

**NORTH BEACH WATER DISTRICT
PACIFIC COUNTY, WASHINGTON**

RESOLUTION NO.30-2014

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
NORTH BEACH WATER DISTRICT, PACIFIC COUNTY,
WASHINGTON, REPEALING RESOLUTION 18-2009,
ADOPTING NEW RULES AND REGULATIONS AND RATES
FOR CALENDAR YEARS 2015 - 2020**

WHEREAS, on January 21, 2014 the District adopted Resolution 04-2014 authorizing a contract with Gray and Osborne, Inc, Civil Engineers to complete the District's Water System Plan update; and

WHEREAS, the updated Water System Plan describes and evaluates the District's current financial status as well as the impact capital improvements projects and administrative/operational adjustments identified in the plan will have on the District's financial status and existing rates; and

WHEREAS, on March 17, 2014 the District adopted Resolution 07-2014 authorizing a contract with FCS Group to perform a rate study and collaborate with Gray and Osborne, Inc regarding the financial elements of the Water System Plan upgrade; and

WHEREAS, on November 26, 2014 Angie Sanchez-Virnoche with FCS Group made a presentation to the Board demonstrating that a rate increase of 2.5% a year stating in 2015 through 2020 will be needed to maintain the District's financial goals, accommodate the capital improvement projects, and administrative/operational adjustment identified in the updated Water System Plan; and

WHEREAS, the District included an insert in the November, 2014 water bills directing ratepayers to www.northbeachratestudy.com, a website the District

**RESOLUTION 30-2014 - REPEALING RESOLUTION 18-2009 AND ADOPTING NEW RULES
AND REGULATIONS AND ADOPTING RATES FOR CALENDAR YEARS 2015 - 2020**

launched on November 12, 2014 to present and receive comments on the proposed rate study; and.

WHEREAS, on December 11, 2014 Angie Sanchez-Virnoche with FCS Group made a presentation at a public Hearing where the Board took comments from the public on the proposed rate increase of 2.5% a year from 2015 to 2020; and

WHEREAS, the District received one negative comment about rates in general from the website and two public comments concerned about the fire flow rate increases at the public hearing; and

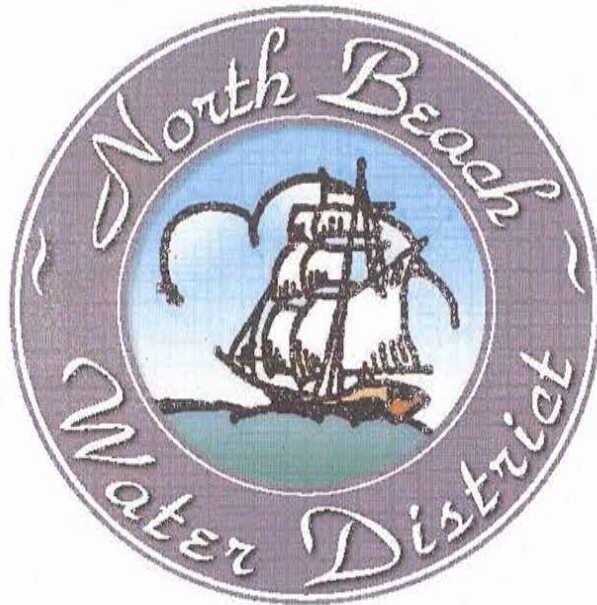
WHEREAS, the General Manager has revised and updated the District's rules and regulations in format, order, and content to: 1) include FCS Group recommended rates for 2015 through 2020; 2) adjust fees and charges to meet current cost of service levels; 3) align rules & regulations with current operation and administrative procedures; and 4) increase readability, clarity, and structure; now, therefore

BE IT RESOLVED by the Board of Commissioners of North Beach Water District as Follows:

Section 1. Resolution 12-2008 is hereby repealed and the "North Beach Water District Rules and Regulations" attached hereto and incorporated herein as "Exhibit A" is hereby approved.

Section 2. The General Manager is authorized to implement and enforce the North Beach Water District Rules and Regulations as set forth in this resolution. The General Manager may deligate the authority to implement and enforce the Norht Beach Water District Rules and Regulations, or portions thereof, to the Office Manager or other designated District employees.

Welcome To North Beach Water District

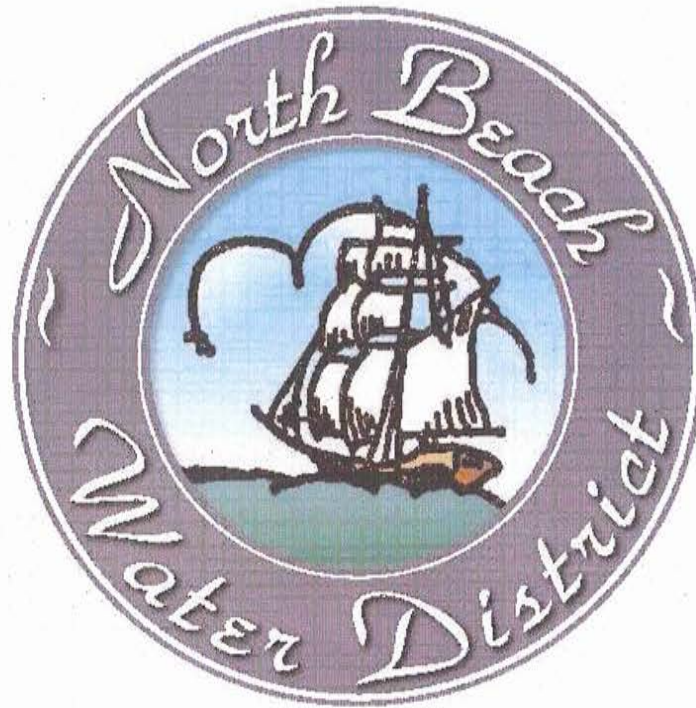


Rules, Regulations, Rates

ADOPTED BY RESOLUTION DECEMBER 22, 2014 30-2014

REPLACING RULES AND REGULATIONS ADOPTED JULY 7, 2008 BY RESOLUTION 12-2008

REVISED:



MISSION STATEMENT

The mission of North Beach Water District is to provide high-quality water for residential, commercial, industrial, and fire protection uses that meets or exceeds all local, state, and federal standards and to provide courteous and responsive service at the most reasonable cost to our customers.

Contents

100. Rules Established	2
105. Rates, Fees, Charges, Fines, and Deposits	2
110. Definitions	2
120. Water System Plan	7
200. Application for Service and Conditions of Water Service	7
200.8. Conditions of Service	9
205. Facility Charges	11
210. Deposit For Water Service	13
220. Billing Dispute	13
230. Pacific County Water Availability Notification	14
240. Waste of Water Prohibited	14
250. Cross Connection Control	15
260. Permanent Disconnection	16
300. Service Connection Classes and Use of Water	17
310. Billings for New Accounts	18
320. Meter Cycles and Billing Cycles	18
330. Late Fee/Past/Due/Delinquency/Service Lock-Off	19
340. Installment Plan for Large Balances	20
350. Delinquent Accounts Certified to the County Auditor (Lien) ..	21
400. Leak Adjustment	21
420. Damage to or Tampering with District Property	22
420.5. Tampering Fee/Discontinuance of Service	23
500. Customer-Requested Shutoffs	23
510. Sprinkling during fires prohibited	23
700. Service Connections General Rules	23
710. Emergency Interruption of Service	26
800. Displacement of District Facilities	26
900. Service Agreements with Other Governmental Units	27
1000. Wholesale Service Connections—Board Authorization Required ..	27
1100. Main Extensions—Board Approval Required	28
1110. Latecomers Agreement	29
1120. Customer-Generated Infrastructure Agreement (CGI)	31
1200. Schedule of Rates, Service Charges, Fees, and Fines	36
1210. Severability	41

The following rules, regulations, and rates are established for the district's operation of the water system serving the district:

100. RULES ESTABLISHED

These rules, regulations, specifications, and policies (rules) apply to all existing and new service connections and water system facilities, development or expansion, and water main extensions within the service area of the North Beach Water District. These rules are not exclusive and are now, and may hereafter be, supplemented by other rules, codes, or resolutions of the district.

105. RATES, FEES, CHARGES, FINES, AND DEPOSITS

All rates, fees, charges, fines, and deposits referred to in these rules are located in section 1200.

110. DEFINITIONS

For purposes of this resolution, the words or phrases defined below shall have the following meanings:

110.1. After-Hours Service Call is a customer-requested action or service that requires a district employee to accomplish at a time not during the district's normal business hours of 8:00 AM to 5:00 PM Monday through Friday, excluding district-recognized holidays.

110.2. Applicant is a person or entity applying for water service connection for a real property (premises). An applicant is either the legal owner of the real property water service is being applied for or the legal owner's authorized representative.

110.3. Application for Service Fee is a nonrefundable fee that is required to be submitted with applications for existing and new water service connections.

110.4. Authorized Agent is a person with signatory powers as per a company's bylaw (if the company is a corporation); a general partner, member, or proprietor if the company is a partnership, limited liability company, or sole proprietorship, respectively; or a person designated as the attorney-in-fact by a power of attorney. If none of the above applies, a person can be

recognized as an authorized agent by providing the district written documentation signed by the property owner authorizing them as an authorized agent.

110.5. Backflow Prevention Assembly is a district-approved assembly or device for the prevention of backflow from the customer's premises to the district's water system and may include but is not be limited to double-checking valve assemblies, reduced pressure backflow assemblies, vaults, valves, piping, and all appurtenances required for a fully operational installation. For more information, refer to the district's Cross Connection Control Plan Resolution 28-2014.

110.6. Backflow Preventer Assistance Program Fee is a fee charged to a ratepayer for a district owned, tested, maintained, backflow preventer installed to isolate the ratepayer's premises due to the existence of an actual or potential cross connection. The fee is established by the board by resolution.

110.7. Backflow Preventer Testing Fee is a fee charged to a customer for a district employee, certified as a Backflow Assembly Tester (BAT) per RCW 70.119.170, to perform a field test on a customer-owned backflow prevention assembly or backflow prevention device and report the results as required in WAC 246-290-490(7); and record inspection and field test results completely, accurately, and legibly on the test report in accordance with the requirements of WAC 246-292-036.

110.8. Base Rate is the monthly fee charged for each meter connected to the District's main regardless of the amount, if any water is used on the premises. This fee is billed monthly in addition to the meter or consumption rate. Base rates are established according to meter size and are designed in accordance with the AWWA meter equivalency standard.

110.9. Billing Cycle is the period of time between bill due dates, typically from the 15th of a month to the 15th of the next month.

110.10. Board is the Board of Commissioners of the North Beach Water District.

110.11. Commercial Customer is a customer whose meter is 5/8 X 3/4 inch or larger and who supplies water to a premises containing a business or businesses operating either for profit or not-for-profit, including, but not limited to, offices, stores, markets, service stations, medical facilities, manufacturing, and industrial as well as premises with more than

two single family dwelling units, multifamily dwelling units, mobile home parks, apartments, hotels, motels, and other uses not fitting the definition of "Residential Customer," "Wholesale Customer," or "Fire Flow Customer."

110.12. Cross Connection is any actual or potential connection between the district's water supply and a nonpotable source, where it is possible for a contaminant to enter the district's water supply.

110.13. Customer Classification is the different groups of customers based on type of water use and difference in cost of service for each group. The district's customer classifications are Residential, Commercial, Wholesale, and Fire Flow.

110.14. Deposits are monies held by the district as security to ensure future payment.

110.15. District is the district or, as indicated by the context, may mean the district, district general manager, district engineer, or other district employee or agent representing the district in the discharge of his or her duties.

110.16. District Engineer is the engineer designated by the district. Any act in this resolution required or authorized to be done by the district engineer may be done on behalf of the district engineer by an independent consulting engineer contracted by the district or by the general manager.

110.17. Fire Flow Customer is a customer whose meter is 2 inches in diameter or larger and supplies water to a premises for the sole purpose of fire protection.

110.18. General Facility Charge is the charge required of all applicants for service connections to real property, where a service connection does not exist or where a service is to be enlarged or added. The charge is to be paid based on meter size. The general facility charge is a connection charge equity buy-in so that all customers have an equal equity position in the district's existing general facilities.

110.19. Late Fee is a fee applied to all accounts not paid on or before the date on which they become delinquent.

110.20. Local Facility Charge is the charge required of all applicants for service connections to real property, where the service connection will originate from a water main extension that was installed per a customer or developer water main extension agreement. The local facility charge will be

established by the board, by resolution, at the time the water main is approved and incorporated into the water system. The local facility charge will be a pro rata cost of construction of the water main extension and facilities for each property the district determines can receive water service from the water main extension and facilities.

110.21. Lock-Off Fee is a fee charged to customers when their water service has been discontinued due to nonpayment, tampering, or other violations of this rule.

110.22. Low Income Connection Charge is a reduced cost and installment plan for all connection fees for those who qualify as low income pursuant to RCW 84.36.383.

110.23. Mains are the water mains designed or used to serve more than one premises.

110.24. Manager is the general manager of the district. Any act in this resolution required or authorized to be done by the manager may be done on behalf of the manager by an authorized employee of the district.

110.25. Meter Cycle is the period of time between meter readings, typically each calendar month.

110.26. Meter or Consumption Rate is the monthly fee based on the water consumption as recorded by the service meter during the meter cycle. This fee is billed monthly in addition to the base rate. This rate is designed in accordance with the cost of water production and delivery.

110.27. Permanent Disconnection Fee is a fee paid to the district to have a service connection removed, including the meter, meter box, meter setter, and all other appurtenances, back to the main. The permanent disconnection fee is based on the size of the meter.

110.28. Person, Customer, Owner, Occupant, or Ratepayer is the individual, association, partnerships, governmental agency, and corporation; the singular number shall be held to include the plural and the masculine pronoun to include the feminine.

110.29. Premises is a real property or multiple continuous real properties, building, or a group of buildings under a single control with respect to use of water and responsibility for payment thereof. Subdivisions of such use or responsibility shall constitute a division into separate premises as defined in this section.

110.30. Returned Check Fee is a fee charged to a customer to cover the reasonable administrative cost and banking charges for processing returned checks.

110.31. Residential Customer is a customer whose water meter is 1 inch in diameter or less and who executes no trade or business either for profit or not-for-profit on the premises and has no more than two single family residences on the premises.

110.32. Service Connection is the portion of the district water supply system connecting the supply system in a premises to the district water distribution main, including the tap into the main, the water meter, and appurtenances and the service line from the main to the meter and from the meter to the property line.

110.33. Standard or Permanent Mains are the water mains conforming to the standard specifications of the district with respect to materials and minimum diameter.

110.34. Standard Specifications are those specifications for public works construction that have been adopted by the board.

110.35. Substandard or Temporary Mains are water mains that do not conform to the standard specifications of the district with respect to materials and size.

110.36. Tamper or Tampering are acts by persons that cause damage to, or alteration of, district property, including, but not limited to, service connections, shutoff valves, hydrants, mains, meters, registers, AMR equipment, and service locks, and seals by any willful or negligent act. Such persons shall be responsible for payment of costs incurred and any and all penalties prescribed by these rules and by law.

110.37. Upsizing is an existing customer has increased the size of the service connection and meter serving their premises. Upsizing must be approved by the district, and an application and fees must be submitted for approval.

110.38. Water Adequacy Notification Fee is a fee charged to customer who request the district provide a Pacific County Water Availability Notification for their property.

110.39. Water Tankers/Tender Fee is a fee charged to customers for filling a tanker or tender with water from the district's fill station.

110.40. Wholesale Customer is a customer whose meter is 2 inches or larger and is a community or group of contiguous real

properties or a building or group of buildings that receive water through a single master meter.

120. WATER SYSTEM PLAN

Pursuant to WAC 246-290-100, the district will prepare and submit a Water System Plan for approval with the Washington State Department of Health at the time intervals required by law. The purpose of the district's Water System Plan is to demonstrate the district's operational, technical, managerial, and financial capability to achieve and maintain compliance with local, state, and federal plans and regulations. Appropriately then, the plan will include specific information regarding district infrastructure, standard design specifications, practices, policies, and procedures. It is the district's intent that the Water System Plan and these rules be in agreement. Considering the Water System Plan is updated infrequently, the district recognizes there may be conflicts between the Water System Plan and these rules. In the event of conflicts, these rules will prevail.

200. APPLICATION FOR SERVICE AND CONDITIONS OF WATER SERVICE

200.1. Person's seeking an account whereby they can purchase water from the district must complete an application for water service prior to water being sold to them either through a metered water service connection appurtenant to real property or through a metered water station that fills tankers or tenders.

200.2. Duty to Pay. It is the policy of the district to keep all accounts for water service in the name of the owner of the premises (owner). Therefore, district accounts for water service shall not be transferred into or opened in the name of a tenant, occupant, or property management agent. The owner shall be responsible for all service rates, charges, fines, and fees, notwithstanding the relationship of the occupant of the premises to the owner. Pursuant to RCW 57.08.081(7), if requested in writing by the owner, the district will forward copies of bills for service rates charges, fines, and fees to and accept payments from a tenant, occupant, or property management agent. However, the duty to pay any and all service rates, charges, fines, and fees remains with the owner.

200.3. Types of Applications. There are three applications for water service used at the district. An application to transfer an existing service connection appurtenant to real property into

the name of a new owner, an application to open an account to purchase water to fill a tanker or tender, and an application for a new service connection to a real property for a residential, commercial, wholesale, or fire flow service connection.

200.4. Apply at District Office. Applications for water service will be made at the district office or at such other place or places as the board may designate.

200.5. Fee Required. Applications for water service will not be accepted unless they are accompanied with the application fee.

200.6. Application Is for Existing Service Connection. If the application is to transfer an existing metered service connection appurtenant to real property, then the applicant must complete the following before water service will be initiated:

200.6.1. Submit to the district a completed application along with the fee;

200.6.2. Submit to the district a completed cross connection survey or questionnaire; and

200.6.3. Submit to the district all other requested statements, agreements, plans, specifications, documents, and information.

200.7. Application Is for Transport. If the application is to provide water to a tanker or tender through a metered water station, then the applicant must complete the following before water will be sold or tankers or tenders will be filled:

200.7.1. Submit to the district a completed application along with the fee. The application must be signed by the owner or principle of the company if the applicant is a corporation, business, municipality, government agency, or any other type of legal entity.

200.8. Application for New Service Connection Existing Main. If the application is to provide water to real property that does not have an existing service connection and there is a water main appurtenant to the property, then the applicant must complete the following before a metered water service will be installed and water service will be initiated:

200.8.1. Submit to the district a completed application along with the fee;

200.8.2. Submit to the district a completed cross connection survey or questionnaire with the completed application;

200.8.3. Submit to the district the general facility charge based on the size of the meter with the completed application;

200.8.4. If the board has attached a local facility charge to the property the applicant must submit to the district the local facility charge with the application;

200.8.5. Submit the meter installation charge based on the size of the meter with the completed application;

200.8.6. Submit to the district all other requested statements, agreements, plans, specifications, documents, and information.

200.9. Application for New Service Connection No Main. If the application is to provide water to real property that does not have an existing service connection and there is no water main appurtenant to the property, then the applicant must use one of the methods described in section 1000 Main Extensions before a water service connection can be applied for.

200.8. Conditions of Service

As a condition of service, the applicant must accurately supply all requested information on the application and sign the application confirming:

200.10.1. They are, if applying for water service appurtenant to real property, the owner of the real property described in the application or the owner's authorized agent;

200.10.2. They agree to obtain the district's approval in advance for any change, alteration, addition, or deduction in the plumbing fixtures or water use stated in the application;

200.10.3. They agree to comply with all of the rules and regulations of the district;

200.10.4. They agree to conserve water in general and to cooperate with all requests for conservation measures of the district;

200.10.5. They agree to install and maintain at all times plumbing on their premises that complies with the Uniform Plumbing Code (UPC) and repair all leaks, regardless of size, promptly and to the district's satisfaction;

200.10.6. They agree to protect plumbing on their premises from damage that can result in waste of water due to vandalism, neglect, freezing, and other natural disasters;

200.10.7. They agree that the district has no liability or responsibility for the adequacy or condition of the water facilities installed on the applicant's premises and has no obligation to repair or replace any water facilities in or upon the applicant's premises, other than the water meter and appurtenances that the district may install to the applicant's premises pursuant to this application;

200.10.8. They agree to keep all district valve and meter boxes at grade and readily visible and accessible at all times;

200.10.9. They agree to grant district employee's right of access to the premises at all reasonable hours for any purpose related to the furnishing of water service and protection of water quality. Except where specifically authorized, employees are prohibited from entering applicant's premises to engage in repair, installation, or alteration of applicant's plumbing, piping, or fixtures.

200.10.10. They agree if required by the district to install, maintain, and regularly test a backflow preventer in accordance with the district's Cross-Connection Control Program;

200.10.11. They agree to hold harmless and defend the district, its agents, or employees for damages or loss of production, sales, or service arising from the furnishing of this water service;

200.10.12. They agree to pay all fees, interest, and charges when due;

200.10.13. They agree to notify the district prior to the installation of a water well and to not interconnect the water well with the district's water system; and

200.10.14. They agree not to allow any other adjacent properties to connect to the water for your metered service without the district's expressed written consent.

200.10.15. They agree the district may, at any time with or without notice, shut off the water supply to make repairs or improvements to the infrastructure or for nonpayment of fees and charges.

205. FACILITY CHARGES

205.1. Local Facility Charge. Local facility charge is established pursuant to a Customer-Generated Infrastructure Agreement. The district will set a specific local facility charge for real property that enters into an agreement with the district for a water main extension. A "Notice of Local Facility Charge" will be recorded on all real property as a part of the Customer-Generated Infrastructure Agreement.

205.2. General Facility Charge. Applicants seeking to connect to or increase the size of an existing service from the district's water system to provide water service to real property within the district's boundaries shall pay an equitable share of the cost of district's water system infrastructure in the form of a general facility charge.

205.3. Upsizing. When an existing customer requests that an existing service be upsized, the manager will first determine if the increased water is available for the customer at the location requested. If the manager determines water is available, the customer will complete an application for service and pays the difference between the current general facility charge for their existing service and the current general facility charge (GFC) for the requested service size prior to the service being upsized. (Example: Customer requests that their 1-inch service be increased to a 2-inch service. A 1-inch GFC is \$200. A 2-inch GFC is \$500. Customer pays (\$500 - \$200 = \$300) a \$300 GFC for upsized service. There will be no refund for downsizing a service. The customer will pay the current meter installation fee for the upsized meter.

205.4. Low-Income Connection Charge Installment Payments. Low-income property owners may apply for payment of connection charges in installments in accordance with the terms and conditions of this section and any form installment payment agreement approved by the district. The district's participation in the installment payment program shall be capped at \$25,000 for all participants and contracts in total, commencing on effective date of the resolution that adopts this section. The contract shall be for a maximum of \$3,000 per connection and shall require a minimum of 20% of the total amount financed as a down payment. "Low-income" means "combined disposable income" as defined in RCW 84.36.383, of less than \$40,000.00. The installment payment program shall authorize the low-income

property owner to pay the following charges and costs in installments: installation costs under Section 1.01.190(e); if applicable, connection charges under Section 1.01.230; if applicable, water main installation charges under Section 1.01.260 and Section 1.01.270; water system connection charges under Section 1.01.350; and any interest. The contract shall be for period not to exceed 5 (five) years, payable in equal monthly installments, with interest at a rate equal to the district's rate of interest on its investments in Washington State's local government investment pool (LGIP) at the time of execution of the contract. The contract shall be a covenant running with the land and shall be binding on successors. The contract shall provide that the unpaid balance of the charges, penalties, accrued interest and district collection and foreclosure costs shall be a lien upon the property, superior to all liens and encumbrances, except liens for general taxes and special assessments, and that the district shall enforce the lien by foreclosure in accordance with RCW 57.08.081. The contract shall be recorded in the office of the Pacific County auditor at the expense of the property owner, and upon payment in full, the district shall record a release of the lien. The contract shall further provide that in the event of delinquency in payment of an installment payment, the manager may disconnect temporarily the district's water service from and refuse to supply water to the property until the entire amount due and owing is paid in full. This remedy is to be concurrent with and in addition to the district's right to foreclosure of the lien. This section, and the contract authorized in this section, shall not prevent the district, as part of a street improvement program, from replacing any existing mains with new mains of any size to prevent future street destruction for water main repairs, and such replacement may be made without cost to the abutting property owner or upon such apportionment of cost as the Board of Commissioners shall deem reasonable. New consumers may be required to make a cash deposit with the district, based upon the estimate of the three months average water usage and service fees, based upon meter size.

210. DEPOSIT FOR WATER SERVICE

210.1. New consumers may be required to make a deposit with the district, based upon meter size. The deposit will be held in a non-interest bearing account and be refunded to the customer as a credit on the water bill(s) if the customer, for a period of two years, keeps their account in good standing, i.e., not more than one past due notice or delinquency occurrence.

210.2. In the event of the customer closes their account and all claims against their account are paid, the customer shall receive a refund for their deposit, which the district shall issue within 60 days.

210.3. In lieu of a deposit, the consumer can elect to provide the district with a demonstrated regular payment history from another utility that shows no delinquent or late payments for a period of twelve months.

220. BILLING DISPUTE

220.1. When a customer believes their water use is not accurate resulting in a high water bill they can request an adjustment.

220.2. Adjustment Request. All water service billing adjustment request must be made on forms provided by the district.

220.3. If the customer does not believe he has a leak, the meter will be re-read. If the high water bill is due to a meter reading error, the customer will be notified of the amount due on the current bill along with the amount of the adjustment on the next bill (if any). If the meter reading is correct, the customer will be notified that they are responsible for the full amount of the current bill.

220.4. If the customer believes he may have a leak, then the customer will, if eligible, use a Water Leak Repair Verification form to request a leak adjustment.

220.5. Challenges to Meter Accuracy. Should the customer desire to challenge the accuracy of the meter, the following protocol will be followed:

220.6. The customer shall submit a written request to have the meter tested. The meter will be tested by the district at no cost to the customer. The customer will be allowed to view the testing. The district will make reasonable accommodations to perform the test at a mutually acceptable time.

220.7. If the meter test indicates that the meter is overstating the water usage outside of industry accepted tolerances (AWWA Manual M6 §5), the amount of overcharged consumption will be calculated from the test report results and credited to the customer's account.

220.8. In the event the test indicates that the meter is accurate within industry accepted tolerances (AWWA Manual M6 §5) or understating water usage, the customer will be notified that they are responsible for the full amount of the bill.

220.9. In the event the customer disputes the accuracy of the district's meter test and desires a test of the meter accuracy by a third party, the following terms will be offered:

220.10. In the event the independent test indicates that the meter is accurate within industry accepted tolerances (AWWA Manual M6 §5) or understating water usage, the customer will have a meter testing fee of actual cost plus the meter cost added to their next bill. The customer is responsible for the full amount of the bill.

220.11. In the event the independent meter test indicates that the meter is overstating the water usage outside of industry accepted tolerances (AWWA Manual M6 §5), the amount of overcharge consumption will be calculated from the test report results and credited to the customer's account. The district will absorb the cost of the test

230. PACIFIC COUNTY WATER AVAILABILITY NOTIFICATION

230.1. Persons who request a Pacific County Water Availability Notification (PCWAN) from the District will be issued a PCWAN provided;

230.2. Their account is active and current (no past due or delinquencies) account; and

230.3. The water availability notification fee is paid.

240. WASTE OF WATER PROHIBITED

It is prohibited to waste water or allow it to be wasted. Waste of water is defined as:

240.1. Applying water to a landscape in a manner or in excessive quantity to cause significant runoff to impervious areas or to allow significant overspray onto non-landscaped areas;

240.2. Applying water to a landscape in sufficient quantity to cause substantial puddling of that water at the ground surface;

240.3. Allowing leaking valves, pipes, closets, faucets, or other fixtures; or any pipes or faucets to run open.

240.4. Customers may, during emergencies and to prevent property damage, take measures inconsistent with this section to resolve the emergency provided; they take all reasonable measures to resolve the emergency within 48 hours.

240.5. Refusal or failure to remedy conditions or practices that waste water will result in punitive action up to and including termination of water service.

250. CROSS CONNECTION CONTROL

250.1. Cross Connections Prohibited. Cross-connections between any private water supply and the water supply of the district, as that term is defined in the WAC 249-290-010(62), whether or not such cross-connections are controlled by automatic devices, such as check valves, or by hand-operated mechanisms, such as gate valves or stopcocks, are prohibited.

250.2. Cross Connection Control Program. Rules applicable to cross-connections between ratepayer's premises and the district's water distribution facilities are established in the North Beach Water District's Cross Connection Control Program adopted by Resolution 29-2014 on December 22, 2014, or its most current amended version.

250.3. Backflow Preventer Testing. The district intends to employ at least one Backflow Assembly Tester (BAT) certified per RCW 70.118.170 at all times. The BAT will perform field tests on:

250.3.1. District owned backflow prevention assemblies and devices, and

250.3.2. For fee(s) established by resolution of the board, backflow preventers not owned by the district that are located within the district's service area or located within the service area of other water utilities on the North Beach Peninsula.

250.4. The BAT will perform all duties associated with backflow prevention assemblies and devices in accordance with WAC 246-292-034. If the district does not have a certified BAT in its employ the district will use contracted BAT services for field

tests on district owned backflow preventers and will not offer BAT services to ratepayers or others until the district has a certified BAT in its employ.

250.5. Backflow Preventer Assistance Program. The district has developed a policy to provide backflow preventers to ratepayers who have an actual or potential cross connection on their premises that requires the premises be isolated by a Washington State Department of Health approved backflow preventer. Ratepayer's desirous of entering into the Backflow Preventer Assistance Program must:

250.5.1. Sign a Backflow Preventer Assistance Agreement between the district and the property owner, and

250.5.2. Pay the Backflow Assistance Program Fee established by the board according to the meter size on their service connection when due.

250.5.3. Follow the terms and conditions of the Backflow Preventer Assistance Agreement, the Cross-Connection Control Program, and these rules and regulations.

260. PERMANENT DISCONNECTION

An owner who desires to permanently disconnect their service connection must follow this procedure:

260.1. Submit an application to the district to have their service connection permanently disconnected from the water system,

260.2. Pay the permanent disconnection fee.

260.3. The application will be approved provided, the account is not delinquent and if there is a habitable structure on the premises, Pursuant to Pacific County Ordinance 8(5); Pacific County Department of Environmental Health has approved an alternate potable water source.

260.4. Within 30 days after the application to permanently disconnect has approved, the district will:

260.4.1. Permanently remove the water service and all appurtenances from the premises, and

260.4.2. Close the customer's account thereby stopping all service rates, charges, fines and fees from being billed to the customer.

260.5. No Guarantee of Future Water. In the event the current or future property owner wants water service reestablished for the premises, application must be made in accordance with these rules or the district's rules in force at that time provided; the district has available water at that time.

300. SERVICE CONNECTION CLASSES AND USE OF WATER

300.1. Pursuant to RCW 57.08.081 (3) and in accordance with district policy, all water service connections will be classified as either residential, commercial, wholesale, or fire flow for billing purposes.

300.2. Residential Service are all service connections 1-inch or less in diameter and supplies water to a premises containing no more than two single family dwelling units.

300.3. Commercial Service includes all service connections 5/8 X 3/4-inch diameter or larger and supplies water to a premises containing a business or business operating either for profit or not-for-profit, including, but not limited to, offices, stores, markets, service stations, medical facilities, manufacturing, and industrial as well as premises with more than two single family dwelling units, multi-family dwellings, mobile home parks, apartments, hotels, motels, and other uses not fitting the definition of "Residential Service" or "Fire Flow Service" or "Wholesale Service" found in this section.

300.4. Wholesale Service includes all service connections 2-inch diameter or larger and supplies water to a premises or premises through a master meter to single legal entity with multiple individual owners. A wholesale service will only be approved when the board has approved, by resolution, that providing water service to the owners through individual metered service connections is not practical. Wholesale services would typically be homeowners associations, condominium owners associations, or other similar legal entities.

300.5. Fire Flow Service includes all service of 2-inch diameter or larger and supplies water to a premises for the sole purpose of fire protection. Water from a Fire Flow Service may not be used for any other purpose without the expressed written permission of the district.

300.6. It is prohibited to use the water for purposes other than those identified in the application upon which rates for water are based, or for any other purposes than that for which the

application provides, or to use it in violation of any provision of this resolution.

310. BILLINGS FOR NEW ACCOUNTS

The billing procedure for newly established accounts with the district shall be as follows:

310.1. Residential Service. The district shall commence billing the applicable service charges for residential services after the installation of the water meter and verification from the field superintendent that the meter is functional and ready to supply water to the premises.

310.2. Commercial/Wholesale. The district shall commence billing the applicable service charges for commercial/wholesale services after the installation of the water meter and verification from the field superintendent that the meter is functional and ready to supply water to the premises.

310.3. Fire Flow Service. The district shall commence billing the applicable service charges for fire flow services after the installation of the water meter and verification from the field superintendent that the meter is functional and ready to supply water to the premises.

320. METER CYCLES AND BILLING CYCLES

320.1. Water service charges will be billed monthly for water service received during the previous calendar month.

320.2. The typical meter cycle is 30 days starting on the first day of the month and ending on the last day of the month. Work schedules, inclement weather, holidays, and other unforeseeable or uncontrollable events may necessitate a delay in reading the meters of up to ten (10) days. Therefore, a meter cycle may be as long as forty (40) days or as short as Twenty (20) days resulting in fluctuating meter use charges in billing cycles. The District will make every effort to keep meter cycles evenly spaced and consistent throughout the year.

320.3. The typical billing cycle is from the 16th of the month to the 16th of the following month. Bills will be mailed on or about the 16th of each month and are due upon receipt. Bills will become past due on the 16th of the following month and the customer's account will become delinquent. If the 16th falls on

a weekend or holiday, the bill will not become past due until the first business day following the 16th.

330. LATE FEE/PAST/DUE/DELINQUENCY/SERVICE LOCK-OFF

330.1. Pursuant to RCW 57.08.081(3) the district may assess penalties for failure to pay rates, fees and charges at the times fixed by resolution. Therefore, all delinquent accounts will be assessed a Late Fee.

330.2. Pursuant to RCW 57.08.081(5) the district may curtail all or part of the water service after charges for water service are delinquent for thirty (30) or more days. Therefore, twenty-two (22) days or more after delinquency, the general manager or his designee shall will send the customer a past due notice that will include at least the following:

330.2.1. The date on which the water service to the premises is scheduled to be lock-off, which will not be less than eight (8) days after the date of the past due notice;

330.2.2. The total amount past due on the account;

330.2.3. The total payment that must be received by the district on or before the date the water is scheduled to be locked-off to stop the scheduled lock-off; and

330.2.4. The total amount that will be required to resume water service after the water has been locked-off.

330.2.5. That the monthly base rate will be charged to the account each month the account is delinquent, notwithstanding the fact that the service connection is locked-off.

330.2.6. That a late fee will be charged to the account each month the account is delinquent, notwithstanding the fact that the service connection is locked-off.

330.2.7. Information about district and other community programs to provide financial assistance to low income or disadvantaged persons.

330.3. If the customer fails to pay the past-due amounts on or before the date the water service to the premises is scheduled to be lock-off the district will assess the account a lock-Off fee and significantly curtail or completely shut off the water to the premises and place a district lock on the service connection to prevent unauthorized access to district water.

330.4. Once a service connection has been lock-off pursuant to section 330 resumption of water service will require the account to be paid in full, including all past due charges, late fees, lock-off fees, and current charges.

330.5. The district will perform lock-offs Monday through Thursday from the hours of 10:00 AM to 3:00 PM with the exception that no lock-offs will be performed the day before a district recognized holiday.

330.6. The district will resume water service to a locked off water service Monday through Friday 8:30 AM to 4:30 PM with the exception that no resumption of water service will be performed on district observed holidays. After-hours resumption of service is available provided, the customer must pay the after-hours service call fee in cash with exact change at the time the water service is resumed.

340. INSTALLMENT PLAN FOR LARGE BALANCES

340.1. The district will offer customers with large account balances an installment agreement provided; the customer pay at least 30% of the outstanding bill at the time of executing the agreement, and the outstanding portion of the bill will be paid in no more than six (6) equal monthly payments bearing interest at the district's bank's prime lending rate plus four (4) points.

340.2. Payments on this account will be made in addition to regular monthly water bills and all payments received will be applied to interest and penalties first, then outstanding balance next, then current bill last.

340.3. No late penalties will be assessed on the outstanding balance provided; all payments are made on time and in accordance with the agreement.

340.4. Customers will be eligible for this installment agreement provided; the agreement is in writing and signed by the customer and approved by the general manager, and arrangements were made for the installment agreement prior to lock-off for nonpayment.

340.5. Failure to comply with the terms of the agreement will result in a penalty of 10% of the outstanding account balance being applied to the account and a lock-off after eight (8) days' notice.

350. DELINQUENT ACCOUNTS CERTIFIED TO THE COUNTY AUDITOR (LIEN)

350.1. Pursuant to RCW 57.08.081(3), after the second delinquent billing cycle, the district shall send the customer a notice of intent to lien letter. The notice of intent to lien letter shall advise the customer that a lien will be filed with the county auditor if the total delinquent amount, including penalties, is not paid within a time period specified by the district.

350.2. If the customer fails to pay the delinquent amount by such date, the district shall add an additional charge to the delinquent amount, equal to the county auditor recording and releasing fees, and shall certify to and record with the county auditor the total amount due, together with interest at the rate authorized by RCW 57.08.081. Interest shall accrue on the total amount due from and after the date of certification and recording. Monthly base rates and late fees will accrue on the total amount due from and after the date of certification and recording.

350.3. After certification and recording, the district shall send a lien letter to the customer, advising the customer of such charges, penalties, interest and certification.

350.4. At any time thereafter, the district may initiate a foreclosure lawsuit.

400. LEAK ADJUSTMENT

400.1. The district is not obligated to notify customers of suspected leaks on their premises. Notwithstanding the forgoing, the district will notify customers of any suspected leaks on their premises as they become aware of them with reasonable urgency commensurate with the seriousness of the leak. However, the district assumes no responsibility or liability for any damages resulting from the leak and specifically any property damages resulting from prolonged exposure to water from the leak.

400.2. A leak adjustment may be granted by the general manager or the general manager's designee. Approved leak adjustments must meet all of the following criteria:

400.2.1. The customer must request an adjustment by submitting a completed and signed district leak adjustment application form and provide proof to the district's satisfaction.

400.2.2. The leak must be not have been known, preventable, or detectable to the customer. Leaks that are apparent, or should have been reasonably apparent to the customer or the customer failed to take reasonable preventive measures to prevent are not eligible for a leak adjustment.

400.2.3. The customer must take action to repair the leak within thirty (30) days of when district employees notify the customer of a potential leak or when the customer discovers the leak or such time period approved by the general manager, and

400.2.4. Only one leak adjustment will be granted every three (3) years per premises.

400.2.5. Leak adjustments will be based on customer charges for one billing period only and will computed as 50% times the water volume charges for that billing period.

420. DAMAGE TO OR TAMPERING WITH DISTRICT PROPERTY

420.1. Persons who cause damage to, or tampering with, district property by any willful or negligent act shall be responsible for payment of cost incurred by the district to repair the damage and any and all penalties as prescribed by these rules and by law.

420.2. No person may open, close, turn or interfere with, or attempt to, connect with any fire hydrant, valve, or pipe belonging to the district unless authorized by the manager in writing, provided that this rule shall not apply to members of the fire district or such other fire department duly authorized to operate fire hydrants while acting in such capacity.

420.3. No person may deposit, or allow to be deposited, refuse or any substance into any district reservoir or to deposit, or allow to be deposited any deleterious matter in or upon any part of the district's watershed or water supply system.

420.4. No person may operate valves in the meter box or damage the meter, meter setter, meter valve, meter box or any other appurtenance that constitutes the water service. Operating valves inside the meter box or accessing the meter box for any reason is consider by the district tampering with district facilities.

420.5. Tampering Fee/Discontinuance of Service

Customers or property owners will be charged one tampering fee per incident for services that have been discontinued and/or locked-off due to damage or tampering of district facilities. When a service is disconnected at the main or restricted from use by means other than locking-off the service, the property owner or the property owner's authorized agent must pay a deposit, determined by the general manager as adequate to cover the actual cost to repair damages, all fees, fines and charges due before a resumption of water service will be scheduled. Once the actual costs to repair are determined, by the general manager, the property owner will be billed or refunded the difference between the actual costs to repair plus all fees, fines, and charges and the amount the property owner has on deposit with the district.

500. CUSTOMER-REQUESTED SHUTOFFS

The district will shut off water to a premises at the request of a customer at no cost provided; the customer provides a minimum of 24 hours' notice prior to the requested shutoff, and the shutoff and resumptions of service are conducted between the hours of 8:30 AM and 4:30 PM Monday through Friday, except on district recognized holidays. After-hours shutoffs or resumptions of service are available for customers who are willing to pay the after-hours service call fee.

510. SPRINKLING DURING FIRES PROHIBITED

No person may knowingly use water for a lawn or garden sprinkling or irrigating purposes on any premises during the progress of a fire or conflagration within the district water system.

700. SERVICE CONNECTIONS GENERAL RULES

700.1. Meter Water Required. It is the policy of the district that all water delivered through a service connection will be metered and billed accordingly. Therefore the use of idlers and spacers to deliver water to a customer through a service connection is prohibited without the expressed written permission of the general manager.

700.2. Meter Size and Type. The district will determine the size and type of the service connection and meter to be

installed based on information provided by the applicant in the application. No service connection or meter will be approved by the district if the distribution system hydraulics is not capable of providing the water within system minimum design standards.

700.3. Undersized Main. In the event an existing main is determined to be inadequate to meet the requirements of an application for service the applicant may:

700.3.1. Submit a plan prepared by a civil engineer for district approval showing onsite water facilities that will mitigate demand constraints or limitations due to the undersized main;

700.3.2. Request a Water Main Extension Agreement with the District as prescribed in section 1100 of these rules.

700.4. Choice of Main. Whenever more than one (1) main is available from which a service connection can originate, the district shall determine which main is the best choice based on water system hydraulics not customer preference or convenience.

700.5. Location of Meter. Service connections shall be installed at nominal right angles to a main in accordance with district standard designs. The point of connection shall not be within a street intersection from curb return to curb return, nor shall any portion of the service connection be within an intersection. The meter location shall be directly adjacent to the parcel being served within the public right-of-way. In the event public right-of-way is not available, the district may approve installation within an easement or alley adjacent to or on the parcel to be served. In alleys or easements, meters shall be located at a point as close as practicable to the property line within which the main is located. All meters shall be located outside of driveways and other areas where access by district personnel for operation and maintenance may be restricted. The meter vault shall be located outside of travel lanes and driveways and shall be protected from vehicular traffic, as determined by the district. If the applicant feels extraordinary conditions exist that would prevent compliance with this requirement, he may submit to the district a written request for a waiver of this requirement at the time the water plan is submitted for review.

700.6. Relocation of Meter. In the event an applicant desires to have their service connection moved to an alternate location, or the general manager determines, due to grading or regarding of the public streets, that the service connection needs to be

moved to an alternate location, then the applicant and the general manager will determine a mutually acceptable location for the service. If a mutually acceptable location is not found the general manager will determine the alternate location for the service connection. The applicant will pay the actual cost, as determined by the district, for relocating the service connection.

700.7. Isolation Valve. Before initiating water service the applicant will verify that they have installed a separate isolation valve to the premises and each building located on the premises that has plumbing facilities. If the valve is installed below grade the valve must meet the ANSI/AWWA C800- "Underground Service Line Valves and Fittings" standard and be installed in an appropriate valve box for the application.

700.8. Unsatisfactory Service. In the event a premises is not being served satisfactorily and the general manager determines the meter is undersized for the water use on the premises, then the general manager may require the applicant to install a larger meter or provide separate meters for facilities within the premises to provide satisfactory service. The applicant must apply for and pay all fees and charges for the upsized or auxiliary service connections in accordance with these rules.

700.9. Composition of Materials. Specifications for materials, appurtenances, and construction techniques for service connections are approved by the district and can be found in the district's Water System Plan.

700.10. Ownership. Service connections, including laterals, meters, boxes, shutoff valves, backflow assemblies, and other appurtenances, shall be and remain the property of the district. Upon acceptance of the installation by the district, the district shall be responsible for the maintenance and repair of such facilities, subject to any agreements covering the installation of such facilities. All pipe and fittings on the customer's side of the meter or backflow prevention assembly, or all facilities within the customer's property shall be installed by and owned and maintained by the property owner. Any entry into, or work, including but not limited to operation, maintenance, repair, or relocation of district property by any unauthorized person is expressly prohibited.

700.11. Installation of Service. All service connections will be installed by the district. Service connections will be installed after the district has approved all of the applicant's applications, questionnaires, plans, and requests for

information and the applicant has paid all required fees and charges.

700.12. Temporary Service. Water service may be supplied to a premises on a temporary basis during the construction of a building on the premises or during the construction of a standard main to serve the premises as long as it meets requirements for adequate backflow prevention. Application for temporary service shall only be approved upon payment of all fees required by this resolution. This application shall state fully the purposes for which water is desired, the circumstances that require service by temporary means, and the duration for which temporary service is necessary. All costs necessary to install and remove the temporary service shall be paid by the applicant. Upon completion of the work for which the temporary service was necessary, the owner shall immediately apply for permanent service to the premises and the temporary service shall be removed. Failure to obtain permanent service shall be cause for immediate discontinuance of water supply to the premises.

710. EMERGENCY INTERRUPTION OF SERVICE

In case of an emergency, or whenever the public health, safety, or equitable distribution of water so demands, the manager may reduce or limit the time for or temporarily discontinue the use of water. Water service may be temporarily discontinued for purposes of making repairs, extensions, or doing other necessary work. Before so changing, reducing, limiting, or discontinuing the use of water, the district shall notify, insofar as practicable, all water consumers affected. The district shall not be responsible for any damage resulting from interruption, change, or failure of the water supply.

800. DISPLACEMENT OF DISTRICT FACILITIES

All persons, contractors, corporations, and municipalities performing construction work in streets or utility rights-of-way, such as grading, grading, filling, trenching, or paving shall give the manager thirty days' written notice in case it becomes necessary during the work to remove, displace, or change any water mains, pipes, fittings, meters, valves, or other waterworks appurtenances that may interfere with the prosecution of such work. Damage to any part of the water system shall make such person, contractor, corporation, or municipality liable to the district for the cost of necessary repairs and replacements.

900. SERVICE AGREEMENTS WITH OTHER GOVERNMENTAL UNITS

The board may enter into separate agreements with any other municipal corporation, or governmental unit, or legal entity for the purpose of obtaining or providing any service relating to water supply as provided by law. Terms of such agreements shall be approved, by resolution, by the board for each agreement.

1000. WHOLESALE SERVICE CONNECTIONS—BOARD AUTHORIZATION REQUIRED

1000.1. The board may authorize, by resolution, water service to a community or number of contiguous real properties to be furnished through a master meter upon finding that service through individual meters is not practical. Where communities or a group of contiguous properties are granted service through a master meter, such meter shall be furnished, installed, maintained, and kept within the exclusive control of the district. The cost of the installation, including the master meter, shall be at the expense of the applicant.

1000.2. A legal entity such as a corporation, condominium association, or other form of organization, which is acceptable to the district, shall be the applicant set forth in the resolution.

1000.3. Applications for water service under the provisions of this section shall be made on district forms furnished for that purpose. The application shall include a detailed description of the premises to be served, the name and nature of the organization that is to be the applicant, the conditions or circumstances precluding service by individual meters and such other information as the board may deem pertinent.

1000.4. Applicants for wholesale service connections shall submit with the application detailed plans of their systems in such form as specified by the district engineer. Applicant shall, prior to commencement of and work, obtain from approval from the district engineer for all work or modifications to approved work and.

1000.5. Water service, under the terms of this section, shall be limited to those premises described in the application. Service to additional premises, not included in the original application shall require a separate application and approval.

1000.6. The ownership of the water system beyond the master meter shall belong to the applicant and the operation, repair,

expansion and renewal of the system shall be the responsibility of the applicant. The district's responsibility shall terminate with the master meter.

1000.7. Any violation of the procedures required by this section shall be cause for immediate discontinuance of service to the wholesale customer by the district.

1100. MAIN EXTENSIONS—BOARD APPROVAL REQUIRED

1100. Water Main Extension Agreements. At the request of an owner or owners of real property within the district, or the owner's authorized agent(s) (applicant), the board may approve water main extension agreements, by resolution, authorizing the applicant to construct a main extension(s) to the district's distribution system according to the terms and conditions set forth in the water main extension agreement. The main extension(s) shall be constructed by the applicant at their cost and expense and pursuant to developer extension agreements. The district may elect to participate in the construction or financing of the extension pursuant to this chapter.

1101. District Participation in Extension—Oversizing. The district may participate in developer extensions through oversizing as follows:

1101.1. Prior to execution by the district of a developer extension agreement, the developer shall determine whether the extension should be larger in size ("oversizing") than is necessary to serve the developer's property in accordance with the Water System Plan and district standard specifications, in order to serve other real property in the vicinity of the developer's property.

1101.2. If the engineer determines that the extension should have oversizing, based on either the review provided by the developer or based upon district review, the developer shall prepare a report regarding the proposed oversizing, including but not limited to the size required for the developer's property, the size of the oversizing for the development, the estimated cost of the oversizing, and the method for reimbursing the developer for the cost of the oversizing.

1101.3. Based on district review and concurrence with the report and any other relevant information, and prior to execution by the district of a developer extension agreement, the board of commissioners may by motion approve or disapprove

the proposed oversizing and the reimbursement method. Except to the extent modified by the board's motion, the oversizing shall be governed by the terms and conditions of a developer extension agreement, including the oversizing section of the agreement.

1101.4. The district shall be entitled to latecomer reimbursement for its costs of oversizing in the same manner as the developer. The district's latecomer reimbursement shall be determined in the same manner and to the same extent as the developer's latecomer reimbursement. All costs associated with the design and district review of the development extension and development extension agreement shall be fully borne by the developer.

1102. District Participation in Developer Extension-Financing.
The district may participate in the financing of developer extensions in the manner and to the extent authorized by resolution of the board of commissioners.

1110. LATECOMERS AGREEMENT

Latecomer reimbursement for a portion of the costs of an extension constructed pursuant to a developer extension agreement shall be determined as follows:

1110.1. The owner or owners of the real property that is the subject of the extension, or the owner's representative ("developer"), shall advise the district of the completion of the extension. Upon receiving such notice, the engineer shall send by first class mail to the developer at the address shown in the developer extension agreement a written notice to submit within thirty days of the date of the notice, in a form and format approved by the district engineer, all extension cost information, which shall include but not be limited to design, engineering, installation, inspection and restoration. The developer shall submit any additional extension cost information that is requested by the district engineer within 10 days of the date of the request. If the developer fails to submit the additional cost information, within thirty days of the date of the request, the developer shall be deemed to have waived the latecomer reimbursement.

1110.2. The district engineer shall audit the information submitted by the developer. The extension costs for purposes of reimbursement shall be determined by the district engineer based on the audit.

1110.3. If the developer fails to submit the original or any supplemental extension cost information within the specified time periods, the district engineer shall send by first class mail to the developer at the address in the developer extension agreement a written notice that the developer will be deemed to have waived its statutory right to reimbursement of its extension costs unless the cost information is submitted within fourteen days of the date of the notice. If the developer does not submit the information within the fourteen-day period, the statutory right to reimbursement of extension costs shall be waived.

1110.4. Following the district engineer's determination of the extension costs, the engineer shall determine a preliminary reimbursement area and, based on a method selected by the district engineer, the preliminary pro rata share of the extension costs. The preliminary reimbursement area shall be based upon a determination of which parcels abutting the water lines can be served from the extension and are not at the time of the determination served by other water lines.

1110.5. After determining the preliminary reimbursement area and pro rata share, the district engineer shall prepare the reimbursement agreement and send it to the developer for signature.

1110.6. Following receipt of a signed reimbursement agreement and acceptance of the extension by the district engineer, the board of commissioners by motion shall set a hearing on the reimbursement. The general manager shall cause notice of the hearing to be sent by first class mail at least 10 days before the hearing to the developer, at the address in the developer extension agreement, and to the owners of real property that will be subject to reimbursement, as shown on the records of the county assessor.

1110.7. At the hearing, all persons desiring to speak shall be heard by the board of commissioners. Following the hearing, the board of commissioners shall by resolution approve a reimbursement agreement for signature by the general manager, and if applicable, authorize a cash deposit for completion of the extension.

1110.8. After execution by all parties, the general manager shall cause the reimbursement agreement to be recorded with the county auditor.

1110.9. The owner of a real property subject to reimbursement may submit a written request to the district to segregate the reimbursement. The request shall reference the original reimbursement agreement, identify the original real property, contain a legal description of the proposed divided parts, and show the proposed amounts of reimbursement for the divided parts. The board of commissioners may by resolution segregate the reimbursement. The owner shall pay the reimbursement segregation fee as determined.

1120. CUSTOMER-GENERATED INFRASTRUCTURE AGREEMENT (CGI)

CGI extension constructed pursuant to a developer extension agreement shall be determined as follows:

1120.1. Purpose. The Board of Commissioners may authorize construction and financing of water mains and facilities ("water extensions") to serve an area of existing single-family residences pursuant to this policy. Undeveloped properties in the area may also benefit from this policy provided, the properties that initiate the customer-generated infrastructure are developed single family residences.

1120.2. Property Owners Request. One or more property owners, on which are located existing single-family residences, may request the district in writing to construct and install a water extension to serve the residences. The request must be through an application, in a form approved by the general manager. The application must include the name, address, telephone number and email address of every property owner requesting water service. The application must be accompanied by a nonrefundable customer-generated infrastructure application fee identified in section 1.01.390 of the North Beach Water District's rules and regulations. For an application filed by the owner of one single-family residence to serve only that residence, the procedures and requirements of this chapter will apply, provided that the Board of Commissioners ("Board") will not hold a hearing pursuant to Section 5 or a supplemental hearing pursuant to Section 6, but instead will send a letter to the requesting owner, inviting the owner to attend the meeting at which the project or the quotes for the project will be considered by the board.

1120.3. District Review of Request. Upon receipt of the request and payment of the customer-generated infrastructure application fee, the district's general manager or designee will prepare a report on the request. The report will include the size and

location of the water extension necessary to serve the property of the requesting owner(s); the estimated cost of the proposed project, the estimated pro rata share of the cost to be borne by all benefited real property owners, the amount of the Water System Connection Charge, a statement of whether the proposed project may be constructed pursuant to the small works roster, and any other information deemed relevant by the general manager. The general manager may consider whether the water extension should be larger in size ("oversizing") than is necessary to serve the benefited real property. If the general manager determines that the water extension should have oversizing, the general manager will also include in the report all relevant information related to the oversizing, including but not limited to, the size and depth required for the water extension to serve the benefited real property, the size of the oversizing and the estimated cost of the oversizing, which will be paid for by the district. The general manager will send a copy of the report to all requesting property owners.

1120.4. Property Owner Support for Request. The board must proceed further with the request if it is supported by at least thirty percent (30%) of the owners of real property that will be served by the proposed project as shown on the records of the county assessor. The board, at its discretion, may determine by motion to proceed further with a request that is supported by less than thirty percent (30%) of the real property that will be served by the proposed project. Each requesting owner must execute and submit to the district, prior to the setting of a hearing on the proposed project as provided in Section 5, a participation agreement for customer-generated infrastructure ("CGI agreement") in a form approved by the general manager. The CGI agreement must include a provision that the owner appoints the general manager or designee as its "attorney-in-fact" to execute the contract amendment of Section 7 if the owner or its successors in interest fail to execute the installment payment contract of Section 10 within thirty days of a written request to do so by the general manager. The district will establish the interest rate and Water System Connection Charge at the date of execution of the CGI agreement.

1120.5. Hearing and Board Consideration. Following submission of the signed CGI agreement(s), the board will set a public hearing on the proposed project. Notice of the public hearing must be sent by first class mail to the owners of benefitted real property, as shown on the records of the county assessor, at least ten (10) days before prior to the hearing. The term

"benefitted real property" means real property that will abut (front) the water extension, provided the property does not currently have a district water main abutting a different property line through which they have access to water service. The owners hereafter shall be referred to as the "requesting property owners" and the "non-requesting but benefited property owners." The notice must include, in summary form, the information described in Section 3. The notice for the non-requesting but benefited property owners shall include a statement that such property owners are not required to connect to the district water system upon completion of the project, and that connection to the district water system thereafter is optional. The board may approve the project by motion. The board may approve oversizing of the project by resolution. If the board does not approve the project, the CGI agreement(s) will become void and the down payments will be refunded.

1120.6. Bid/Award/Contract/Completion of Project. After board approval of the project, the general manager will cause the project to be designed and obtain bids for the project, or at the general manager's discretion, use the small works roster for projects that qualify. If the general manager receives at least one responsive quote or bid from a responsible bidder that is not more than ten percent (10%) greater than the general manager's estimate, and the general manager recommends a contract for the project be awarded then, the board will award the contract by motion at a regular or special meeting. If the quotes or bids are more than ten percent (10%) above the general manager's estimate, the general manager must send a notice by first class mail to the benefitted real property owners, which notice will advise the benefitted real property owners of the general manager's estimate and the quote or bid, and will request such owners to indicate their interest in proceeding at the actual cost of the project. Based on the answers of such owners, the general manager must advise the board, at a meeting of the board, of the reasons for recommending acceptance or rejection of the quotes or bids. If the bids are acceptable to the board, the board will, by motion, accept the quotes or bids, and the project will proceed to construction. If the board rejects the quotes or bids, the board must set a supplemental hearing on the proposed project, notice of which must be given to the same owners in the same manner as the original hearing. The notice must include a short explanation of the reasons for recommending rejection of the quotes or bids. After the supplemental hearing, the board may authorize by motion continuation or termination of the project under such terms and

conditions as are approved by the board. If the project is terminated, the CGI agreement(s) will become void and the down payments will be refunded.

1120.7. Acceptance and Final Approval of Project. After final acceptance of the project, the board must by resolution approve the final cost and pro rata share of the project (without oversizing). The resolution must include the nature and extent of the project (without oversizing), the total costs, the method of determining the pro rata share, the pro rata share for each benefitted real property, the legal description of the benefitted real property, and any other information deemed appropriate by the board. The final cost of oversizing, as determined by adoption of a resolution of the board, will be considered a component of the district's Water System Connection Charge.

1120.8. Local Facility Charge. The pro rata share of the project that is assessed upon the benefitted real property shall be deemed to be an equitable share of the cost of local facilities, and payment thereof will satisfy the district's local facility charge.

1120.9. Segregation of Local Facility Charge. The owner of real property subject to a local facility charge may submit a written request to the district to segregate the charge. The request must reference the resolution establishing the local facility charge, identify the original real property, contain a description of the proposed divided parts, and show the proposed amounts of the charge for the divided parts. The board may by resolution segregate the local facility charge. The owner must pay a reimbursement segregation fee identified in Section 1.01.390 of the district's rules and regulations for this request.

1120.10. Connection Charges-Installment Agreement. Within seven days after the board adopts the resolution approving the final cost and pro rata share of the project, the general manager must send to all property owners who have signed a CGI agreement a copy of the resolution and the final installment payment agreement, in a form approved by the general manager. The general manager also must send a notice to all such property owners, requiring them to sign and return the final installment payment agreement within thirty days of the date of the notice, and requiring them to submit an application and related filing fee for connection to the district's water system within the same thirty-day period. If such property owners have not

returned a signed installment payment agreement within the thirty-day period, the general manager shall exercise the power of attorney granted in the CGI agreement to execute the installment payment agreement on behalf of the property owner. The general manager will cause all executed installment payment agreements to be recorded with the Pacific County auditor. The Water System Connection Charge for the property covered by an installment payment agreement shall be the amount of such charge in effect at the time the CGI agreement was executed, as long as the property owner connects the property to the project within thirty days of approval of the connection by the district.

1120.11. Required Connection. The property owners executing the CGI agreement must connect to the project. These property owners must submit the Water Service Application and Fee within thirty days of the date of the notice in Section 1129. These property owners must complete connection to the project within thirty days of the district's approval of the application. If these property owners fail to file the application and pay the fee by the deadline, or fail to connect within thirty days of the district's approval of the application, the district shall commence water service charges against the property owner and the property in accordance with district's rules and regulations.

1200. SCHEDULE OF RATES, SERVICE CHARGES, FEES, AND FINES

Section	General Fee and Charges	Rate
<u>1200.1.</u>	Tampering Fee	\$150.00
<u>1200.2.</u>	Late Fee	\$15.00
<u>1200.3.</u>	Lock-Off Fee	\$60.00
<u>1200.4.</u>	After-Hours Service Call Fee	\$95.00
<u>1200.5.</u>	Application for Service Fee	\$50.00
<u>1200.6.</u>	Returned Check Fee	\$25.00
<u>1200.7.</u>	Water Tankers/Tender Fee (plus 5x meter rate)	\$100.00
<u>1200.8.</u>	Water Adequacy Notification Fee	\$25.00

Section	Deposits	Rate
<u>1200.9.</u>	Residential 5/8" X 3/4"	\$100.00
<u>1200.10.</u>	Residential 1"	\$150.00
<u>1200.11.</u>	Commercial 5/8" X 3/4"	\$100.00
<u>1200.12.</u>	Commercial 1"	\$150.00
<u>1200.13.</u>	Commercial 1.5"	\$350.00
<u>1200.14.</u>	Commercial/Wholesale/Fire Flow 2"-4"	\$1,250.00
<u>1200.15.</u>	Commercial/Wholesale/Fire Flow 6"-8"	\$3,000.00

Section	Meter Installation Fee	Rate
<u>1200.16.</u>	Residential 5/8" X 3/4"	\$850.00
<u>1200.17.</u>	Residential 1"	\$1,850.00
<u>1200.18.</u>	Commercial 5/8" X 3/4"	\$850.00
<u>1200.19.</u>	Commercial 1"	\$1,850.00
<u>1200.20.</u>	Commercial 1.5"	\$2,550.00
<u>1200.21.</u>	Commercial/Wholesale/Fire Flow 2"	\$2,850.00
<u>1200.22.</u>	Commercial/Wholesale/Fire Flow > 2" Priced on Request	

Section	General Facility Charge	Rate
<u>1200.23.</u>	Residential 5/8" X 3/4"	\$1,500.00
<u>1200.24.</u>	Residential 1"	\$2,500.00
<u>1200.25.</u>	Commercial 5/8" X 3/4"	\$1,500.00
<u>1200.26.</u>	Commercial 1"	\$2,500.00
<u>1200.27.</u>	Commercial 1.5"	\$5,000.00
<u>1200.28.</u>	Commercial/Wholesale/Fire Flow 2"	\$8,000.00
<u>1200.29.</u>	Commercial/Wholesale/Fire Flow 3"	\$15,000.00
<u>1200.30.</u>	Commercial/Wholesale/Fire Flow 4"	\$25,000.00
<u>1200.31.</u>	Commercial/Wholesale/Fire Flow 6"	\$50,000.00
<u>1200.32.</u>	Commercial/Wholesale/Fire Flow 8"	\$80,000.00

Section	Local Facility Charge
<u>1200.33.</u>	As established by resolution of the board at the completion of a water main and/or facilities extension per the terms and conditions of a customer or developer water main extension agreement.

Section	Permanent Disconnection Fee	Rate
<u>1200.46.</u>	Residential 5/8" X 3/4"	\$350.00
<u>1200.47.</u>	Residential 1"	\$350.00
<u>1200.48.</u>	Commercial 5/8" X 3/4"	\$350.00
<u>1200.49.</u>	Commercial 1"	\$350.00
<u>1200.50.</u>	For Commercial/Wholesale/Fire Flow \geq 1.5" Actual cost of removal of meter and all appurtenances back to water main	

Section	Metered Rates Residential-per 100 cubic feet					
Starting Ending Rate	01/01/2015 12/31/2015 ↓	01/01/2016 12/31/2016 ↓	01/01/2017 12/31/2017 ↓	01/01/2018 12/31/2018 ↓	01/01/2019 12/31/2019 ↓	01/01/2020 12/31/2020 ↓
<u>1200.34.</u>	\$2.53	\$2.89	\$3.13	\$3.22	\$3.31	\$3.41

Section	Metered Rates Commercial/Wholesale/Fire Flow-per 100 cubic feet					
Starting Ending Rate	01/01/2015 12/31/2015 ↓	01/01/2016 12/31/2016 ↓	01/01/2017 12/31/2017 ↓	01/01/2018 12/31/2018 ↓	01/01/2019 12/31/2019 ↓	01/01/2020 12/31/2020 ↓
<u>1200.35.</u>	\$2.53	\$2.89	\$3.13	\$3.22	\$3.31	\$3.41

Section	Base Rates						
	Residential-Billed Monthly Based on Meter Size						
Starting Ending Rate	Meter Size	01/01/2015 12/31/2015 ↓	01/01/2016 12/31/2016 ↓	01/01/2017 12/31/2017 ↓	01/01/2018 12/31/2018 ↓	01/01/2019 12/31/2019 ↓	01/01/2020 12/31/2020 ↓
<u>1200.36.</u>	5/8 X 3/4	\$39.73	\$39.73	\$40.16	\$41.09	\$42.04	\$43.02
<u>1200.37.</u>	1 inch	\$66.33	\$66.33	\$67.07	\$68.02	\$70.21	71.85

Section	Base Rates						
	Commercial/Wholesale-Billed Monthly Based on Meter Size						
Starting Ending Rate	Meter Size	01/01/2015 12/31/2015 ↓	01/01/2016 12/31/2016 ↓	01/01/2017 12/31/2017 ↓	01/01/2018 12/31/2018 ↓	01/01/2019 12/31/2019 ↓	01/01/2020 12/31/2020 ↓
<u>1200.38.</u>	5/8 X 3/4	\$39.73	\$39.73	\$40.16	\$41.09	\$42.04	\$43.02
<u>1200.39.</u>	1 inch	\$66.33	\$66.33	\$67.07	\$68.02	\$70.21	\$71.85
<u>1200.40.</u>	1.5 inch	\$132.34	\$132.34	\$133.72	\$136.82	\$140.00	\$143.26
<u>1200.41.</u>	2 inches	\$202.56	\$202.56	\$204.80	\$211.16	\$216.17	\$221.40
<u>1200.42.</u>	3 inches	\$230.78	\$230.78	\$233.31	\$238.71	\$244.26	\$249.95
<u>1200.43.</u>	4 inches	\$348.69	\$348.69	\$352.58	\$360.74	\$369.12	\$377.73
<u>1200.44.</u>	6 inches	\$677.23	\$677.23	\$684.68	\$700.53	\$716.81	\$733.51

Section	Base Rates						
	Fire Flow-Billed Monthly Based on Meter Size						
Starting Ending Rate	Meter Size	01/01/2015 12/31/2015 ↓	01/01/2016 12/31/2016 ↓	01/01/2017 12/31/2017 ↓	01/01/2018 12/31/2018 ↓	01/01/2019 12/31/2019 ↓	01/01/2020 12/31/2020 ↓
<u>1200.45.</u>	2 inches	\$37.75	\$38.67	\$39.59	\$40.51	\$41.43	\$42.35
<u>1200.51.</u>	3 inches	\$48.75	\$55.96	\$63.17	\$70.38	\$77.59	\$84.80

<u>1200.52.</u>	4 inches	\$62.55	\$71.54	\$85.24	\$98.69	\$115.19	\$132.50
<u>1200.53.</u>	5 inches	\$107.9	\$138.25	\$168.59	\$198.93	\$229.28	\$259.62
<u>1200.54.</u>	8 inches	\$153.88	\$206.18	\$258.49	\$310.80	\$336.10	\$415.41

Section	Backflow Preventer Testing Fee	Rate
<u>1200.55.</u>	DCVA/RPBA \leq 2" unscheduled in district	\$35.00 ea.
<u>1200.56.</u>	DCVA/RPBA \geq 3" unscheduled in district	\$45.00 hr.
<u>1200.57.</u>	DCVA/RPBA \leq 2" unscheduled out district	\$45.00 ea.
<u>1200.58.</u>	DCVA/RPBA \geq 3" unscheduled out district	\$55.00 hr.
<u>1200.59.</u>	Scheduling Fee	\$25.00 ea.

Section	Backflow Preventer Assistance Program Fee Double Check Valve Assembly (DCVA)	Rate
<u>1200.60.</u>	Residential 5/8" X 3/4"	\$6.80
<u>1200.61.</u>	Residential 1"	\$7.30
<u>1200.62.</u>	Commercial 5/8" X 3/4"	\$6.80
<u>1200.63.</u>	Commercial 1"	\$7.30
<u>1200.64.</u>	Commercial 1.5"	\$12.80
<u>1200.65.</u>	Commercial/Wholesale 2"	\$13.70
<u>1200.66.</u>	Commercial/Wholesale 3"	\$48.40

Section	Backflow Preventer Assistance Program Fee Reduced Pressure Backflow Assembly (RPBA)	Rate
<u>1200.67.</u>	Residential 5/8" X 3/4"	\$17.90
<u>1200.68.</u>	Residential 1"	\$18.60
<u>1200.69.</u>	Commercial 5/8" X 3/4"	\$17.90
<u>1200.70.</u>	Commercial 1"	\$18.60
<u>1200.71.</u>	Commercial 1.5"	\$40.60
<u>1200.72.</u>	Commercial/Wholesale 2"	\$42.00
<u>1200.73.</u>	Commercial/Wholesale 3"	\$77.50

1210. SEVERABILITY

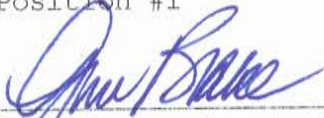
The provisions of this resolution are declared separate and severable. If any provision of this resolution or its application to any person or circumstance is held invalid, the remainder of this resolution or application of the provision to other persons or circumstances shall be unaffected.

RESOLUTION 30-2014 - REPEALING RESOLUTION 18-2009 AND ADOPTING NEW RULES
AND REGULATIONS AND ADOPTING RATES FOR CALENDAR YEARS 2015 - 2020

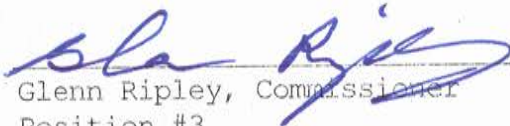
ADOPTED BY, the Board of Commissioners of North
Beach Water District, Pacific County, Washington at
its regular meeting held on the 22nd day of December,
2014.



Brian Sheldon, Commissioner
Position #1



Gwen Brake, Commissioner
Position #2



Glenn Ripley, Commissioner
Position #3