



WATER USERS' HANDBOOK

RULES AND REGULATIONS

FOR DELIVERING AND RECEIVING

SAN FELIPE DISTRIBUTION

SYSTEM WATER

SAN BENITO COUNTY WATER DISTRICT
P. O. Box 899 Hollister, CA 95024
(831) 637-8218

Established November 3, 1953

PREFACE

The San Benito County Water District Board of Directors and District staff intend to do everything reasonable to provide water service to meet the needs of all District water users in Zone 6. In order to do this fairly and equitably, it is essential that water users follow District rules and regulations, as well as its policies and procedures.

Your cooperation will allow the staff to provide you with the good service you have the right to expect.

Questions about information in the Handbook can be answered by contacting the District office located at 30 Mansfield Road, Hollister, California. The office hours are 8:00 A. M. to 5:00 P.M., Monday through Friday. Please address any written correspondence to Post Office Box 899, Hollister, California 95024-0899. You may reach us by phone at (831) 637-8218; fax (831) 637-7267; e-mail: sbcwd.com.

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INTRODUCTION

This handbook is designed to be a permanent reference for water users. It contains the District's rules, regulations, policies, and procedures on the use of San Felipe Project water. Topics include the allocation, purchase, ordering of and payment for water, operation of water meters and valves, connection to facilities, and crop and irrigation reporting requirements. This information is based on, but does not supersede, any applicable laws or District rules, regulations, policies, or procedures. As changes occur, supplemental information will be provided to keep the Handbook up-to-date.

SECTION 1

RECLAMATION LAW AND DISTRICT WATER ALLOCATION REGULATIONS

Federal Reclamation Law

San Benito County Water District receives water through the San Felipe Division of the U. S. Bureau of Reclamation's Central Valley Project (CVP). All water deliveries must comply with the CONTRACT(S) BETWEEN THE UNITED STATES AND SAN BENITO COUNTY WATER DISTRICT and federal reclamation law. The annual water supply is allocated to a district, (1) which is eligible under reclamation law to receive Project water, (2) for which a timely water allocation application is filed, and (3) for which a timely payment is made. Water is sold to users in accordance with federal and District rules and regulations.

The Reclamation Reform Act of 1982

Title II of Public Law 97-293 is known as the Reclamation Reform Act of 1982 (RRA). The RRA gives the Secretary of the Interior the responsibility of enforcing the law and collecting certain information from districts and landowners to administer the law.

All water users should acquaint themselves and their employees with the applicable regulations. The certification and reporting requirements for all landowners and water users are of particular importance. Failure to certify or report as required by the U. S. Bureau of Reclamation will result in loss of water service. Questions regarding reclamation law should be addressed to the District Office, 30 Mansfield Road, Hollister, California 95023 (P. O. Box 899, Hollister, California 95024-0899), telephone (831) 637-8218, or the Fresno Office of the U. S. Bureau of Reclamation, 2666 North Grove Industrial Drive, Suite 106, Fresno, CA 93727-1551, telephone (559) 487-5044.

Water Allocation Regulations

The District Board of Directors has adopted water allocation regulations to be used in allocating the District's annual water supply. The regulations require filing a Water Allocation Request by a specific date (usually 30 days prior to the start of the contract water year) in order for land to be entitled to an allocation of water in the upcoming contract water year beginning on March 1 and ending the last day of February of the following year. Small Parcel Service (parcels of 10 acres or less in area) water users are exempt from this requirement. The District's annual water supply is determined solely by the District based primarily on that year's allocation of the District's USBR contract supply, water stored in District owned and operated storage facilities, groundwater storage levels and anticipated water use.

Terms and Conditions for Water Service

The Terms and Conditions for Water Service are included in Appendix A. They contain District regulations concerning the delivery of, and payment for, water and actions to be taken by the District when water charges remain unpaid. They are designed to provide the District with the funds to purchase the water from the U. S. Bureau of Reclamation before it is delivered, as required by the United States and at the same time minimize the financial burden on water users.

Water purchased by the District at a price higher than the applicable USBR contract rate will be sold to users at its cost plus applicable District operation and maintenance and administrative costs. The District will notify users of such water availability and its price as early as possible.

SECTION 2

WATER ORDERING AND PAYMENT

Water Ordering Procedures

It is important that the District's water ordering procedures be followed by all agricultural, municipal and industrial water users; minimum purchase and small parcel service water users may be exempted from the water ordering procedures. The procedures that must be followed to insure prompt response to emergencies, continued deliveries to all water users and smooth operation of the District's distribution system and the San Felipe Project are as follows:

1. Water orders are to be placed through the District office at 30 Mansfield Road, Hollister (telephone 637-8218; fax 637 - 7267), Monday through Friday between the hours of 8 a.m. and 12:30 p.m.
2. Water orders must be placed by 12:30 p.m. Monday thru Friday, and at least 24 hours in advance of the date of delivery. Water orders may be made by phone or fax. Water orders are not valid until approved by the District. Daily orders may be required during high demand periods.
3. The person placing the order must be the registered owner or have an authorization to schedule water on file with the District and must provide the following information:

- Name of Water User
- Meter/delivery number
- Flow rate in gallons per minute
- Date and time order will be implemented (Started and Stopped)
- Number of hours running per day

- a. And also have the following readily available:

- Assessor's parcel number
- Net acreage planted, and
- Description of area to be irrigated
- Crop (or pre-irrigation)

4. Water may not be turned on until the order is approved by District personnel at the District office.
5. All water deliveries should be turned on, off, or adjusted as close to the scheduled times as possible.
6. In order to avoid overdrafting of District Subsystems decreases or shutoffs should be made no later than the scheduled time and increases and turn-ons should be made no sooner than the scheduled time.

7. Any shutoff, delay, or variation from the scheduled delivery of water for more than one hour must be reported to the District office immediately, the District maintains an emergency response system to accommodate users outside normal working hours.

The failure of water users to follow District ordering procedures can be harmful to the distribution system and can create problems for other water users.

District regulations provide for revoking authorization to operate District delivery facilities when water users fail to comply with the regulations or procedures pertaining to the allocation, purchase, payment, ordering, use, turning on or off, changing flow rates of water, or controlling tailwater.

When such authorization is revoked, District personnel shall operate the delivery facilities, and the water user is required to pay a \$25 service charge each time water is turned on or off or the rate of flow adjusted.

Water Service Capacity Priority

Water service priorities apply when laterals are operating at maximum delivery capacity as determined solely by the District. Any unused delivery capacity in a subsystem may be used to accommodate water transferred from one parcel or ownership to another, to accommodate additional water purchased by users or to serve lands outside that subsystem's service area. Such deliveries will normally be allocated equally among those requesting the water, but will be discontinued or decreased as necessary to meet the demand of water users for delivery of their annual allocation within the subsystem's service area up to their allocated capacity.

The District cannot guarantee a continuous supply of water at all times. Delivery through District facilities may be restricted or discontinued from time to time depending on the demand for water and the capacity of the system, the need to maintain and repair the system, etc. The District will give as much advance notice of restriction of service as practical (Section 3, Delivery System Operation, regarding System Shutdowns.)

Water Invoice

The Water Invoice shows the current billing periods water use by delivery, the amount due, and special charges relating to the delivery of water (related charges). Small Parcel Service water users billing periods are bi-monthly. All other water users are billed monthly.

Payment for Water

Small Parcel Service water meters are for billing purposes read on or about the 25th day of April, June, August, October, December, and February. All other water meters are read on or about the 25th of each month. Invoices (Water Bills) are mailed by the 1st week of the month following meter reading and payment is due by the 20th day following the billing date.. See Appendix A., "Terms and Conditions for Water Service", for finance and related charges incurred for nonpayment or late payment.

Crop and Irrigation Reporting

The District is required to file crop and irrigation reports with the U.S. Bureau of Reclamation each year. The crop and irrigation reports are prepared from crop and irrigation reports submitted by each water user, the information provided with the water orders and information from the County Ag Commissioner. Crop and irrigation reports are normally requested early in the growing season. Certain crops have varieties which should be specified on the crop report due to the differences in yield and price, such as:

Tomatoes:	processing or fresh market
Corn:	field (grain or silage or sweet)
Trees & vines:	bearing or non-bearing (early growth)
Grapes:	wine or table
Lettuce:	spring or fall

This information is essential and water service may be discontinued or charges imposed (at the District Manager's discretion) if the crop information is not submitted in accordance with District regulations.

Emergency Telephone Listing

The District maintains an up-to-date list of telephone numbers of water users emergency contacts. A shutdown of the District's entire distribution system or a single lateral could occur at any time. The emergency contact(s) telephone listing enables the District to contact all water users immediately and ask that deliveries be shut off to protect the water user facilities as well as the District's system. **The San Felipe Project and the San Felipe Distribution System have no emergency storage. In the event of certain emergencies, such as loss of pumping power, the systems must be shutdown immediately to avoid possible damage and/or extended outages.**

Your cooperation in keeping the Emergency Telephone Listing current is essential. Changes should be reported to the District Office. By doing so, water users are saved a considerable amount of time, money, and effort when it becomes necessary to shut down and startup the system(s).

SECTION 3

DELIVERY SYSTEM OPERATION

Water Delivery Operation

The District uses water delivery meters that measure the flow and are equipped with butterfly valves so that the user can control the rate of flow. (The entire water delivery structure, including the meter base, meter, and valve is commonly referred to as a "delivery").

All delivery butterfly valves and any shutoff, control or regulating valves installed in the water user's system must be closed slowly to prevent water surges in the distribution system. One turn of the delivery butterfly valve handle every one half minute should be sufficient.

All changes in flow through the delivery must be made with the District's delivery butterfly valve. District underground shutoff valves are for District or emergency use only and are not to be operated by the water user.

Lever-operated valves can be rapidly closed or opened and may not be installed to control the flow of water through a delivery. Their use could cause a sudden increase in pressure in the pipeline, causing leaks. All water users must be made aware of the importance of opening and closing valves very slowly to prevent damage to District and users systems and to permit continued water service to all water users. The District may discontinue service to users with operations and/or equipment that could damage District facilities until those operations and/or equipment deficiencies are corrected to the satisfaction of the District.

Delivery maintenance

All deliveries are maintained by the District. If a delivery malfunctions, the water user must notify the District immediately so that repair can be made.

1. During normal working hours, call the District Office.
2. After normal working hours, call the District Office and leave a message.
3. In case of an emergency, call the District and leave an Emergency Message. The District maintains an emergency response system and will respond promptly.

Painting of Deliveries

Landowners and water users are permitted to paint District facilities, but only with paint supplied by the District. The meter dial glass and all identifying numbers must remain free of paint. Contact the District Office for more information.

System Shutdowns

Portions of the distribution system must occasionally be shut down for repairs and maintenance. The length of advance notice for shutdowns depends on the reason for the shutdown.

Emergency shutdowns due to major pipeline leaks, power outages, or other unforeseen problems usually occur without prior notice. The District may contact water users after the system has gone down to request that deliveries be turned off to protect the system. The length of the shutdown depends on the severity and nature of the problem.

Most repairs are not emergencies and water users will be notified approximately ten days in advance of the shutdown. Post cards are mailed to the water user address on file with the District and provide information regarding the lateral to be shut down and the date, time, and approximate duration of the shutdown.

SECTION 4

CONNECTIONS TO DELIVERIES

Approved connections to San Benito County Water District delivery facilities are designed to protect the District's distribution system, minimize maintenance costs, ensure continuous water service, and provide safe working conditions for water users and District employees. Piping, ditches, farm equipment, and other facilities adjacent to the delivery must be arranged so that District personnel and equipment can have access to read the meter, maintain the meter and delivery and the water user can operate the delivery properly. (Beehives must not be placed within 300 feet of deliveries.) The ground surface must slope away from deliveries to provide adequate drainage.

In addition, all piping within eight feet of the delivery must be watertight to keep water from ponding in the area. Bolts, which anchor the meter to the base, should be kept free of dirt to prevent them from rusting. All mechanical and electrical connections near District deliveries must be maintained in a safe, dry manner consistent with any applicable State or local electrical codes.

Typical connections are shown on drawing number 1. (See Appendix C.) Questions concerning the method of connecting discharge piping to the distribution system should be directed to the Operation and Maintenance Department. From time to time, water users may be contacted by District staff and requested to correct deficiencies, which may arise at the delivery site. Corrections should be made in a timely manner to ensure continued water service.

Backflow Prevention Program

The District maintains a Backflow Prevention Program as required by California Department of Health Services Regulations to protect water user's from the potential hazards of receiving or consuming water that may contain chemicals or contaminants, while continuing to allow (1) chemigation practices, (2) tailwater reuse and drainage recycling, (3) delivery of water to commercial and industrial facilities, (4) agricultural and commercial chemical tank filling operations, and (5) the commingling of well water with San Felipe Water delivered by the District. District regulations relating to the Backflow Prevention Program are set forth in Appendix D.

Permanent Deliveries

Permanent deliveries were provided to each parcel, 5 acres or larger at the time the District's distribution system was constructed. Additional deliveries may be installed by the District and paid for by the water user or landowner. Landowners or water users should contact the District for information concerning the installation of additional deliveries.

Direction of Delivery Discharge

The direction of the delivery discharge is generally established during the initial setting of the delivery. The direction of the discharge may be changed by requesting the Operation and Maintenance Department to rotate the delivery. The service of changing the direction of the meter

discharge will be provided by the District at no cost to the water user. However, this service should not be abused. Water users are responsible for altering the discharge piping needed to connect the District delivery to the user water delivery facilities.

Booster Pumps

Water will be delivered at sprinkler-head pressure by the District; therefore, booster pumps should not be necessary. If a booster pump is required, the water user must receive approval by the District for such installation and the rules listed below will be followed.

The District's distribution system is not designed to withstand water hammer (sudden increases in pressure) caused by stopping booster pumps. Therefore, in order to protect the District's distribution system, an open standpipe or District approved surge suppression device must be installed between the District's delivery and user booster pump which is connected to a delivery. An air-release valve by itself does not satisfy the requirement for surge suppression.

All electrical and mechanical connections for booster pumps must be installed and maintained in a safe, dry manner consistent with applicable State and local codes. If repairs to unsafe conditions, which cause a safety hazard, are not made immediately upon request of the District, water service may be discontinued or repairs may be made by the District and billed to the water user. A \$25 charge will be made for discontinuing and for restoring service.

Under the District's general policy regarding the shutdown of booster pumps during emergencies (such as power outages, pipeline breaks, or overdrafts), it is the water users' sole responsibility to shut down their booster pumps upon notification of an emergency.

Because District operators may have difficulty locating isolated pumps and might not always be able to notify water users to turn off booster pumps before damage occurs, the District recommends the use of pressure-sensitive, automatic shutoff switches which will stop pumps in an emergency and help protect the water user's equipment.

Fire Protection Service

The District policy is to allow the use of water from the District's distribution system for the purpose of fire protection. Any such water is considered an emergency use and should be used accordingly. Any necessary appurtenances for the connection to the system for such emergency use will be the responsibility of the landowner or his lessee. Plans for all such appurtenances will have to be approved by the District Engineer located at the District Office, 30 Mansfield Road, Hollister, California 95023, (831) 637-8218, and the California Department of Forestry, (831) 637-4475.

The District does not guarantee the availability of water and is not responsible for any damage or loss incurred as a result of inadequate water or pressure in the distribution system for fire fighting purposes. There will be no charge for such water, therefore, it must be used only in emergencies.

Frost Protection

The District understands the need for frost protection of certain crops by the use of sprinkled water. The District considers this a legitimate use of Project Water.

Frost protection is a special use, utilizing a limited amount of water for a short time at unusual hours, therefore, the District will require the following information be provided in order for a farmer to be eligible for use of Project Water for such protection:

Name of requester

Mailing address of requester

Telephone number of requester

Location of land to be protected

(a) street location

(b) assessor's parcel number

(c) number of acres

Type of crop to be protected

Normal days that frost protection may be required

Approximate number of hours needed to protect crop from frost

Frost protection water will be deducted from the users total allocation of water and will be charged at regular District rates.

Other special or extraordinary use must be discussed with the District Manager. Such uses, if compatible with the operation of the system, may be allowed at the discretion of the District Manager.

SECTION 5

IMPROVEMENTS NEAR DISTRICT FACILITIES

Trenching and/or construction near District facilities may cause damage to a facility. It is essential that no trenching or construction activities be undertaken near District facilities -- either by a landowner, water user, or contractor-- until the District has been notified and all District facilities have been located and staked. Damages caused by the failure to follow this procedure or because of other negligence in the construction activity are the responsibility of the person doing the work and/or the person(s) for whom work is being done.

Buildings

No buildings or other permanent or semi-permanent structures can be constructed in the District's right-of-way. The District reserves the right of access to its pipelines in all of its right-of-way acquisitions. If access is obstructed or made more costly by the presence of unauthorized structures, the owner will be held liable. The District can require the landowner to remove any unauthorized structure from the District's right-of-way.

Land Grading

Grading over the District pipelines is not permitted without prior approval from the District. If there is any question as to the location of District pipelines, contact the District before doing any work.

Where land grading is undertaken by landowners or water users near District facilities, a finished field grade (elevation) substantially higher or lower than the base of the water delivery structure may result. In such cases, the District may adjust the height of the affected facility and bill the appropriate party for the costs incurred in adjusting the facility to conform to the new field grade.

Reservoirs and Ditches

In most areas of the District, the outside toe of reservoirs and permanent ditches must be located a minimum of 15 feet from the centerline of the District's distribution or drainage collector system.

Embankments

Embankments greater than five feet above the top of the District's pipeline or one foot above natural ground over the District's pipeline or drainpipe must be approved by the District in advance of construction and on a case-by-case basis.

SECTION 6

DAMAGE TO DISTRICT FACILITIES AND DAMAGE CLAIMS

Damage to District Facilities

From time to time, there have been instances in which part of the distribution system, such as meters, valve boxes, outlets, etc., have been damaged by equipment working around these facilities. When there is damage to the District's facilities, the District will repair or replace the damaged items. The parties who cause the damage are responsible for the cost of repairing or replacing the facility.

Tailwater Damage

Each water user must take reasonable steps to reuse or control tailwater. The failure to do so shall constitute a waste of water and the District shall take appropriate measures to prevent this. In addition, uncontrolled tailwater may cause damage to adjoining crops, roads, or District facilities. District regulations permit the District Manager to discontinue water service if a water user does not take reasonable steps to control tailwater.

APPENDIX A

SAN BENITO COUNTY WATER DISTRICT
30 Mansfield Road, Hollister, CA 95023
P. O. Box 899, Hollister, CA 95024-0899
Telephone - (831) 637-8218

TERMS AND CONDITIONS FOR SAN FELIPE DISTRIBUTION SYSTEM WATER SERVICE

1. The allocation and furnishing of water to, and its purchase and use by, the applicant shall be subject to all rules and regulations of the District as the same may now or hereafter be amended or adopted. In the event of a conflict between the terms and conditions set forth herein and said regulations, the latter shall be controlling.

2. All water delivered shall be pursuant to a request by the applicant or his authorized representative for the delivery of a stated amount of water for Agricultural or Municipal and Industrial use to a specific parcel of land or entitlement area. The request shall be made within the time and in the manner prescribed by the District and shall include a declaration of "Agricultural" or "Municipal and Industrial" usage where agricultural and municipal and industrial are defined as follows:

Agricultural water usage is the use of water for irrigation of land for the commercial production of agricultural crops or livestock, including domestic use incidental thereto, on tracts of land operated in units of more than two (2) acres.

Municipal and Industrial water usage is the use of water for purposes other than the commercial production of agricultural crops or livestock, including domestic use incidental thereto, on tracts of land operated in units of more than two (2) acres.

The recipients of the water delivered by the District shall put the water to reasonable beneficial use and shall take all reasonable action necessary to prevent the waste and unnecessary use of the water.

3. The water will be furnished by the District subject to the terms and conditions under which said water is made available to the District including, but not limited to, the requirements of Federal reclamation law and if, in the exclusive judgment of the District, the water and facilities for its delivery are available; Provided, that the District will use its best efforts, to the extent that it has water and capacity available therefore and taking into account the requirements of other water users to receive water from said facilities, to provide such water in the manner and at the times requested. The District may temporarily discontinue water service or reduce the amount of water to be furnished to the applicant for the purpose of such investigation, inspection, maintenance, repair, or replacement as may be reasonably necessary of any of the District facilities necessary for the

furnishing of water to the applicant. Insofar as feasible, the District will give the applicant notice in advance of such temporary discontinuance or reduction, except in case of emergency, in which event no notice need be given. No liability shall accrue against the District or any of its officers or employees for damage, direct or indirect, because of the failure to provide water to the applicant as a result of system malfunctions, interruptions in service necessary to properly operate and maintain any facilities of the District or United States appurtenant to the District's system, or other causes or due to the quality of the water furnished or its chemical, biological or physical characteristics.

4. Each water user shall bear the risk of loss, and shall be responsible for the carriage, control, handling, storage, distribution and use of all water delivered by the District from and after the point of delivery and the entry of water into the customer's facilities and shall indemnify, defend, and hold the District and its agents, representatives, and employees harmless from any liability or claim of liability for property damage or personal injury, including death and reasonable attorney's fees, resulting from the carriage, control, measurement, handling, storage, distribution, quality and use of water furnished by the District from and after the point of delivery and the entry into the water user's facilities. Customer shall also indemnify, defend and hold the District harmless from any such liability resulting from customers operations, use, or handling of the District facilities at or before the point of delivery to water users facilities.

5. The water furnished by the District is not in a potable state and the District does not warrant the quality or potability of water so furnished. By ordering and taking delivery of water from the District, the applicant assumes responsibility for, and agrees to hold the District harmless from, damage or claims for damage arising out of the quality and/or unpotability of water furnished by the District. The person or persons, corporation, association, public or private entity receiving delivery of water from the District shall be solely responsible for obtaining and maintaining all necessary permits required to comply with any and all local, state and federal laws governing the chemical, biological and physical characteristics of said water.

6. All water will be measured by the District with meters installed and operated and maintained by the District. The District reserves the right to estimate water use in circumstances where the meter is not operating and/or not operating with the normal operating limits for that type and/or size meter.

All measurements and/or estimates made by the District shall be final and conclusive.

7. By applying for or receiving water that is measured by a meter on privately owned property, the water user thereby licenses the District and its employees and agents to enter onto the property to read, inspect, test, repair and replace the meter. The water user shall provide convenient access to the meter and shall not give cause or permit any obstruction thereof. If a meter is obstructed the District shall give notice thereof to a responsible occupant of the property, served personally **or** by mail to the customer's address for billing. Within ten days the customer shall cause the obstruction to be removed or shall enter into an agreement with the District whereby the District shall remove the obstruction or relocate the meter at the expense of the customer. Failure to comply with this section shall be grounds for disconnection of the service.

8. Charges for water, hereinafter referred to as "Water charges", shall be at the rates established by the Board of Directors.

9. The payment of water or related charges, finance charges or reimbursement of District costs shall be made at the District Office. When any deadline established herein falls on a Saturday, Sunday, or holiday, it shall be extended to the next working day.

10. As a condition of the District continuing to furnish water, the applicant shall make the following payments by the dates specified: (a) For water used, and/or related changes, financial changes, or reimbursement of District costs, by the 20th day following the date of billing for the water used; (b) for the prepayment for all allocated water, by February 20th prior to the contract water year for the allocation; and (c) for the final payment for all allocated water, by the 20th day following the billing date for July water use. Charges not paid by the 20th day following the billing date shall be delinquent. Small Parcel Service water users are not required to make prepayments for allocated water or a final payment for all allocated water.

11. All claims for overcharges or errors must be made in writing and filed with the District within ten days after the date the bill is received by the applicant. In the event the applicant files a timely written protest concerning the amount of the bill, the District shall review the protest as soon as practicable, after allowing the water user an opportunity to present his views orally, if requested, and notify the applicant in writing of its decision. The decision shall be final, unless a written appeal to the Board of Directors is filed with the Secretary of the District within 15 days of the date of the District's decision. In the event of an appeal, the decision of the Board shall be final. The filing of a protest or an appeal does not nullify the payment requirement or the District's right to discontinue water service as provided in these terms and conditions. However, in the event the protest or appeal is sustained, the District will refund the amount of the over charge and finance charge, if any.

12. On the 21st day following the date of billing a finance charge of 1 ½ percent (\$1.00 minimum) of that month's water charges which became delinquent on the preceding day shall be added to the water and related charges, if any, due and owing to the District, the total of which are hereinafter referred to as "Unpaid charges". Prior unpaid charges shall bear a finance charge at a monthly rate of 1 1/2 percent, which is an annual percentage rate of 18%. Such finance charge is not a penalty. A clause setting forth the information regarding finance charges shall be imprinted in bold type on all District Bills, in close proximity to the final balance figure. Finance charges shall not, however, accrue after the unpaid charges have been added to and become a part of the annual assessment levied on the land by the District. All payments and credits will be applied to the earliest unpaid charges.

13. On the 1st of the month following that in which the unpaid water charges for water service become delinquent, such service may be discontinued; Provided, that, when the 1st of the month following that in which the unpaid water charges for water service become delinquent falls on a Saturday, Sunday, or holiday, such service shall be discontinued on the next working day. A notice of intent to discontinue service shall be provided to the customer at least twenty-four hours before the service is discontinued.

14. A charge of \$15.00 shall be paid for each check tendered as a payment to the District that is returned unpaid after negotiation by the District.

15. The amounts due to the District as a result of the allocation or furnishing of water, which amounts become delinquent prior to December 1, and the finance charge relating thereto which remain unpaid at the time of the filing of the District's assessment book with the Tax

Collector of the District in January of the following year may be added to, and become a part of, the annual assessment levied by the District on the land which received the water or, if the water was not furnished, on the land for which the water was allocated. The District shall give the owner of the land notice of the delinquency prior to its addition to the annual assessment. The amounts so added shall be a lien on the land and impart notice thereof to all persons. Should said assessment become delinquent, penalties and interest will be added thereto as provided by law.

16. Water service shall not be provided to any parcel of land for which standby charges or water charges or other special charges, or finance charges on such charges, are a lien on the land or for which the assessment is delinquent.

17. Water service shall not be provided to any person who owes the District delinquent water, standby or other special charges, or finance charges on such charges, notwithstanding the fact that the unpaid charges have been added to the assessment(s) on the parcel(s) for which they were incurred.

18. In the event water service hereunder is discontinued as a result of nonpayment of water charges, all unpaid charges for such service which are due the District from the person in default must be paid or arrangements for payment satisfactory to the District made before water service will be restored.

19. Agricultural water service shall not be provided to any person who has failed to file, or to any lands with respect to which there has not been filed, the certification and reporting forms required pursuant to reclamation law, and particularly the Reclamation Reform Act of 1982.

20. Agricultural water service shall not be provided to any person who fails to provide the District with crop and irrigation information at the time(s) and in the form(s) required by the District.

21. Each owner of land shall be liable to the District for any delinquent unpaid charge of the District, including the finance charges thereon, incurred by a tenant, licensee, or agent of such owner in connection with any service furnished by the District to or for use on the owner's land, or any facility to provide such service to the owner's land. The amount of such charge may become a lien upon the owner's land.

22. Any owner of land using water without having made application to the District and executed a water purchase agreement shall be held liable for the service from the date of any previous meter reading that most nearly coincides with the actual date the service was first used by such owner of land, their tenant, licensee, or agent.

23. Water furnished for retail distribution shall not be used outside of the water user's service area/facilities without the prior written consent of the District. District will not consent to the use of water on lands within the service area of any other water user of the District.

24. The District shall require as a condition of service a deposit of cash to secure the payment of water charges at anytime the applicant's credit is not satisfactory to the District. An irrevocable letter of credit in form and by a bank or other financial institution satisfactory to the District may be substituted for a cash deposit of \$500.00 or more. The amount of the deposit shall be two times the estimated monthly water bill but not less than \$150.00. The District will apply the security deposit to any account owing to the District for more than thirty days and will notify the applicant of such application. Service may be discontinued if the account is not fully paid and the security deposit restored within 30 days of said notice. The determination of whether the credit of an applicant or customer is satisfactory shall be made solely by the District. The credit of an applicant or customer who has paid all District bills without default or delay for the twelve months last past shall be deemed to be satisfactory.

25. A charge of \$25.00 shall be paid for each occasion that an employee of the District is dispatched to deliver a "shutoff notice "for water user failure to order water, provide crop or irrigation information, make timely payment, or other failure to comply with District rules and regulations.

26. Any violation of the Water User's Handbook, Rules and Regulations for Delivering and Receiving San Felipe Project Water is a misdemeanor punishable by a fine of not more than \$500.00 or by imprisonment in the County jail for a term not exceeding six months or by both such fine and imprisonment. Any such violation constitutes a separate offense for each day during any portion of which the violation occurs. The District may also pursue its civil remedies available at law or in equity, including, but not limited, remedies provided in the San Benito Water district Act (Water Code Appendix Sections 70-1 et seq.)

27. By applying for a water allocation or taking delivery of water from the District, the applicant agrees to these terms and conditions of service.

28. The District may modify or terminate these terms and conditions; Provided, that such modifications or termination are prospective only and notice thereof is given prior to the effective date by mail to the applicant.

APPENDIX B

**SAN BENITO COUNTY WATER DISTRICT
CONTRACT AND GRANT OF EASEMENT**

THIS CONTRACT, made this _____ day of _____, 19____, between the SAN BENITO COUNTY WATER DISTRICT, a public agency duly organized, existing and acting pursuant to the laws of the State of California, hereinafter referred to as District6, and hereinafter referred to as Grantor(s):

WITNESSETH, the following grant and the following mutual covenants by and between the parties:

1. Grantor(s), each as to the portion of the hereinafter described land which he owns or in which he has an interest, do(es) hereby grant unto the District, its successors and assigns, an easement for water pipelines, which are a necessary part of the District's water distribution and drainage collector system, with all fixtures, devices and appurtenances necessary to the operation of said pipelines, within, over and across the following described land situated in the County of San Benito, State of California:

SEE ATTACHED EXHIBIT A.

(METES AND BOUNDS DESCRIPTION OF PERMANENT EASEMENT.)

And in addition thereto, the Grantor(s) also hereby grant(s) to the District, its successors and assigns, the temporary right, privilege and easement to enter upon and use, for the placement or piling thereon of earth, materials, and machinery, and for all other purposes useful or necessary in connection with the construction of a pipeline and incidental purposes, at any and all points over, on, and through the following described land. Said easement is to be terminated by the District, or its assigns, by the recording of a Notice of Abandonment prior to 120 days following completion of the construction contract which includes the improvements for which this temporary easement is required. Said land is situated in the County of San Benito, State of California, to wit:

SEE ATTACHED EXHIBIT B.

(METES AND BOUNDS DESCRIPTION OF TEMPORARY EASEMENT.)

2. Said pipelines shall be so laid that not less than three feet of earth, measured from the outside of the pipe collar to the ground surface, shall cover the pipelines, except the fixtures, devices and appurtenances referred to in Article 1 may be any distance either below or above ground surface. Unless otherwise provided by a surface easement granted herein, the District or its assignee shall not construct as an appurtenance to the pipelines an above ground structure with a length, width or diameter in excess of 48 inches or a height in excess of 60 inches without the consent of the Grantor(s).

3. The grant of easement herein contained shall include the right to enter upon said land, survey, construct, reconstruct, lay, re-lay, maintain, operate, control, use and remove said pipelines, fixtures and appurtenances, and to remove objects interfering therewith. Grantor(s) reserve(s) the right to cultivate, occupy and use the premises for any purpose consistent with the rights and privileges above granted and which will not interfere with, damage or endanger any of the structures or equipment of the District or the use thereof. The right to occupy and use the premises reserved by the Grantors herein shall include the construction of driveways, roads, fences, pipelines

and ditches as long as they do not interfere with, damage or endanger any of the structures of the District or prevent reasonable access thereto for the purpose of operation and maintenance. In the event of interference by Grantor(s), District shall have the right, without notice, to remove any structures, fences, trees, vines, shrubs or other encroachments from said right-of-way and easement.

4. The grant of easement herein contained is subject to existing rights-of-way for highways, roads, railroads, canals, laterals, ditches, other pipelines, electrical transmission lines and telephone and telegraph lines covering any part of the above described land.

5. For and in consideration of the conveyance of the herein defined estate to the District, and in satisfaction of any and all claims which the Grantor(s) have or may have hereafter against the District, arising out of the construction, operation and maintenance of the structures for which this easement is granted, the District, or its assignee, shall:

(a) Pay to the grantor(s):

1. The amount of any damage which occurs as a result of and during the construction, reconstruction, laying, re-laying, control, use, removal, operation and maintenance of the structures for which this easement is granted to (a) trees, seedlings, vines, crops and soil within or on the land herein described, (b) such irrigation facilities or other improvements presently located thereon as are not to be permanently relocated as herein provided on other land of Grantor(s) and (c) improvements constructed on said land which are consistent with the rights and privileges granted by this contract to the District within the scope of Article 3 of this contract.

2. The amount of any damage which occurs as a necessary and direct result of and during the construction, in the manner provided in the construction contract specifications, of the structures for which this easement is granted, to trees, seedlings, vines, crops, soil and improvements located other than within or on the land herein described; provided, that if said damage was the result of the negligence of the construction contractor, the liability shall be solely that of the contractor.

3. The reasonable cost of the relocation of such irrigation facilities or other improvements as the District or its assignee shall determine shall be relocated by the Grantor(s).

4. Upon the request by Grantor(s), the fair market rent for such portions of the easement areas described herein as Grantor(s) are precluded from using because of Grantee's exercise of its easement rights; provided that, in the event Grantor(s) are compensated for crop damage pursuant to the provisions of this contract, they shall not be entitled to such rent for the growing season for the area(s) on which such crops are grown and for which such compensation has been made. The period(s) of time and the size of the area(s) which Grantor(s) are so precluded from using shall be as determined by the District or its assigns.

(b) In lieu of the payment of the amount of said damage to the said irrigation facilities or other improvements, or of the costs of the relocation of said irrigation facilities or other improvements, the District or its assignee may, at its option and expense, relocate the said irrigation facilities or other improvements:

and the Grantor(s) shall so accept said payment or relocation.

The payments to be made under the provisions of subparagraphs (a) 1, (a) 2, and (a) 4 of this article shall be made after the completion of the construction of the pipelines of the District or its assignee in, through and on the land herein described and shall be in an amount determined by an appraisal made by the District or its assignee. Any irrigation facility to be relocated as herein provided shall be of quality and standard equivalent to that of the existing facility, and such irrigation

facility or other improvement shall be relocated to such land of the Grantor(s) adjoining that herein described as the parties hereto shall mutually determine to be reasonable and proper. The District shall notify Grantor(s) as to the facilities and improvements that must be relocated and in such notice shall inform Grantor(s) as to the date when such relocation must be completed and of the reasonable cost of such relocation. The payment under the provisions of subparagraph (a) 3 of this article shall be made upon the completion of the said relocation, and shall be in an amount determined by the District or its assignee to be the reasonable cost thereof.

6. The Grantor(s) hereby consent(s) to the payment to lessee or any subsequent Lessee of all sums coming due pursuant to subparagraphs 5(a) 1 and 5(a) 2 hereof for damage to annual crops and seedlings and the annual harvest from trees, vines and perennial plants occurring during the time said Lessee or any subsequent Lessee is in possession of said property.

7. The District may assign the easement granted herein to the United States of America subject to the terms hereof.

8. In case of permanent abandonment of said right-of-way, the title and interest herein granted shall end, cease and terminate.

9. The covenants and provisions herein shall inure to the benefit of and bind the successors and assigns of the Grantor(s).

10. The extent that it may legally do so, the District and its assigns hereby agree to indemnify and hold harmless Grantor(s), its officers, agents, employees, successors and assigns from and against all claims for damage, loss and expense resulting from injury to or death of any person or injury to property arising out of the construction, operation or maintenance of the facilities for which this easement is granted, except such injury or death as may be caused by the sole negligence or willful misconduct of Grantor(s) or its officers, gents, employees, successors and assigns; provided that this article shall not be applicable to claims for damage with the scope of Article 5 hereof.

IN WITNESS WHEREOF, the parties have caused this contract and grant of easement to be executed the date hereinabove written.

APPENDIX C

**CONNECTIONS TO DELIVERIES
DRAWING NUMBER 1**

APPENDIX D

BACKFLOW PREVENTION SYSTEM (ORDINANCE 12)

**REGULATIONS
FOR THE ALLOCATION OF SAN FELIPE-WATER
WITHIN ZONE 6**

I. PURPOSE

The long-term water supply of Zone 6 is dependent upon the importation of San Felipe water to supplement local groundwater and surface supplies and on the conjunctive use and operation of those supplies. The San Felipe System, as approved by the voters, was designed and constructed to provide approximately 40% of the ultimate municipal and industrial and agricultural water demands of the area. The San Felipe Distribution System provides the means for delivery of that water to designated service areas within Zone 6. Lands within those designated service areas have an entitlement to contract for San Felipe Water as determined by the District. The District has a total contractual entitlement for an annual supply of 43,800 acre-feet of Central Valley Project water during the year that begins on March 1 and ends on the last day of February of the following year, hereinafter referred to as the "contract water year". Also, the District may be able to obtain additional water. The District's annual water supply is determined solely by the District based primarily on that years allocation of the District's USBR contract supply, water stored in District owned and operated storage facilities, groundwater storage levels and anticipated water use. Regardless of the source of supply of water for the District in the contract water year, a procedure for allocation of water is necessary.

II. ENTITLEMENTS TO CONTRACT

A water user (An owner or leaseholder of land, or a public or private entity, corporation, or association which provides retail water service within its service area) within the boundaries of Zone 6 of the District who takes direct delivery of water from the San Felipe Distribution System shall be entitled to contract to receive a maximum allocation of water each year for all land entitled to be served:

Agricultural: A maximum allocation of 1.2 acre feet of water per acre per year provided that the maximum allocation for land having a groundwater boron concentration of 1.5 mg/l or greater, as determined solely by the District, shall have a maximum entitlement of 2.0 acre feet per acre per year. The District may, at the districts expense, conduct boron tests of the groundwater to determine eligibility for maximum entitlements of 2.0 acre feet per acre per year.

Municipal and Industrial: A maximum allocation of 1.2 acre feet per acre per year. Land within the entitlement area which has been improved with pavement and contains public or private streets (including curbs, gutters, and sidewalks) or airport runways and taxiways shall be excluded when calculating the maximum allocation for municipal and industrial water.

Each allocation of water shall be limited to the maximum amount of water that can be put to beneficial use, on the land entitled to be served taking into consideration appropriate water management practices and conservation measures. Further, the annual allocation of water shall be subject to the limitations of the water supply available to the District.

Allocations of water shall be subject to the following minimums:

Agriculture: Two (2) acre feet per year.

Municipal and Industrial: One (1) acre foot per year.

III. ALLOCATION PROCEDURE

A. The District's annual water supply from the US Bureau of Reclamation is expected to vary from year to year with less than 25% of the years having an allocation equal to the full contractual entitlement. The District's allocation procedure is designed for use in a range of water supply contract allocations excluding extreme shortage conditions. Under extreme shortage conditions, the Board of Directors will review the water supply conditions and determine if a water supply emergency exists and if a water supply emergency exists will allocate the available water supply to address that emergency. The water supply available to the District for allocation to eligible lands shall be determined primarily by considering the forecasted USBR contract allocation, water user Water Allocation Requests, estimated Small Parcel Service water use, water available from storage in San Justo Reservoir, carryover storage, water available from transfer and exchange agreements, groundwater recharge requirements, system losses and operational requirements. The allocations for Agricultural and Municipal and Industrial water users shall be made separately based on the District's determination of the available Agricultural, and Municipal and Industrial water supplies. The available water supplies shall be allocated in direct proportion to the water user Water Allocation Requests; provided that, no water user shall be allocated more than the maximum allocation as set forth in Section II, Entitlement to Contract. This allocation shall be considered the initial allocation. In the event a portion of the available water supply remains unallocated it shall be made available to water users as additional water subject to the rules and regulations governing additional water or otherwise put to use in the best interest of the District. Provided that, no portion of the available water supply shall be made available as additional water before August of any contract year unless and until all Water Allocation Requests have been filled.

Small Parcel Service Water Users (water users on parcels of 10 acres or less in areas that have not requested to secure water service by annual contract) are exempt from Water Allocation Request requirements.

B. No water shall be allocated for use on lands outside of Zone 6.

C. Should the water supply available to the District increase or decrease materially:

1. Decreased water supply. The decrease in available water supply will be allocated among water users in direct proportion to the initial allocation.

2. Increased water supply. The increase in available supply will be allocated in direct proportion to the initial allocation; provided that, no user shall be allocated more than the maximum allocation as set forth in Section II, Entitlement to Contract. In the event a portion of the increased water supply remains unallocated it shall be made available to water users as additional water subject to the rules and regulations governing additional water or otherwise put to use in the best interest of the District.

D. A separate allocation may be made by the District Manager, when justified, in situations of extraordinary or uncommon hardship. Written requests for such separate allocations shall set forth the need for such water and recite the damage, if any, which might result if such water is not allocated. Such requests may be filed at any time by any water user. The separate allocation, if any, shall take into account the information set forth in the request and shall be based on the needs of the applicant, the potential damage, the amount of water available for such purposes, and other relevant factors.

E. Allocations shall be made promptly by the District when sufficient information is available for such purpose. Notice shall be supplied to each water user of the allocations of water to which such water user is entitled or any modifications thereof. The District does not guarantee the delivery of the water allocated to any user pursuant to these Regulations:

F. Water users that are unable to use allocated water or will not require their full allocation, may (a) release the water to the District or (b) transfer the water pursuant to Section IV E. F & G in which event the water shall be paid for under the same terms and conditions as otherwise provided in the District's Regulations. Water users requests to release allocated water to the District shall (a) be in writing on a form prescribed by the District Manager, (b) state the amount of water to be released and (c) be signed by the water user.

1. Water released to the District prior to the last working day in July meter reading shall be deducted from the water users allocation and any prepayment credit remaining after the July billing will be refunded to the water user.

2. Requests for release of water to the District following the last working day in July shall be subject to the District's ability to sell that water or otherwise put the water to use in the best interest of the District. For requests for release of water to the District that are accepted in whole or in part, by the District, the water users account will be credited for the water at the current water rate.

G. Water users may request additional water at any time. The District may offer additional water under different conditions and different prices. Additional water shall be clearly identified as to price and conditions. Water users requests for additional water from the District shall (a) be in writing on a form prescribed by the District Manager, (b) state the amount of water requested and (c) be signed by the water user. Additional water will be allocated among water users requesting additional water in direct proportion to the initial allocations of the requesters. Allocation of additional water will be made regularly but not more frequently than once each month. Additional water shall be paid for in advance and shall be non-refundable. For accounting purposes additional water shall be the first water used following allocation.

IV. APPLICATION FOR AND DELIVERY OF WATER

A. In order for land to be entitled to an annual allocation of water, either an application for Small Parcel Service or a Water Allocation Request covering the land and an agreement to purchase the allocated water shall be filed for the contract water year at the District Office at 30 Mansfield Road, Hollister, California 95023 (P. O. Box 899, Hollister, CA 95024-0899). The Water Allocation Request shall be filed with the District prior to 5 p.m. on the last working day of January and agreement to purchase shall be filed with the District prior to 5 p.m. on the last working day of February preceding the contract water year. The District Manager may require supplemental application(s) with respect to any interim or additional water made available to the District. Water Users may not change between annual contract service and Small Parcel Service, or vice versa, during the contract water year.

B.

1. Water Allocation Requests which are not filed timely shall be subject to a late filing fee of \$25.00 plus \$1.00 per acre for each acre of land over twenty five acres covered by the late application. The District Manager may waive said fee upon finding that (a) the failure to file the water allocation request timely was completely beyond the control of the water user or (b) the circumstances are such as to otherwise justify the waiver. Payment of said fee shall be a condition precedent to consideration by the District Manager of a request to allocate water to the lands subject to the late water allocation request.

2. The District Manager may allocate water to lands with respect to which there is a late Water Allocation Request only upon its finding that the circumstances are such as to justify (a) the late filing and (b) the allocation of such water, provided, however, that all allocations of water pursuant to applications filed after the District Manager's review of late applications shall be on a first-come, first-served basis.

3. Decisions of the District Manager regarding waiver of late filing fees and allocation of water to lands with respect to which a late Water Allocation Request was filed may be appeal to the Board of Directors. Decisions of the Board of Directors in these matters shall be final.

C. If a separate allocation of water is requested with respect to situations of extraordinary or uncommon hardship specified in Section III D the amount of water so requested shall be specified by the water user. A statement showing the need for such additional water and reciting the damage, if any, which might result if such water is not allocated shall also be included. In addition, such requests, which may be filed at any time, shall specify, with respect to water requested for frost protection, livestock, etc., the maximum number of days required for these purposes by the applicant on the land involved during any consecutive 12-month period since Project water was first made available to him for such purpose; and, with respect to trees and vines, the type and age thereof; and such other pertinent data as may be required. The applicant may be required to provide supplemental information to substantiate his request for a special water allocation for such needs. Water supplied for the maintenance of frost protection, trees and vines, livestock, or for extraordinary or uncommon hardship may be used only for the purpose for which it was supplied and justified and for no other purpose.

D. Water allocated to each water user in Zone 6 of the District may be used by that water user only on land within the subsystem for which the water has been allocated except for water transferred out of the subsystem through a District approved inter-subsystem transfer.

E. A water user, other than a Small Parcel Service water user, may transfer water allocated to that user among deliveries serving that water user within the same subsystem. Such transfers shall conform to the procedures established by the District Manager and the water transferred shall be furnished under the same terms and conditions as otherwise provided in these and other District rules and regulations.

F. Intra-subsystem Transfers. A water user, other than a Small Parcel Service water user, may transfer water allocated to him to another water user within the same subsystem only with the consent of the District, in which event the water shall be furnished under the same terms and conditions as otherwise provided in these and other District Regulations. Requests for the consent of such transfers shall (a) be in writing on a form prescribed by the District Manager, (b) state the amount of water to be transferred and (c) be signed by the affected water users. Transfers of water allocations shall not be allowed unless the water user to whom the allocation has been transferred agrees in writing to pay for all such water to be transferred to him. No transfer of water pursuant to these Regulations shall in any manner amend, alter, increase, decrease, or otherwise affect the rights, duties, responsibilities, and obligations, or any limitations thereof, then existing between the transferor, transferee, and District, or any combination of the same. No intra-subsystem shall be authorized if the end use of the water transferred is for supplying a domestic service (Provision of water by a water user for household use and/or human consumption).

G. Inter-subsystem Transfers. A water user, other than a Small Parcel Service water user, may transfer water allocated to him to another water user in another subsystem or to deliveries serving that water user in another subsystem only with the consent of the District, in which event the water shall be furnished under the same terms and conditions as otherwise provided in these and other District Regulations. Terms and conditions governing inter-subsystem transfers are reviewed annually by the Board of Directors. Requests for the consent of such transfers shall (a) be in writing on a form prescribed by the District Manager, (b) state the amount of water to be transferred and (c) be signed by the affected water user(s). Transfers of water allocations shall not be allowed unless the water user to whom the allocation has been transferred agrees in writing to pay for all such water to be transferred to him. No transfer of water pursuant to these Regulations shall in any manner amend, alter, increase, decrease, or otherwise affect the rights, duties, responsibilities, and obligations, or any limitations thereof, then existing between the transferor, transferee, and District, or any combination of the same. No inter-subsystem transfer shall be authorized if the end use of the water being transferred is for supplying a domestic service

H. Allocated water shall not be used if either the land with respect to which the water was allocated or the water user to whom it was allocated are not at the time of use otherwise eligible to receive or use the water, respectively, under District Rules and Regulations.

I. Water service to an individual water user shall be discontinued at the time the water user has used his full water allocation; provided that, water used over the allocation and before (1) the District discontinues service to the water user, or (2) the water user secures additional or transferred water shall be paid for at the current municipal and industrial water rate. The unauthorized using, taking, or wasting of water may subject the water user to civil or criminal prosecution. The District Manager is authorized, after written notice to the water user, if in his judgment, it is advisable and in the best interest of the District, to lock the delivery facilities of, or discontinue water service to, any water user.

J. Each water user shall take reasonable steps to reuse or control tailwater. The failure to do so shall constitute a waste of water, which the District may take appropriate measures to prevent.

V. PAYMENT FOR WATER AND RELATED CHARGES

A. Prior to 5 p.m. on the last working day of February preceding the contract water year, the water user shall file a written water purchase agreement, or have a valid application for Small Parcel Service, on forms prescribed by the District.

- 1) **Small Parcel Service.** By applying for and receiving service from the District the water user agrees to pay all District water and related charges.

- 2) **Annual Contract Service.** By executing written water purchase agreement, the water user agrees to pay for all such water allocated for their use during each contract water year, including any increase(s) in that allocation; provide that the obligation to pay shall be limited to the lesser of 1) the maximum entitlement for the parcel of land or 2) the full amount of the water users' Water Allocation Request.

B. As a condition of the District furnishing or continuing to furnish water, water users shall make the following payments by the dates specified:

- 1) **Small Parcel Service**

- a. For the fixed monthly charge, payment is due by the 20th day following the billing date.
- b. For water used, payment is due by the 20th day following the billing date.
- c. For related charges, including but not limited to power charge, payment is due by the 20th day following the billing date.

- 2) **Annual Contract Service**

- a. For all allocated water, (1) a prepayment of 15% of the applicable water rate for that contract water year per acre-foot will be due by 5:00 p.m. on the last working day of February preceding that contract water year; Provided, that credit for this payment shall be applied to the last 15% water used during the water year if such use occurs on or before the July meter reading or to the Final Payment; and (2) a Final Payment for all water remaining after the July meter reading will be due by the 20th day following the billing date for July water use.
- b. For water used, payment is due by the 20th day following the billing date.
- c. For related charges, including but not limited to power charges, payment is due by the 20th day following the billing date.
- d. For additional water, payment in advance with no refunds.

- 3) All other District Rules and Regulations pertaining to the payment for water shall remain in full force and effect, except as otherwise provided in these Regulations.

C. In the event payment is not made by the water user for allocated water, the amount owed to the District for such allocation may be applied to the annual assessment on the land for which the water was allocated. If the water was used, the amount owed to the District for such water may be added to the annual assessment on the land on which the water was used.

1. Water users who, because of the inability of the District to furnish water for which payment has been made, are not, in the judgment of the District Manager, able to use all or a portion of such water, shall receive a refund or credit for such water which the District Manager determines they are unable to use.

2. Water users who have paid or who are obligated to pay for, but are unable to use allocated water, may (a) release the water to the District, in which event the

District will attempt to sell the water to another water user, and, if the water is sold, the original purchaser will receive a credit for the amount of water resold, or (b) transfer the water pursuant to Section IV E,F & G in which event the water shall be paid for under the same terms and conditions as otherwise provided in the District's Regulations.

D. The water user shall continue to remain liable for that portion of allocated water for which full payment has not been received.

VI. MISCELLANEOUS

A. The District Manager is hereby authorized and directed to do any and all things necessary to implement and effectuate these Regulations.

B. All District rules and Regulations pertaining to the allocation, purchase, delivery, use, and payment for water shall remain in full force and effect, except as otherwise provided herein.

C. An appeal from any decision or determination made pursuant to these Regulations may be made to the Board of Directors. Any such appeal shall be in writing and shall be filed with the Administrative Services Officer of the District within 15 days after the decision or determination. In the absence of such an appeal, the decision or determination shall be final. In the event of an appeal, the decision of the Board shall be final.

D. The District Manager shall provide a general summary of the provisions of the Regulations to all landowners and water users within Zone 6 of the District.

**AMENDMENTS TO
WATER USERS HANDBOOK**

SECTION 1

RECLAMATION LAW AND DISTRICT WATER ALLOCATION REGULATIONS

Water Allocation Regulations

The District Board of Directors has adopted water allocation regulations to be used in allocating the district's annual water supply. The regulations require filing a Water Allocation Request by a specific date (usually 30 days prior to the start of the contract water year) in order for land to be entitled to an allocation of water in the upcoming contract water year beginning on March 1 and ending the last day of February of the following year. The District's annual water supply is determined solely by the District based primarily on that years allocation of the District's USBR contract supply, other surface waters available to the District, water stored in carryover facilities, water stored in District owned and operated storage facilities, groundwater storage levels and anticipated water use.

Regulations for the Allocation of San Felipe Water Within Zone 6

I. PURPOSE

The long-term water supply of Zone 6 is dependent upon the importation of San Felipe water to supplement local groundwater and surface supplies and on the conjunctive use and operation of those supplies. The San Felipe System, as approved by the voters, was designed and constructed to provide approximately 40% of the ultimate municipal and industrial and agricultural water demands of the area. The San Felipe Distribution System provides the means for delivery of that water to designated service areas within Zone 6. Lands within those designated service areas have an entitlement to contract for San Felipe Water as determined by the District. The District has a total contractual entitlement for an annual supply of 43,800 acre-feet of Central Valley Project water during the year that begins on March 1 and ends on the last day of February of the following year, hereinafter referred to as the "contract water year". Also, the District may be able to obtain additional water. The District's annual water supply is determined solely by the District based primarily on that years allocation of the District's USBR contract supply, other surface water available to the District, water stored in carryover facilities, water stored in District owned and operated storage facilities, groundwater storage levels and anticipated water use. Regardless of the sources of supply of water for the District in the contract water year, the procedure for allocation of water is necessary.

III ALLOCATION PROCEDURE

- H. If as when available water service. Water users outside San Felipe Distribution System service areas with if as and when available service shall make a water allocation request in the same manner as other water users. Said water users shall be subject to the same maximum allocation as lands and water users within the San Felipe Distribution System service areas. Said

water users allocations may be made to if as and when available water users at any time that all water allocation requests by water users within the San Felipe Distribution System service areas have been filled and shall be eligible for allocation of any additional water remaining following the allocation of additional water to water users within the San Felipe Distribution System.

- E. A water user may transfer water allocated to that user among deliveries servicing that water user within or from the same water system including if as and when available water service.
- F. Intra-subsystem transfers. A water user may transfer water allocated to him to another water user within the same subsystem or to if as and when available service lands served from that subsystem only with the consent of the District, ...
- G. Inter-subsystem Transfers. To another water user in another water system or if as and when available service lands served from that subsystem or to delivered serving that water user in another subsystem or if as and when available water service to that water user from another subsystem only with the consent of the District.