the connection that the building, facility, or operation of the user produces a waste with characteristics that would require installation of an interceptor system pursuant to the ordinance.
- C. The installation of a District approved sized interceptor system shall be the responsibility of the parcel owner and the entity, which applies for the connection or waste discharge permit, and the owner/proprietor of the business or entity whose operations cause or contribute to the necessity for an interceptor system.
- D. The District may determine whether a gravity interceptor or some other type of pretreatment system is required on a case-by-case basis based on an evaluation of objective criteria including but not limited to factors such as those listed hereunder:

1. The type of facility (e.g. restaurant, brewery, winery, distillery, bakery, coffee house, sandwich shop, vehicle wash, gas station, lube/oil facility, body shop, on or off-road vehicle/vessel repair/service shop etc.);
 2. The peak flow of process wastewater discharged to the sewer system;
 3. The type of products or materials used in the preparation, cleaning, processing or manufacturing operations carried on within the user's facility;
 4. The overall potential for the discharge of fats, oils, and grease (of animal and/or, vegetable, plant, nut origin), oils/chemicals (of petroleum origin), and/or sand-laden wastewater from the facilities operation(s) to the POTW.
- E. The District shall approve the interceptor size, design, location and procedures for operation and maintenance of a required interceptor system. Such approval shall be obtained prior to the user's connection of the facility to the District's collection system, in the event of new construction or remodeling.
- F. In circumstances where a user has already connected (e.g. prior to adoption of the ordinance or failure by a user to contact the District regarding interceptor requirements and approval) and the District determines that an interceptor system must be installed, the user shall promptly provide for the installation of the interceptor system within a reasonable time frame (as may be set by the District), including providing design plans and operational plans for District approval prior to interceptor system installation.
- G. The installation of an interceptor system as required by the ordinance on an existing users' facility shall occur within reasonable time not to exceed ninety (90) days after the user has been provided notice of the requirement that an interceptor system be installed. Upon written request and approval this ninety-day (90) limit may be extended to a maximum of one hundred and eighty days (180) from the time of the first notice.

§ 3488. Interceptor Maintenance Program Requirements.

- A. Any user who is required by the District and/or the ordinance to install and/or operate a gravity separation interceptor system shall be required to adequately maintain the system so that such a device is in proper working order at all times. Cleaning and completely pumping out of all interceptor contents including the sample box shall be completed as needed, but in no case shall the frequency of cleaning and pumping out be less than (2) two times per calendar year.
- B. All types of gravity separation interceptor systems shall be cleaned a minimum of two (2) times per calendar year by a properly licensed and permitted waste hauler or as often as necessary so as to assure that the interceptor will operate as designed at all times.
- C. The use of chemicals, microbiological agents to metabolize oil and grease, or other materials for the emulsification, suspension or dissolution of oil or grease is prohibited.
- D. Any users who are required to install or have in operation an interceptor system pursuant to the ordinance, may be required to have a written plan of operation or program for their facility which is intended to insure that the interceptor operates as designed to prevent grease, fats, oil (of animal, vegetable or petroleum origin), sand or other harmful constituents from entering the collection system. These procedures may include: adoption of BMPs, kitchen practices to minimize the fat, oil and grease-laden garbage which ultimately enters the facility's drains and floor traps; maintaining records of inspections by the user of the interceptor; maintaining, on-site, manifests from the licensed and permitted waste hauler servicing the interceptor system; and/or other such procedures as may be required for the proper operation of the interceptor system.
- E. All gravity separation interceptor systems shall be located and maintained so as to provide immediate and easy access for maintenance and inspection at all times.

§ 3489. Prohibited Restaurant Surface Discharges.

No person who owns, operates, or maintains a restaurant shall at any time discharge any wastewater to a service dock area, parking lot, storm drain or the ground. Wastewater generated by restaurants must be disposed of through an approved gravity separation interceptor system that is connected to the District's collection system or hauled offsite to a legal disposal site.

§ 3490. Conditional Waivers For Gravity Separation Interceptors.

The District on a case-by-case basis may, in its sole and reasonable discretion grant conditional waivers for gravity separation interceptors to those users, which are determined by the District not to have any potential adverse effects on the Districts POTW. The user shall submit a written request along with a report from a licensed professional engineer supporting the request to the District and must be granted approval prior to commencing construction or remodeling. In lieu of installing a gravity separator interceptor system, and a condition of granting a conditional waiver, the District may require the user to install a sampling manhole, sample box or some other type of device as required by the District for monitoring the discharger's process waste stream.

§ 3491. DENTAL AMALGAM. (Sections 3491 through 3496)

- A. All dental facilities that discharge wastewater generated from the placement or removal of amalgam to the POTW are required to install an amalgam separator, implement BMPs, and meet specific reporting and certification requirements.
- B. Exempt Dental Practice. BMPs are not required for dental facilities meeting the definition of an Exempt Dental Discharger. A written request for a waiver shall be delivered to the District before the dental practice opens for business but in no case later than thirty (30) days from date the dental practice opens for business.
- C. Amalgam Separator. Amalgam separators shall be installed in all dental facilities, except exempt dental practices. All amalgam separators shall meet the following criteria:
 1. The amalgam separator shall be ISO11143 certified and shall be designed and approved for a flow rate capable of handling the maximum volume discharged from the dental practice it serves;

2. The amalgam separator shall be certified to meet at least a 99% solids removal or higher solids removal efficiency as specified by federal or state regulations;
3. The amalgam separator shall allow the Dental Discharger to make direct visual observations as to the level of solids in the collection container, proper solid and liquid separation, and the condition of all plumbing connections;
4. The amalgam separator shall be installed so that all amalgam-contaminated wastewater will pass through the unit before being discharged to the POTW.
5. Amalgam separators shall be installed so they are accessible at all times for cleaning and inspection;
6. Each dental practice shall be responsible for inspecting the amalgam separator(s) at least once per week and recording if the level of solids is approaching the level where maintenance is required, or other operational problems are identified. In addition, the date of visual inspection and the person performing the inspection shall be recorded on the log sheet;
7. The amalgam separator shall be serviced, at a minimum, in accordance with the manufacture's instructions or more frequently if visual inspections indicate that the level of solids is at or over 80% of the recommended maximum level;
8. Waste removed from the amalgam separator shall be collected and handled in accordance with the manufacturer's instructions and as described below.

§ 3492. Best Management Practices.

- A. Dental New Sources: BMPs shall be implemented by the Dental Discharger upon discharge to the sewer system. The Duly Authorized Representative of the Dental New Source Discharger shall report to the District within 30 days of Discharge a report including the following information:
 1. The facility name, physical address, mailing address, and contact information;
 2. Name(s) of the operator(s) and owner(s);

3. A description of the operation at the dental facility including: The total number of chairs, the total number of chairs at which dental amalgam may be discharged in the resulting wastewater, and a description of any existing amalgam separator(s) or equivalent device(s) currently operated to include, at a minimum, the make, model, year of installation;
 4. Certification that the amalgam separator(s) or equivalent device is designed and is being operated and maintained to meet the requirements specified in the ordinance, and 40 CFR Part 441;
 5. Certification that the dental discharger is implementing BMPs specified in the ordinance, and 40 CFR Part 441;
 6. The name of the third-party service provider that maintains the amalgam separator(s) or equivalent device(s) operated at the dental office, if applicable. If the Dental Discharger maintains the amalgam separator and other BMP requirements, the Dental Discharger shall provide a brief description of the practices employed by the facility to ensure proper operation and maintenance in accordance with the ordinance, and 40 CFR Part 441;
 7. Signatory Certification as shown in Section 3494 Item (4) by the Duly Authorized Representative.
- B. Existing Dental Sources: Existing Dental Source dischargers that are currently operating and discharging shall install an appropriate amalgam separator and implement required BMPs within ninety (90) days once the discharger has been notified by the District. The Existing Dental Source Discharger shall provide the report specified in Section 3492 within 120 days once the discharger has been notified by the District.
- C. Each Dental Discharger shall ensure that all dental chairs are equipped with chair-side traps and that all vacuum pumps are equipped with traps and filters where recommended by the manufacturer. All equipment shall be operated and maintained in accordance with the manufacturer's instructions.

- D. Each Dental Discharger shall use disinfecting line cleaners that have a pH in the range of 7-9 and are non-chlorine and non-oxidizing. When cleaning filters, the Dental Discharger shall not rinse filters or traps over sinks or drains that do not discharge through the amalgam separator. All water containing amalgam waste must be washed through amalgam separator lines.
- E. Each Dental Discharger shall recycle all bulk mercury and all amalgam waste.
1. All contact and non-contact scrap amalgam must be salvaged and stored in structurally sound, tightly closed and appropriately labeled containers and recycled no more than twelve (12) months from the date the first amalgam waste is added to the container. The beginning accumulation date shall be included on the outside of the container. State or federal hazardous waste authorities may have additional, more stringent requirements;
 2. The Dental Discharger shall never dispose of amalgam waste, infectious waste or biohazard containers in the garbage;
 3. The Dental Discharger shall use only pre-capsulated, single-use dental amalgam and shall stock a variety of sizes in order to minimize waste;

The Dental Discharger shall not cause or contribute to Pass Through, and/or process Interference at the Districts WRF, or violate a Specific Prohibition or Section of the ordinance.

§ 3493. Recordkeeping.

- A. All records shall be kept on site for a minimum of three (3) years and shall be made available to the District upon request. Each Dental Discharger shall maintain records of:
1. Amalgam Waste Disposal. Records shall include the date, name and address of the facility to which any amalgam waste is shipped, and the amount shipped;
 2. Weekly Visual Inspections: Records (logs) shall include the date and time of the visual inspection, name and

initials of person conducting the inspection and whether or not the level of solids is such that the unit needs to have maintenance or other problems are identified (e.g. leaks, etc.);

3. Amalgam Waste: Records of all maintenance and service completed on the amalgam separator.

§ 3494. Reporting.

- A. The Dental Discharger shall submit a certification provided by the District by January 28th of each year, a report that includes:

1. The manufacturer, model and date of installation for each amalgam separator;
2. The name of the installer(s) and the name of the company that maintains the amalgam separator or if performed in-house, the name of the person responsible;
3. Copies of the records in Section 3494.6.A-D.
4. The following Signatory Certification shall be signed by the Authorized Representative:

“I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.”

5. Reports shall be submitted to:

*ELSINORE VALLEY MUNICIPAL WATER DISTRICT
ATTN: PRETREATMENT PROGRAM*

*P.O. Box 3000
31315 Chaney St.*

Lake Elsinore, CA 92530

6. The Dental Discharger shall inform the District prior to:
 - a. Sale or transfer of ownership of the business;
 - b. Change in the trade name under which the business is operated;
 - c. Change in nature of the services provided that affect the potential to discharge amalgam; or
 - d. Remodeling/tenant improvements of the facility.

§ 3495. Inspections Permitting and Data Collection.

- A. The District may permit, conduct inspections, require written waste surveys or other reporting for any Dental Discharger. Inspections may be conducted with or without notice for the purpose of determining applicability and/or compliance with the ordinance.
- B. If any inspection reveals non-compliance with any provision of the ordinance, corrective action shall be required. The corrective action shall not limit the ability of the District to take an enforcement action.

§ 3496. Enforcement.

Failure to comply with the policy, ordinance, or Waste Discharge Permit shall subject the User to enforcement actions as set forth in the ordinance, and/or the District's Enforcement Response Plan.

§3497. SEVERABILITY.

If any provision of the ordinance or the application to any person or circumstances is held invalid, the remainder of the ordinance or the application of such provision to other persons or other circumstances shall not be affected.

§ 3498. Local Limits for Discharge to the EVMWD Sewer System**TABLE A**

| EVMWD Local Limits | | |
|---------------------------------------|--------------------------------|------------------------|
| Pollutant Category | (Concentration in mg/L) | |
| | Daily Maximum | Monthly Average |
| <u>Physical</u> | | |
| Grease/oil (mineral/petroleum origin) | 100 | NS |
| <u>Mineral</u> | | |
| TDS | NS | See note ^A |
| Boron | 4.6 | NS |
| Fluoride | 4.0 | NS |
| <u>Toxic Inorganic</u> | | |
| Arsenic | 1.3 | 0.11 |
| Cadmium | 0.04 | NS |
| Chromium (total) | 1.0 | NS |
| Copper | 0.8 | NS |
| Lead | 0.3 | NS |
| Mercury | 0.05 | 0.003 |
| Selenium | 0.03 | NS |
| Silver | 0.2 | NS |
| Zinc | 2.2 | NS |
| Cyanide | 0.08 | NS |
| <u>Toxic Organic</u> | | |
| Bis (2-ethylhexyl) phthalate (BEHP) | NS | 0.11 |

A. Monthly average TDS concentrations from industrial dischargers subject to local limits are not to exceed TDS concentrations in the RWRf influent by more than 25%.

NS – indicates no specific daily maximum or monthly average local limit.

§ 3499. Pretreatment Program Fee Schedule.

TABLE B

| DESCRIPTION | USER CLASS FEE (\$)¹ | | | | | |
|---------------------------------------|----------------------|-------|-----|-----|-----|-----|
| | 1 | 2 | 3 | 4 | 5 | 6 |
| Permit Fee / Year | 5,000 | 1,000 | 200 | 400 | 300 | 200 |
| Permit Revision Fee | 1,000 | 300 | 100 | 100 | 300 | 100 |
| Routine/Follow-Up Inspection | 1,500 | 500 | 200 | 200 | N/A | 200 |
| Non-Compliance Inspection | 1,200 | 800 | 500 | 500 | N/A | 300 |
| Non-Compliance Sampling | 200 | 200 | 200 | 200 | 200 | 200 |
| Non-Compliance Meeting | 200 | 200 | 200 | 200 | 200 | 200 |
| Failure to Allow Entry for Inspection | 200 | 200 | 200 | 200 | N/A | 200 |

ALL USER CLASSES FEE (\$)

| | |
|--------------------------------------|---------------------------|
| Environmental Compliance Review Fee¹ | 230 |
| Construction Inspection Fee¹ | 320 |
| Additional Manpower / hour¹ | 100 |
| Replace Dump Station Access Card ¹ | 100 |
| Chemical Analysis¹ | Actual Costs as Billed by |
| Lab Plus G&A O/H | |

Liquid Waste (Septage) Processing Fee / gallon² 0.12

Notes:

¹These rates are periodically adjusted. For the most current rate, please refer to the <Pretreatment Fees> at <<https://www.evmwd.com/customers/customer-service/rates-fees>>.

²This rate is also periodically adjusted. For the most current rate, please refer to the <Sewer Rates> at <<https://www.evmwd.com/customers/customer-service/rates-fees>>.

SECTION 3500. CONSTRUCTION STANDARDS

(R-1217, R-957 & R-1094, M-4498, M-4769, M-4985, M-5237, M-5797)

Because facilities built to serve, the District's customers must be reliable and of consistent standard, the Board of Directors has adopted:

- Design Standards (Volume 1) and Standard Drawings (Volume 2) for Potable Water, Recycled Water, and Sewer Facilities, Reservoirs, Booster Pump Stations, Well Facilities, and Lift Stations
- Supplementary Requirements for Water Reservoirs, Water Booster Pump Stations and Sewage Lift Stations

Collectively, these documents are the District's "Construction Standards" and by this reference are incorporated herein.

SECTION 3600. WATER AND WASTEWATER MASTER PLANS

The Board of Directors has adopted comprehensive master plans for the District's water and wastewater system facilities. It outlines a staged improvements program to meet the expected growth of the District and provides budget costs for planning purposes. (*Minutes 10/12/88*)

By this reference, the District's Water and Wastewater Master Plans is incorporated herein.

SECTION 3700. URBAN WATER MANAGEMENT PLAN *(R-1146)*

The California Legislature enacted Assembly Bill 797 during the 1983-84 Regular Session of the California Legislature (Water Code Section 10610 et. seq.), known as the Urban Water Management Planning Act, which mandates that every urban supplier of water providing water for municipal purposes to more than 3,000 customers or supplying more than 3,000 acre feet of water annually, prepare an Urban Water Management Plan, the primary objective of which is to plan for the conservation and efficient use of water.

The Elsinore Valley Municipal Water District is an urban supplier of water providing water to over 20,000 customers, and has, therefore, prepared and adopted an Urban Water Management Plan in compliance with the requirements of AB 797.

The District's Urban Water Management Plan, by this reference, is incorporated herein.

SECTION 3800. WATER SHORTAGE CONTINGENCY PLAN

Management of water supply deficiency is one of the District’s most important responsibilities. Possible deficiencies may be caused by droughts, failures of major water storage and/or transmission facilities during floods or earthquakes, contamination of groundwater supplies by hazardous waste, or other disasters.

Assembly Bill No 11, signed by Governor Wilson on October 13, 1992 requires every urban water supplier to prepare, adopt, and submit a water shortage contingency plan to the Department of Water Resources by January 31, 1992. In response to Assembly Bill No. 11, the District has prepared and adopted a Water Shortage Contingency Plan. *(R-1080)*

The District’s Water Shortage Contingency Plan, by this reference, is incorporated herein.

The EVMWD Water Shortage Contingency Plan includes five (5) drought stages. The Penalties shown below are incorporated in the Water Shortage Contingency Plan and are activated at drought stages three (3) through five (5). Penalties are imposed once Customers exceeds their total monthly water budget (Indoor & Outdoor water budget).

| Drought Penalties ** (per CCF) | |
|---------------------------------------|---------------------------------|
| Stage | Effective 05/28/2015 |
| 3 | \$1.59 |
| 4 | \$2.09 |
| 5 | \$4.01 |

SECTION 3900. WATER SUPPLY ANALYSIS WATER & SEWER WILL SERVE COMMITMENTS AND PROJECT PLANNING *(R-1233, M-5797)*

§ 3901. Water Supply Assessments, Written Verifications and Will Serve Letters. *(M-4671)*

- A. From time to time the District may be requested to prepare and adopt Water Supply Assessment (WSAs) pursuant to Water Code section 10910 et seq. and Written Verifications (WVs) pursuant to Government Code section 66473.7. WSAs and WVs are project-specific analyses generally intended to address whether the District's total projected water supplies available during normal, single dry, and multiple dry years during a 20-year projection will meet the projected water demand associated with the proposed project, in addition to the District's existing and planned future uses, including agricultural and manufacturing uses. The analyses and conclusions set forth in a WSA or WV are based on information and water supply conditions understood by the District on the date of its adoption of a WSA or WV and may be affected by conditions or events occurring or not occurring thereafter. The analyses and conclusions set forth in a WSA or WV are also based on information received from the applicable lead agency or the project proponent regarding the projected water demand of the proposed project, the projected schedule for build out of the project, and other factors. Any changes in that information may materially affect the analyses and conclusions of a WSA or WV. The District retains the right, in its sole discretion, to evaluate from time to time, whether the projected demands associated with a proposed project, as set forth in a WSA or WV, continue to fall within the District's forecasted demand or planned future uses. In no case shall the District's preparation or adoption of a WSA or WV be intended as or construed to create a guarantee, right or entitlement to water service or any specific level of water service by the District, nor in any case shall the District's preparation or adoption of a WSA or WV be intended or construed to either create, impose, expand, or limit any duty concerning the obligation of the District to provide any certain type or level of water service to its existing customers, to any future potential customers, or to the project for which the WSA or WV is prepared. (Water Code § 10914(a)-(b); Govt. Code § 66473.7(m).) Neither a WSA

nor a WV is a Will Serve Letter. Rather WSAs and WVs are project-specific analyses that apply to certain types of development pursuant to the respective requirements of the WSA and WV statutes.

- B. The District reserves the right to charge, collect, and require advance deposit for all reasonable costs incurred by the District in preparing and adopting a WSA or WV, including but not limited staff, consulting, legal, and production costs.
- C. The Will Serve Letter will contain requirements and conditions, which are a result of the District's initial planning review and are generally based upon preliminary information and/or tentative engineering maps. The District reserves the right at any time to re-evaluate, revise and update the requirement and conditions in any Will Serve Letter. The District considers the conditions to have expired automatically two years from the issuance date of the Will Serve Letter.
- D. The engineering design and subsequent approval of the project's improvement plans are considered valid for a period of two years from the date of the District General Manager's signature. The District will recognize the project designated as under construction when the developer/representative has paid the District's required inspection fees.

§ 3902. Conditions to Construct Regionally-Sized Facilities.

- A. If a project is conditioned with regional water and/or sewer requirements, various financial arrangements must be made. It is the developer's (or his representative's) responsibility to coordinate these arrangements with the District's Administration, Engineering and Finance Department's guidelines and procedures.
- B. The developer has full financial responsibility for design, construction and inspection costs of any regionally-sized facilities, required upgrades and/or oversizing of any existing facilities.
- C. The District's policy and primary method regarding participant financing of regional facilities is in developing a reimbursement agreement. On a case-by-case basis, the District will review the potential for crediting a

proportionate amount of the construction costs of regional facilities against the required water and sewer connection charges. This action is strictly discretionary and subject to the approval of the Board of Directors.

§ 3903. General. *(M-1951, M-4926, M-4995, M-5178)*

- A. The District does not guarantee that water or sewer service to a project will be available at the time the developer/representative submits an application for service, due to potential limitations on water supplies.
- B. The District's Board of Directors has adopted mandatory water conservation measures by ordinance. The District may in some areas have insufficient supply for the ordinary requirements of its existing service commitments, including domestic, agricultural and irrigation, fire protection, grading, and construction water demands normally provided by the District's daily operations.
- C. All of the requirements referenced in a Will Serve Letter are subject to change without notice. Service commitments contained in a Will Serve Letter will expire automatically two years after the date of execution. Service commitments contained in a Will Serve Letter are not transferable to any other parcel or lot. The District's commitments for water and sewer service are expressly conditioned on the performance by the developer/representative of the conditions referenced in the Will Serve Letter.
- D. The developer will grant, or cause to be granted to the District and without District cost, all necessary easements and/or access rights of way for construction, installation, maintenance and access to the system facilities to be installed. Said easements and accesses are to be executed by all necessary parties having an interest in affected lands and/or receiving service from said system facilities.
- E. As a condition of service, all residential, commercial, institutional, industrial, residential/commercial landscape irrigation, and commercial agricultural applicants for potable and recycled water shall execute a notarized Grant Deed conveying to the District all rights to water, including surface and groundwater rights over, upon and under the Property and which are appurtenant thereto or are otherwise associated with the Property. The District shall provide the applicant with a Grant Deed, the Grant Deed shall be completed and returned to the District, and shall be recorded with the County Recorder's office. An individual property owner developing one single-family residence will be exempt from the

requirement of conveying the property water rights.

- F. The developer shall convey to the District, in a proper grant deed/bill of sale, full ownership of onsite and/or offsite water and sewer facilities serving the project and such facilities will become the District's property upon acceptance of said grant deed by the District.

§ 3904. Fees.

A developer/representative is required to pay applicable water, sewer connection fees, capacity charges, facilities reimbursements, and make any other appropriate financial arrangements for service. The following information must be provided by the developer for final assessment and computation of fees:

- ï A tentative map or plot plan describing the project, with gross acres stipulated.
- ï The square footage of any structures to be served.
- ï The recommended size of domestic, irrigation, and fire service meters, computed by the project's engineer.

SECTION 4000. PROCEDURES TO CONSTRUCT WATER AND SEWER FACILITIES *(R-1232, M-5797)*

§ 4001. Procedures to Construct Water and Sewer Facilities

Refer to EVMWD Volume 1 General Conditions and Design Standards for the procedures to construct water and sewer facilities.

SECTION 4050. CUSTOMER SERVICE POLICIES & PROCEDURES*(R-1239, R- 20-01-01)***§ 4051. Service Conditions.**

- A. All references to the “General Manager” throughout Section 4050 shall mean the General Manager or their designee.
- B. Water and sewer service shall be provided by the District only if an application for such water and sewer service is completed in the manner hereinafter provided, unless otherwise determined by the Board.
- C. Water and sewer service shall be available only in accordance with the District’s rules and regulations, as well as applicable Federal, State and local statutes, ordinances, regulations, and contracts, and other requirements including, but not limited to, the California Water Code, the California Code of Regulations, regulations imposed by the California Regional Water Quality Control Board, Santa Ana Region, and State and local health departments, as well as the terms of any service agreement and permit issued by the District.

§ 4052. Application Procedure.

- A. Each application for residential water or sewer service must be initiated by the applicant, customer or owner of the property to be served. By initiating service, the applicant agrees they shall be ultimately responsible for payment of all rates, fees and charges, and for compliance with the rules and regulations of the District. The application will be regarded as merely a request for service and not binding upon the applicant to take service for any particular period of time.
- B. Each application for commercial water and sewer service, or installation of a water meter must be signed by the applicant, customer or owner of the property to be served, who shall be ultimately responsible for payment of all rates, fees and charges, and for compliance with the rules and regulations of the District. The application will be regarded as merely a written request for service, and not binding upon the applicant to take service for any particular period of time. The District shall furnish the application form upon which the applicant shall provide all information that the General Manager has deemed necessary in order to make a determination regarding service requirements and availability. The General Manager, in their discretion, may provide an abbreviated form of the application for permits when no unusual facts are determined in their discretion to exist.

- C. An applicant for sewer service may be required to obtain a discharge permit for use of the District's sewerage facilities in addition to the permit required for all applicants for sewer service. The conditions under which the above-mentioned additional permit is required are based on quantities and constituents of wastewater discharged into the District's sewerage facilities.
- D. Upon receipt of an application, the General Manager shall review the application and make such investigation relating thereto as they deem necessary. The General Manager may prescribe requirements in writing to the applicant as to the facilities necessary to be constructed, the manner of connection, the financial requirements, and the use of service including the availability of adequate water and/or sewerage facilities necessary to insure initial and future continued compliance with the District's rules and regulations and any other applicable requirements.
- E. A fee may be charged for setting up any new account. (See Admin. Code Section 2600 for current fees and charges.)
- F. The application for service will signify the customer's willingness and intention to comply with these rules and regulations and any water and/or sewer service ordinances, resolutions, orders, or other rules and regulations of this District as they may now exist, or as they may be changed or amended by the Board.
- G. An application will not be honored unless payment in full has been made for service previously rendered to the applicant by the District and all applicable connection, capacity and installation charges and fees, deposits, fines and penalties have been paid.
- H. A person taking possession of premises and using water without having made application to the District for water service shall, in addition to applicable fines, be held liable for the water delivered from the date of the last recorded meter reading. If the meter is found inoperative, the quantity consumed will be estimated.

§ 4053. Connection/Capacity Fees.

A. General.

1. Connection or capacity fees applicable to all property to be served shall be established from time to time by the Board and set forth on a separate schedule. Such property to be served shall be legally described in the application for service.
2. If subsequent to the initiation of service, there is a change in owner, applicant, tenant, customer, class of use, or consumption, the District may determine that additional connection fees are required.

These additional charges shall be computed based on the resulting increase in service capacity and flow; or, on any reclassification of user type.

3. Whenever a change necessitates the payment of further fees to the District, the District may compare the actual use occurring on the property [based on readings taken from the water meters(s)] with the capacity estimated to be required for existing or probably future consumption to determine whether a different use permit is required.

B. Interpretation of Connection Fees.

1. If the factual situations presented in an application by an applicant, owner, or customer do not fall within the classifications set forth in the District's connection fees and rates schedules, the General Manager shall interpret them to establish a reasonable classification and fee. In making such interpretations, the General Manager shall be guided by the policy of the District set forth herein.
2. Further, in the event that the applicant, owner, or customer does not concur in the determination of the General Manager, they may request that such be considered by the Board. Any such request shall be in writing and shall set forth detail and facts supporting the differences between the request of applicant, owner, or customer and the determination made by the General Manager. No such application shall be considered unless there is a specific and detailed request for action proposed by an applicant, owner, or customer setting forth the exact amount of fees that the applicant, owner or customer believes should be established and shall include supporting information. Preferably, such supporting information should be prepared and submitted by a registered civil engineer, experienced in the construction, operation, management and financing of municipal water and/or sewage facilities.

If approved by the Board, such decision shall be implemented by a special agreement between the applicant, owner, or customer and the District, including adequate guarantees and assurances of further or additional payment at such time as the proposed use of the property described in the application for such action by the Board is modified, changed, or amended, or the extent of the use of the applicant, owner, or customer exceeds that represented to District. The decision of the District in all instances shall be final, subject to administrative or judicial review, except as otherwise provided by law.

C. Payment of Connection Fees. (M-2036, M-3769)

1. Water connection fees are paid at the time of application for service or when the request for meter installation is made. Water meters shall be installed within six months of the date payment is made, or the District may refund the fees and rescind the guarantee of service. (Ref. Resolution No. 1034).

Exception: Application for State Funding for construction of schools requires the establishment of fees as an early part of the contract process. The State funding process can sometimes take more than 12 months. Therefore, water meters shall be installed within a timely manner after the time of application and initial payment of fees in cases where proof of application for State Funding is provided to the District. If progress to completion of a school is delayed or suspended, the District may refund the fees and rescind the guarantee of service.

2. Sewer connection fees may be made concurrently with the water connection fees, or the customer may elect to pay sewer connection fees at any time prior to the installation of the water meter. Customers electing to pay sewer connection fees subsequent to water connection fees will be required to make both water and sewer connections no later than six months from the payment of the water connection fees.
3. For sewer-only customers, sewer connection fees must be paid prior to sewer connection.

§ 4054. Security Deposits. (M-1940, M-4019, M-4253, M-5033, M-5044, M-5131, M-5138)

- A. Deposits Collected Prior to July 1997. Deposits collected prior to July 1997 will be refunded at the end of a 12-month period from the date of deposit, provided the customer has established and maintained a satisfactory payment record, as outlined herein.
- B. Single-Family Residential Dwelling. (single, detached residential units)
 1. Residential Sewer-only Accounts (Effective 8/1/2016): At the time a customer starts service with the District, a soft credit check will be conducted utilizing the customer's social security number to determine the appropriate deposit amount to bill. If a customer refuses to provide their social security number, the maximum deposit amount for the account type will be billed to the customers. The deposit, an amount set from time to time by the Board of Directors, shall be collected and refunded in full to the customer 18 months from the date of the last deposit payment, provided the customer has established and maintained a satisfactory payment record, based on the following criteria:

- a. No more than one delinquent charge per year.
 - b. No Returned Payments.
 - c. No Bankruptcy filed.
 - d. No discontinuations of service due to non-payment.
2. Terms for Billing of the Deposit: Customer may pay the required deposit in full, or the deposit may be billed to the customer account in minimum installments of \$50.00 until paid in full.
3. Water-only and Water/Sewer Accounts (Effective 8/1/16): Deposits may be collected for single-family dwelling customers, if any of the following events occur:
- a. The results of the soft credit check performed using the customer's social security number comes back as a Medium or High Risk.
 - b. A customer cannot provide a satisfactory payment history that covers a minimum period of 12 months from a previous utility (water, sewer, electric or gas only) company when initiating service with the Elsinore Valley Municipal Water District. Payment History Reference Letters must be provided by the due date of the first bill and will not be accepted after a deposit, or portion thereof, has been billed to the account. The utility account reported in the Payment History Reference Letter must be a current account, or have been terminated no longer than 6 months prior:
 - 1) No more than 1 delinquent charge per twelve (12) months of service.
 - 2) No Returned Payments.
 - 3) No discontinuations of service due to non-payment.
 - 4) No bankruptcies filed.
 - b. Does not initiate Auto Pay service and successfully maintain this service for a period of not less than 18 months.
 - c. Any customer that had previous service with the District for a minimum period of 12 months and meets the following criteria:
 - 1) No more than 1 delinquent charge per 12 months of service.
 - 2) Discontinuations of service due to non-payment.
 - 3) Returned Payments.

- 4) Prior bad debt write-off.
 - 5) A lien filed by the District.
4. Deposits may be collected on active accounts if any of the following events occur:
- 1) Discontinuations of service due to non-payment.
 - 2) Payments returned for Non-sufficient funds, Stopped Payment, Closed Account, etc.
 - 3) Customer filed bankruptcy and reapplied for service (deposit to be held until account is closed).
5. The District does not pay interest on deposits. The deposit will be refunded in full to the customer 18 months from the date of the last deposit payment, provided the customer has established and maintained a satisfactory payment record. The deposit will be applied to the open account balance. If the result is a credit balance on the open account, then it will remain until depleted by future billings.
- 1) No more than three delinquent charges.
 - 2) No returned payments.
 - 3) No bankruptcies filed.
 - 4) No discontinuations of service due to non-payment.
6. Upon closure of account, deposits will be applied to the customer's final billing and any remaining deposit amount in excess of \$10 will be refunded and mailed to the last known address on record. For balances less than \$10, the customer can formally request a refund within 12 months of closing the account. If a request is not received within 12 months, the remaining deposit of \$10 or less is forfeited and will be used to fund various programs including District Conservation Programs.
7. Customers that have had a previous or a current account with the District that reflects an unsatisfactory payment history are not eligible to waive the required deposit by providing a Payment History Reference Letter from another utility or by obtaining a credit bureau report. The customer will be required to pay a deposit or enroll in Auto Pay service.

8. The Board of Directors hereby grants the General Manager, or their designee, authority to collect an increased new account deposit if: *(M-1889)*
 - a. Significant past bad debt write off has occurred
 - b. Water/sewer usage exceeds the single-family average

Note: Deposit will be returned pursuant to Section 4054, Paragraph B, 6.

C. Non Single-Family Residential Deposits Guidelines.

1. The District will collect a deposit on all new applications for Commercial, Agricultural, Multifamily, Non-Governmental Landscape Irrigation and any other classification determined by the General Manager.
2. The amount of the deposit shall be equal to water, sewer and service charges anticipated for two billing cycles as calculated in accordance with the District's most current billing system and billed on the customer's monthly water/sewer bill over a three-month period.
3. Deposits will be collected on active accounts if any of the following events occur:
 - a. Customer fails to make sufficient payment in order to prevent discontinuation of service due to non-payment by the given due date and time.
 - b. Payments returned for Non-Sufficient Funds, Stopped Payment, Closed Account, or for similar reasons.
 - c. Customer has filed bankruptcy and reapplied for service with the District. In such cases, the District will hold the deposit until the account is closed.
4. The deposit may be increased on an account if the most recent seventy-five (75)-day billing amount average exceeds the seventy-five (75)-day billing amount average originally used to calculate the initial deposit.
5. The District does not pay interest on deposits. Deposits will be refunded in full to the customer eighteen (18) months from the date of the last deposit payment, provided the customer has established and maintained a satisfactory payment record based on the following criteria:
 - a. No more than three (3) delinquent charges.

- b. No returned payments.
 - c. No bankruptcies filed.
 - d. No discontinuations of service due to non-payment.
6. Upon closure of account, deposits will be applied to the customer's final billing and any remaining deposit amount in excess of \$10 will be refunded and mailed to the last known address on record. For balances less than \$10, the customer can formally request a refund within 12 months of closing the account. If a request is not received within 12 months, the remaining deposit of \$10 or less is forfeited and will be used to fund various programs including District Conservation Programs.

D. Calculation for Required Deposits.

1. Residential Sewer Only Accounts (*Effective 8/1/16*) – will depend on credit check results:
 - a. Low Risk: Deposit Waived
 - b. Medium Risk: \$100.00
 - c. High Risk: \$200.00
 - d. If a customer refuses to provide the social security number to have a credit check processed, the account will be assessed a \$200.00 deposit.
2. Residential Water Only Accounts (*Effective 8/1/16*) – will depend on credit check results:
 - a. Low Risk: Deposit Waived
 - b. Medium Risk: \$100.00
 - c. High Risk: \$200.00
 - d. If a customer refuses to provide their social security number to have a credit check processed, the account will be assessed a \$200.00 deposit.
3. Residential Water/Sewer Accounts (*Effective 8/1/16*) – will depend on credit check results:
 - a. Low Risk: Deposit Waived
 - b. Medium Risk: \$150.00
 - c. High Risk: \$250.00
 - d. If a customer refuses to provide their social security number to have a credit check processed, the account will be assessed a \$250.00 deposit.
4. Non Single-Family, Residential Accounts Water/Sewer
 - a. Deposit equal to 75 days of actual water/sewer.

- b. Minimum Deposit of \$200.00
- E. Hydrant Meter Service Deposit. Customers will be assessed a deposit for hydrant meter service based on meter size.
 - a. 3" meter service - \$1,500.00
 - b. 6" meter service \$2,000.00
 The deposit must be paid in full at time that service is requested.

§ 4055. Billing and Payments. (M- 2083, M-3617, M-5088)

- A. Meter Reading. Water meters shall be read monthly.
- B. Bills. Water and sewer bills may be addressed to the property owner or other person in possession of the premises served.
- C. Billing Period - Water. Billing shall be monthly. All bills are due and payable upon receipt.
- D. Billing Period - Sewer. Commercial sewer-only accounts all other sewer-only account classifications shall be billed monthly.
- E. Billing of Separate Meters Not Combined. Separate bills will be rendered for each meter installation except where the District has, for its own convenience, installed two or more meters in place of one meter. Where such installations are made, the meter readings will be combined for billing purposes.
- F. Delinquent Charge. A delinquent charge of \$5.00 or 5%, whichever is greater, will be applied to a customer account approximately 2 days following the due date of the bill if payment has not been received by the District.
- G. Time of Payment. All payments for charges of this District shall be due and payable at the office of the District 21 days following the billing date. Any bills not paid within such period are considered delinquent.
- H. Tender of Payment for Services. The District accepts cash, check, money orders, Auto Pay, debit card or credit card payments in satisfaction of obligations for services for amounts of \$9,999.99 or less. Payments for amounts of \$10,000.00 or greater must be made in the form of check, cash or money order only. No credit cards will be accepted for amounts greater than \$9,999.99.
 - 1. The District accepts the following types of credit cards: Visa and MasterCard, American Express and Discover.

2. Customers paying with debit cards or checks will not be permitted to receive cash back.
3. Only cash, money orders or credit card payments will be accepted to restore an account that has been discontinued for non-payment.
4. If a bill has been paid by a check, Auto Pay or by credit or debit card and the payment is returned by the bank or credit card company as unpaid, a “returned check” charge, to be established from time to time by the Board of Directors, will be applied to the account. The bill must immediately be paid in cash or by money order or service will be discontinued for non-payment. A deposit will be required if one has not already been assessed.
5. Auto Pay procedures and requirements:
 - a. Customers wishing to sign up for Auto Pay must do so by visiting the District’s website at www.evmwd.com and click on “Customer” and then “My Account”. The customer will need to sign up for “Online Bill Pay” and set up a “Payment Profile” utilizing a credit card or checking account to set up Auto Pay.
 - b. Payments for the customer’s monthly bill will be deducted automatically from the customer’s checking account or credit card three days before the due date indicated on the customer’s bill.
 - c. Customer accounts will be charged a fee for payments returned by a banking institution for non-sufficient funds due to lack of funds in the account or the account has been closed.
 - d. Customer accounts that incur 2 non-sufficient fund fees will be removed from Auto Pay and payments must be made by cash, money order or credit card for a minimum one-year period.

I. Complaints, Account Adjustments and Appeals.

1. A customer may initiate a complaint or request an investigation regarding a bill at any time before the due date of the bill. The complaint or request for investigation must be in writing. A timely complaint or request for investigation will be reviewed by a manager of the District, who will provide a written determination to the customer. The review will include consideration of whether the customer may receive an extension or other alternative payment arrangement. The District may, in its discretion, review untimely complaints or requests for investigation.

2. Any customer whose timely complaint or request for an investigation has resulted in an adverse determination by the District may appeal the determination to the Board of Directors by filing a written notice of appeal with the District Secretary within ten (10) business days of the District's mailing of its determination. Upon receiving the notice of appeal, the District Secretary will set the matter to be heard at an upcoming Board meeting and mail the customer written notice of the time and place of the hearing at least ten (10) days before the meeting. The decision of the Board is final.
3. When an account has been under-billed water and/or sewer charges, a charge will be calculated over a time period not to exceed 12 months from date of error discovery.
4. Exceptional cases will be presented to the Board when an adjustment is calculated over a time period greater than 12 months.

J. Extensions and Other Payment Arrangements.

1. If a customer is unable to pay a bill during the normal payment period, the customer may request an extension or other alternative payment arrangement. If a customer submits his or her request within ten(10) days after the District's mailing of the Service Interruption Notice, the request will be reviewed by a manager of the District.
2. If approved by the District, a customer's payment of his or her unpaid balance may be extended, amortized, or subject to an alternative payment schedule. The General Manager will determine, in his or her discretion, the terms and conditions of the extension or other payment arrangement. The customer must comply with approved payment arrangement and must remain current on all water service charges billed while the payment arrangement is in effect.
3. If a customer has been granted a payment arrangement and fails to: (a) pay the unpaid charges by the extension date; (b) pay any amount due under a payment arrangement; or (c) fails to pay current water service charges, then the District may terminate water service. The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least 48 hours prior to discontinuation of service.

§ 4056. Discontinuance of Service. *(M-3617, M-4019, R-15-02-07, M-4669)*

- A. Notice To Discontinue Service. The person that originally initiated service will be held liable for all charges until the District is notified to discontinue service.

- B. Discontinuation of Service for Non-Payment. If a bill is delinquent for at least sixty (60) days, the District may discontinue water service to the service address. Failure to receive a bill does not relieve any customer of liability. Any amount due shall be deemed a debt to the District, and any person, firm or corporation failing, neglecting or refusing to pay said indebtedness shall be fully liable for the amount.
1. If payment has not been received by the due date, the District will send a Service Interruption Notice to the customer's mailing address at least fifteen (15) days before discontinuation of water service. The notice will indicate the date that service will be discontinued, the payment amount required to prevent discontinuation, and the required payment to restore service if the service is discontinued, and other information required by law. A Delinquent Notice Fee will be assessed to the account.
 2. The District will also send a notice to the service address at least ten (10) days before discontinuation of water service if: (i) the District furnishes individually metered service to a single-family dwelling, multi-unit residential structure, mobile home park, or farm labor camp and the owner, manager, or operator is the customer of record; or (ii) 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 information from Service Interruption Notice, and will inform the residential occupants that they have the right to become customers of the District without being required to pay the amount due on the delinquent account, subject to the District's terms and conditions of service.
 3. If the District furnishes water to residences through a master meter, the District will make a good faith effort, at least ten (10) days prior to termination, to notify the residential occupants that the account is in arrears and the service will be terminated on a date specified in the notice. The District will provide notice by: (i) mailing notices to each residential unit; (ii) posting notices on the door of each residential unit, (iii) if sending or posting the notice for each unit is impracticable or infeasible, posting two (2) copies of the notice in each accessible common area and at each point of access to the structure or structures; or (iv) making some other good faith, reasonable effort to provide written notice to the occupants. The notice will be addressed to "Occupant," will include the information from the Service Interruption Notice, and will inform the residential occupants that they have the right to become customers of the District without being required to pay the amount due on the delinquent account, subject to the District's terms and conditions of service.

4. The District will also make a reasonable, good faith effort to contact the customer of record or an adult person living at the premises of the customer in person or by telephone at least seven (7) days before discontinuation of service. The District will offer to provide in writing a copy of the Discontinuance of Service Policy to discuss options to avert discontinuation of water service for nonpayment, including the possibility of an extension or other payment arrangement.
5. If the District is unable to make contact with the customer or an adult person living at the premises of the customer in person or by telephone, the District will make a good faith effort to leave a notice of imminent discontinuation of residential service and a copy of the Discontinuance of Service Policy in a conspicuous place at the service address. The notice will be left at the residence at least forty-eight (48) hours before discontinuation of service. A Delinquent Processing Fee, to be established from time to time by resolution of the Board of Directors, will be added to the account.
6. If payment has not been received by the District by the date noted on the Service Interruption Notice service will be discontinued, and a lock will be placed on the meter. Once the lock has been placed on the meter, in order to restore service, a Service Reconnection Fee, to be established from time to time by resolution of the Board of Directors must be paid in addition to the past due balance and any fines, fees or penalties that have been added to the account. Payment must be made in cash, money order or credit/ debit card. The District will not discontinue water service due to nonpayment on a Saturday, Sunday, legal holiday, or at any time during which the District's office is not open to the public.
7. Any attempt by a customer to restore service without prior authorization from District staff will result in the customer's account being assessed a Meter Lock Removal fine, to be established from time to time by resolution of the Board of Directors.
8. All prior balances on the account, including the Service Reconnection Fee, delinquent charges, fines, penalties, and deposit, if applicable, shall be paid before water service may be restored. Payment to restore service must be made with cash, money order or credit card payment only.
9. For residential customers who demonstrate a household income below 200 percent of the federal poverty line, the District will limit the Service Reconnection Fee during normal operating hours to fifty dollars (\$50), and during non-operational hours to one hundred fifty dollars (\$150). These limits are subject to an annual adjustment for changes in the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers (CPI-U) beginning January 1, 2021. The

District will deem a residential customer to have a household income below 200 percent of the federal poverty line if: (a) any member of the household is a current recipient of CalWORKS, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (b) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.

- C. Non-Compliance with Regulations. The District shall have the right to discontinue sewer or water service to the premises of any customer for failure to comply with any rule and regulation of the District. A customer shall be entitled to a reasonable notice of the intent of the District to discontinue service for noncompliance with, or violation, or infraction of any rule and regulation and to a reasonable opportunity to comply therewith. However, no such notice need be given in those instances in which the non-compliance, violation or infraction by the customer has created, is creating, or is likely to create, on the customer's premises and/or in the water supply system of the District, conditions dangerous and detrimental to public health, safety and welfare. A Service Reconnection Fee may be required to restore service once the property has successfully complied with the District's standards.
1. Service may be refused or discontinued to any premises where apparatus or appliances are in use that might endanger District facilities or disturb the service to other customers.
 2. Service may be refused or discontinued to any premises where there exists a cross-connection in violation of State or Federal laws.
 3. Service may be discontinued, if necessary, to protect the District against fraud or abuse.
- D. Closed Accounts with Balance Owing. Reminder letters will be sent informing customers of an unpaid balance and the District's intent to pursue collections if the balance remains unpaid.
- E. Circumstances Under Which Service Will Not Be Discontinued. The District will not discontinue residential water service for nonpayment under the following circumstances:
1. During an investigation by the District of a timely customer dispute or complaint;
 2. During the pendency of an appeal to the Board of Directors; or
 3. 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.

F. Special Medical and Financial Circumstances Under Which Services Will Not Be Discontinued.

1. The District will not discontinue water service if **all** of the following conditions are met:
 - a. The customer, or a tenant of the customer, submits to the District the certification of a licensed primary care provider that discontinuation of water service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided; (annual recertification will be required)
 - b. The customer demonstrates that they are financially unable to pay for residential service within the District's normal billing cycle. The customer is deemed financially unable to pay during the normal billing cycle if: (a) any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (b) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level; and
 - c. The customer is willing to agree to an extension or alternative payment arrangement with respect to the delinquent charges.
2. For any customers who meet all of the above conditions, the District will offer the customer an extension or other alternative payment arrangement, to be selected by the District in its discretion. The District's General Manager will select the most appropriate payment arrangement, taking into consideration the information and documentation provided by the customer, as well as the District's payment needs.
3. The customer is responsible for demonstrating that the conditions in subsection (1) have been met. Upon receipt of documentation from the customer, the District will review the documentation within seven (7) days and: (a) notify the customer of the alternative payment arrangement selected by the District and request the customer's signed assent to participate in that alternative arrangement; (b) request additional information from the customer; or (c) notify the customer that they do not meet the conditions in subsection (1).

4. The District may discontinue water service if a customer who has been granted an extension or other payment arrangement under this section fails to do any of the following for sixty (60) days or more: (a) to pay his or her unpaid charges by the extended payment date; (b) to pay any amount due under the approved payment arrangement; or (c) to pay his or her current charges for water service. The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.
5. Contact Information. For questions or assistance regarding a water bill, customers may contact the District's Customer Service staff at (951) 674-3146, Option 1. Customers may also visit the District's Customer Service desk in person Monday through Thursday, from 7:30am to 5:30pm and Friday from 7:30am – 4:30pm., except on District holidays.

§ 4057. Collections. (M-4019, M-4747)

Utility Receivables

All water and/or sewer accounts that have been voluntarily or involuntarily closed and have a balance remaining past the due date of the closing bill will be sent to an authorized collection agency for the purpose of collecting the outstanding balance. Any unpaid balances may be transferred between other existing water or sewer accounts for the same account holder.

- A. Eligible Accounts. All debt owed to the District is eligible for placement with an authorized collection agency without prior notice from the District to the party responsible for the debt.
- B. Suit. All unpaid rates and charges and penalties herein provided may be collected by means of a civil suit. If judgment is rendered in the District's favor, the District shall be entitled to the payment of its attorney's fees and court costs incurred in the lawsuit.
- C. Interest. The District may recover a reasonable rate of interest for any outstanding balances, from the due date of the balance until paid the date it is in full. The District shall be entitled to collection charges for any outstanding balance.
- D. Miscellaneous Receivables. Miscellaneous receivables are invoices related to Billable Work-Orders, Cost Reimbursements, Connection Fees, Property Leases, Developer Inspection Fees, Planning, and other types not related to customer water or sewer services.

All amounts owed to the District that is uncollected will be transferred to an existing water or sewer account.

§ 4058. Exceptional Circumstances. (M-3617)

The Board of Directors authorizes the Director of Finance, or their designee, to review and approve exceptions to policies within this section for cases that demonstrate the need for special arrangements.

§ 4059. Liens. (M-4019)

As a municipal water district, the District reserves the right to place liens on any real property in any county within the State of California, or on the name of the responsible party, for any delinquent balance owed to the District in accordance with Water Code sections 72094, 72100, 72101, and 72102, as may be amended from time to time.

- A. Accounts Closed Voluntarily. Accounts maintained by the property owner and closed voluntarily and which remain unpaid 21 days after a final closing bill is sent to the customer of record's last known address shall have a lien placed on any real property, or on the responsible party's name within any county in the state of California for all outstanding balances and related fees. In addition, the District may place the unpaid balance on the tax roll in accordance with Water Code sections 72094 and 72100 as may be amended from time to time.
- B. Accounts Closed Involuntarily. Accounts maintained by the property owner and closed involuntarily due to non-payment, or other reasons, shall immediately have a lien placed on any real property or on the responsible party's name, within any county in the state of California for all outstanding balances and related fees.
- C. Responsibility of Charges. The owner of record during the time that the charges are posted to the account is liable for all charges associated with a lien placed by the District, including:
 1. Lien release fees equal to the amount charged by the County.
 2. Interest on the outstanding lien balance from the time the original balance is due until it is fully paid.
- D. Re-establishing Service. All outstanding account balances, interest and lien release charges must be paid in full prior to re-establishing service in the owner's name at the same, or different property within the boundaries of the District.

- E. Invalid Liens. The District will immediately place accounts with a collection agency in cases that it was discovered that liens were placed after the owner has sold the property. In addition to the original balance and interest from the time the balance was due, the former account holder will be responsible for the lien release charge.
- F. Special Circumstances. Current accounts that have incurred a large amount of fines, or the owner that maintains the account has refused to pay any balance owed and the District may be placed in a position of incurring bad debt may have a lien placed against the property being served by the District until the balance associated with those charges is paid in full.

§ 4060. Accounts Requiring Property Owner Maintenance. (M-4019, M-4253)

In accordance with Water Code section 71618, property owners are required to maintain an account in cases where 1 or more bad debt issues have occurred within the past three years. Bad debt issues include but are not limited to unpaid accounts, late fees, and other outstanding charges.

- A. Property Transfer. The current property owner is required to maintain the account only if the bad debt issue(s) occurred while the property was under their ownership.
- B. Satisfaction of Previous Bad Debt. The required amount of time the owner must maintain the account can be eliminated if the owner satisfies all outstanding bad debt issues occurring on the property for the past 3 years, including appropriate interest and/or collection fees. Payments must be made by cash, money order or credit/debit card. No checks will be accepted.
- C. Accounts Recently Closed or Discontinued Due to Non-payment of Service. Owners are required to maintain the property account in cases where at least one bad debt issue has occurred or when the most recent account has been closed due to non-payment, or in the case of a new tenant establishing service, if the account is currently discontinued due to non-payment. The owner must maintain the account until the most recent account balance has been paid in full.
 - 1. An owner may choose to pay the balance of the most recent account in order to eliminate this requirement.
 - 2. The owner must pay the balance using cash, money order or credit/debit card. No checks will be accepted.
- D. Transferring From Owner To Tenant Responsibility. Owners must contact the District to verify and request the eligibility of transferring

responsibility for billing to the tenant once all requirements of this policy have been satisfied.

§ 4061. Additional Accounts for Delinquent Customers

Additional services for existing accounts and additional accounts for new premises will not be activated for any customers that currently have any accounts in any stage of delinquency. All delinquencies must be brought current before additional services will be added to premises, or before customers are allowed to begin service at an additional premise or transfer their existing service to another premise.

§ 4062. Procedures for Occupants or Tenants to Become District Customers.

This section applies 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 Service Interruption Notice due to nonpayment.

- A. Agreement to District Terms and Conditions of Service. The District will make service available to the actual residential occupants if each occupant agrees to the terms and conditions of service and meets the requirements of the District's rules and regulations. Notwithstanding, if one or more of the occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the District, or if there is a physical means, legally available to the District, of selectively discontinuing service to those occupants who have not met the requirements of the District's rules and regulations, the District shall make service available to the occupants who have met those requirements.
- B. Verification of Tenancy. To be eligible to become a customer without paying the amount due on the delinquent account, the occupant must verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a 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.
- C. Methods of Establishing Credit. 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.

§ 4070. Utility Billing Inserts. (M-4646)

From time to time it is prudent to broadly disseminate public information to District Customers by inclusion of this information with the mailing of the

monthly utility bills. As a public agency, there are instances when this method can be utilized to assist in the broadcasting of public service announcements of other organizations. This policy is a guide for determining appropriate parameters for information included in EVMWD's customer bills.

A. Eligibility.

1. Organizations within EVMWD's service area sponsoring community events that have an impact on the education and betterment of the communities served by the District.
2. Any non-profit, community, professional, charitable, professional or youth organizations that support EVMWD's mission to promote education and community interaction with District customers.
3. Public Service agencies with programs focused on protecting or promoting public health and safety, environmental stewardship, conservation, or those needing to communicate emergency response messages or crucial information.

B. Requirements.

1. Bill inserts of outside organizations are limited to one insert per month, and EVMWD inserts are first priority.
2. Eligible organizations must request the opportunity to provide a billing insert at least two months prior to the scheduled bill distribution. (Excluding public emergency situations)
3. Inserts must be of a particular size and fold. Eligible organizations are responsible for obtaining information about specifications of the billing vendor from the Customer Service Manager or their designee.
4. The insert cannot contain any politically motivated information, reference to games of chance, lottery, gambling or any illegal activity, distasteful or unprofessional language, discriminatory language or language contrary to the mission or regular conduct of business of the District.
5. The Legislation, Conservation and Outreach Committee must approve requests and the content of inserts.
6. EVMWD and/or its customers will not fund costs associated with the printing and distribution. Inserts must clearly indicate that all costs associated with the printing and distribution of the insert is funded by the alternative organization.

7. An organization may only include an insert in a circulation of customer bills once per 12-month period.
8. The exact per page inserting fee charged by the District's bill producing vendor must be paid by the requesting organization prior to the service being provided.
9. Additional postage required as a result of the insert must be paid by the requesting organization prior to the mailing.
10. Once the content is approved, the requesting organization is responsible for printing, folding and delivering the inserts to the District's bill producing vendor within the deadline provided by the vendor in order to allow reasonable time for the inserting to be performed.
11. Utility Bill mailing schedules will not be changed to accommodate inserts.

SECTION 5000. RULES & REGULATIONS FOR THE USE OF RECYCLED WATER (MO #3765)

§ 5001. Policy.

The Rules establish procedures for the distribution and use of recycled water by EVMWD within the District's designated Recycled Water Use Areas. Because recycled water is considered unsafe for human consumption, it is important that the Rules contain provisions; which will minimize or eliminate the possible misuse of recycled water. The Rules govern the distribution and use of recycled water for landscape irrigation and other permitted non-potable uses.

The Rules and Regulations shall be interpreted according to the purpose and policy of the Rules and the definitions set forth in Section 2 therein. The Rules and Regulations for the Use of Recycled Water are hereby incorporated by reference. To the extent the Rules depend upon or incorporate Title 22, any amendment thereto shall be incorporated by reference in the Rules accordingly.

Recycled water may only be used in approved areas. District approval of any proposed use area will be contingent upon regulatory agency approval as required. Only those use areas specified in the Permit are approved use areas. The use of "gray water" is expressly excluded from the Rules.