

FALLBROOK PUBLIC UTILITY DISTRICT

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FALLBROOK PUBLIC UTILITY DISTRICT

ADMINISTRATIVE CODE

Article 1. **General Provisions**

Sec. 1.1 Purpose.

The purpose of this Administrative Code is to provide the members of the Board and the District Staff with a reference document which contains policies of the Board of Directors, the duties and functions of the Board, the organizational structure, duties and powers of the administrative staff, and the procedures by which the work of the District is carried on.

Sec. 1.2 Adoption.

This code was adopted on January 25, 1993, by Ordinance No. 259, and is on file in the office of the Secretary of the District. This Code incorporates all ordinances in effect at the time this Code was adopted. Any administrative ordinances, as listed herein, in conflict with the provisions of this Code are repealed concurrently with its adoption.

(Ord. 73, 92, 122, 152, 171, 226, 244, 248, 250, 252, 253, 256, 257, 258)

Sec. 1.3 Changes.

It is anticipated that from time to time changes or additions will be required in this Code to cover changes in procedure or new activities of the District. Such changes or additions shall be accomplished only by the Board of Directors at a duly constituted meeting, through the adoption of a resolution or ordinance, in which one or more sections are superseded by revised sections or new sections are added. When so adopted, the revised or new sections shall be inserted in this code and those for which they are substituted will be removed. The changes or additions shall be effective from the date of adoption, or as indicated on the resolution or ordinance.

Article 2. Board of Directors, Guidelines for

Sec. 2.1 Powers - Delegation.

All powers, privileges and duties vested in or imposed upon the District by law and the Public Utility District Act of the State of California shall be exercised and performed by the Board of Directors, except as such Board shall delegate executive, administrative, and ministerial powers to officers and employees of the District.

Sec. 2.2 Officers of Board of Directors.

Directors are elected by the registered voters of the District for overlapping four-year terms. All Directors of the Fallbrook Public Utility District are elected by subdistrict. All prospective Directors must sign an oath as to age, place of residence, occupation, and whether or not he is a qualified elector residing within the territory of the District for which he is appointed or elected.

Sec. 2.2.1 Election of Officers.

The Officers of the Board of Directors shall consist of a President and a Vice-President chosen by the members. Reorganization (election of officers) will be placed on the agenda in December of each year.

Sec. 2.2.2 Duties of President.

The President shall preside over and conduct all meetings of the Board and hearings before the Board. In so doing, the President shall have the following powers and responsibilities:

- A. To follow the prepared agenda unless the Board concurs in any change.
- B. To determine all questions of order and parliamentary procedure, unless he or she chooses to submit any such question to the Board for decision.
- C. To maintain order and to enforce reasonable rules of decorum.
- D. To determine at meetings of the Board, other than public hearings, whether or not members of the public should be heard on particular issues or otherwise be permitted to address the Board.
- E. To set reasonable limits upon the length of time and the number of occasions on which a person may speak at public hearings as well as other meetings of the Board.
- F. To recognize Board members who may wish to be heard.

- G. To restate, where necessary, and to put to a vote all questions properly before the Board, and to announce the result of each vote.
- H. To terminate debate after there has been reasonable opportunity for full discussion of any issue and further debate would be needlessly repetitive or otherwise not useful, and where proper, to put the matter to a vote.
- I. To rule out of order any comment by Board members, staff or members of the public not germane to the issue then before the Board.
- J. To respond to inquiries by Board members relating to procedures, or to factual information, bearing upon the business before the Board.
- K. To establish standing or ad hoc committees of the Board, and to appoint the members thereof.
- L. To declare the meeting adjourned upon such vote by the Board, or when in his judgment any emergency or other cause requires adjournment.
- M. To authenticate by his signature all acts, orders, and other proceedings of the Board.

Sec. 2.2.3 Duties of Vice President.

The Vice-President shall act if the President is absent or unable to act, and shall exercise all of the powers of the President on such occasion.

Sec. 2.3 Other Officers of the District.

The statutory officers are the General Manager, Assistant General Manager/Chief Financial Officer, and Secretary. The Board of Directors appoints the General Manager, who appoints Management Staff. Other officers may be appointed by the Board of Directors as needed.

Sec. 2.4 Employment of Professionals.

Sec. 2.4.1 General Counsel shall be appointed by the Board and shall be directly responsible to the Board. He or she shall provide legal advice and services as requested by the Board and shall assist the General Manager, Assistant General Manager/Chief Financial Officer, Secretary, and department heads on legal problems which may arise in the administration of their respective duties. The General Counsel's compensation is subject to an annual review and signed agreement with the Board of Directors.

Sec. 2.4.2 The Auditor shall be employed and selected in such manner as the Board directs and shall receive for his services such compensation as the Board

prescribes. The accounts of the District shall be examined at least once a year by a qualified Auditor, who shall report to the Directors the result of his examination.

Sec. 2.5 Time and Place of Board Meetings.

The regular meeting of the Board of Directors shall be held on the fourth Monday of each month at 4:00 p.m. in the Board room of the Fallbrook Public Utility District located at 990 East Mission Road, Fallbrook, California. The Board meeting day and time shall be changed from time to time as designated by the Board of Directors. If the regular meeting falls on a holiday, such regular meeting shall be held on the next business day, or such time as the Board may direct. The agenda shall be posted on the north wall of the entrance to the District and on the District's Internet Web site at least 72 hours in advance of the meeting.

Sec. 2.6 Special Meetings.

A special meeting may be called at any time by the President of the Board of Directors, or by a majority of the members of the Board of Directors, by delivering written notice to each member of the Board of Directors and to each local newspaper of general circulation and radio or television station requesting notice in writing and posting a notice on the District's Internet Web site. The notice shall be delivered personally or by other means and shall be received at least 24 hours before the time of the meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at these meetings by the Board of Directors. The call and notice shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public.

Sec. 2.7 Quorum.

A majority of the Board of Directors constitutes a quorum for the transaction of business.

Sec. 2.8 Actions.

The Board shall act only by Ordinance, Resolution, or motion and may act only on items on a pre-posted agenda. The ayes and noes shall be taken upon the passage of all ordinances, resolutions, or motions and entered upon the journal of the proceedings of the Board. No ordinance or resolution shall be passed or become effective without the affirmative votes of at least a majority of the Board. A roll call vote recorded pursuant to the Public Utility District Act in the minutes of the meeting shall be had if requested by any Director. When not requested, or ordered by the President, a roll call vote shall be dispensed with. "Emergency" items may be added to the agenda if it is determined that there is an emergency situation, or there is a need to take action on an item subsequent to the agenda being posted. A two-thirds vote of the Board is required to add emergency items to the agenda.

Sec. 2.9 Order of Procedure of Meetings.

Except as otherwise provided by law or ordinance, the business of the meetings of the Board of Directors and the order of procedure shall be as provided by Robert's Rules of Order, Revised. The President shall preside at all meetings of the Board, and in his absence, the Vice-President, and in the absence of both the President and the Vice-President, the presiding officer shall be selected by a majority vote of the members of the Board attending such a meeting. At the beginning of each meeting, the public shall be offered the opportunity to address the Board on any issue not on the agenda. Such matters shall not be acted upon without prior notice on future agendas. Any member of the audience who wishes to speak must fill out a speaker slip and present it to the Board Secretary prior to the meeting. Speakers may be limited to three (3) minutes, for both the public comment period and for any specific item on the agenda. After the initial three minutes are up, the Board may ask questions of the speaker.

Sec. 2.9.1 Guidelines for Conduct of Board Meetings.

In an effort to streamline and maintain control of the conduct at Board meetings, the following rules shall be implemented:

- A. The General Manager is responsible for presenting the agenda and all necessary background material and staff reports to the Board of Directors for their consideration.
- B. Any Board member can request that the General Manager place an item on the agenda for the next regular meeting.
- C. Any member of the public may request that the General Manager place an item on the agenda for the next regular meeting. At the General Manager's discretion, the item may, or may not, be placed on the agenda. If the General Manager declines, he will inform the requestor that they may speak at the next regular Board meeting during the public comment period and at that time, they may request that the Board member, or the full Board, place the item on the agenda for discussion.
- D. All background and necessary documents required to complete an agenda item must be submitted to the Board Secretary no later than 10 days prior to the Board meeting.
- E. All staff reports, other than the General Manager and San Diego County Water Authority (SDCWA) representative, will be in written format. Staff will only make oral presentations at the request of the Board.

Sec. 2.10 Consent Calendar.

The Consent Calendar shall consist of items of a routine non-controversial nature for action by the Board of Directors and which require no discussion. All items appearing on the Consent Calendar may be disposed of by a single motion.

Items shall be removed from the Consent Calendar if any member of the Board of Directors or the public requests removal prior to a vote on a motion to approve the items on the Consent Calendar. Such items shall be considered separately for action by the Board.

If an item is removed from the Consent Calendar, the following order of priority shall take place: (a) staff will first make its presentation and respond to questions from the Board of Directors; (b) the public may make comments and respond to questions from the Board of Directors; and (c) the Board will deliberate on the item.

Sec. 2.11 Minutes.

The minutes of the meetings of the Board of Directors shall be recorded and kept permanently by the Secretary in books maintained for that purpose entitled "Agendas, Minutes, and Reports". Unless otherwise expressly directed by the Board at the time of their adoption, the ordinances and resolutions adopted by the Board may be referred to in the minutes by number and title only, but the same shall be recorded in full in books kept for that purpose entitled "Ordinances" and "Resolutions" respectively.

Sec. 2.12 Directors' Compensation.

Directors of the Fallbrook Public Utility District shall receive per diem compensation of One Hundred Dollars (\$105.00) for each meeting of the Board. Per diem compensation shall be reviewed each January at a Board meeting. If the Board determines to proceed with a change, a public hearing will be noticed to receive public comment prior to any action being taken. Changes in compensation shall require the approval of the Board at an open meeting held at least 60 days prior to the effective date of the ordinance making the change and cannot exceed five (5) percent per each calendar year following the operative date of the last adjustment. [Cal. Public Utilities Code § 16002; Cal. Water Code § 20200 et seq.] Said meetings shall include regular, special, and adjourned meetings of the Board, and standing committee meetings.

Compensation for attendance and reimbursement for expenses at other occasions, events, or meetings related to District business, other than those listed below, shall be determined by the Board of Directors, in advance, on a case-by-case basis. Should an occasion arise between Board meetings that would be appropriate for a Board member to attend, prior to the event, the President can authorize such attendance with notification of the rest of the Board at the next regular meeting. Director fees may be increased as provided by law. Meetings, which shall not require advance approval are:

- A. Association of California Water Agencies (ACWA) (semi-annual)
- B. California Special District Association (CSDA), San Diego Chapter (quarterly)
- C. Council of Water Utilities (monthly)

- D. California Association of Sanitation Agencies (CASA) (semi-annual)
- E. Training Courses in CA Local Agency Ethics (AB 1234) and/or Sexual Harassment for Supervisors (AB 1825)
- F. Metropolitan Water District of Southern California (up to one per month)
- G. San Diego County Water Authority (up to one per month)
- H. Meetings between the Board President and the General Manager (up to twice per month)
- I. Up to one meeting per month for each Director with the General Manager to discuss District business
- J. Toastmasters International (up to twice per month)
- K. Citizens Water Academy offered by the San Diego County Water Authority
- L. New Board Member Orientation and Training as prescribed by section 2.16.7 of the Administrative Code

Sec. 2.13 Board Packets.

Board packets are available for review at the District office on the Friday prior to a regular Board meeting after they have been made available to the Board of Directors. The general public may request and receive a copy of a full Board packet at no charge on the Friday preceding a regular Board meeting after 12:00 noon. Arrangements for review and pick-up shall be coordinated by the Secretary.

Sec. 2.14 Board Committees.

The Board currently has three (3) standing committees as follows:

- A. Fiscal Policy & Insurance Committee – This committee shall work with the General Manager and other officers of the District to review the annual audit, the annual financial statement before publication, budget, water rate structures and fees, investments, insurance, and other financial records and operations of the District.
- B. Personnel Committee – This committee is responsible for employer-employee relations, including negotiations with the FPUDEA and FMEA, all substantive changes in personnel policies, and annual review and salary recommendations of the General Manager.
- C. Engineering and Operations Committee — This committee is responsible to advise the Board concerning the planning, construction, operation, and maintenance of the

necessary works for the production, storage, transmission, and distribution of water for irrigation, domestic, industrial, and municipal purposes. They shall also review the capital improvement programs of the District, environmental documents and programs, and the master plans of the District, while conferring with staff during the preparation thereof.

Sec. 2.15 Ethics Policy.

The respected operations of democratic government emphasize that elected officials be independent, impartial and responsible to the people. It requires that they conduct themselves in a manner above reproach. It also imposes an obligation of personal integrity that will foster public respect, confidence, and trust.

This Ethics Policy provides the following general guidelines and specific prohibitions to which elected District officials must conform in pursuit of their assigned duties and responsibilities.

- A. Disclosure of Closed Session Matters. No member of the District shall disclose to any person, other than members of the Board, General Manager, or other District staff designated by the General Manager to handle such matters of confidential District business, the content or substance of any information presented or discussed during a closed session meeting unless the District first authorizes such disclosure by the affirmative vote of three members.
- B. Disclosure of Confidential Communications. Except when disclosure is mandated by State or Federal law, no member of the District Board shall disclose confidential or privileged communications to any person other than members of the Board, General Manager, or other District staff designated by the General Manager to handle such matters, unless the Board of Directors first authorizes such disclosure by the affirmative vote of three members of the Board of Directors.
- C. Conduct During Negotiations/Litigation. The Board of Directors is authorized to provide direction to specifically identified negotiators in a legally constituted closed session on matters involving pending litigation, real estate negotiations and labor negotiations. If the Board of Directors, in closed session, provides such direction to its negotiators, all contact with the negotiating party or party's representative shall be limited to and made by those individuals designated to handle the negotiations. During a pending labor contract or discussion, no member of the District Board shall have any contact or discussion with the negotiating party or the party's representative regarding the subject matter of the pending negotiation. In addition, during litigation or real estate negotiations, no member of the District Board (unless they have been designated as a negotiator) shall have any contact or discussion with litigating or negotiating party or the party's representative regarding the subject matter of the pending litigation or real estate negotiations.

Nothing in this section shall prohibit Board members from receiving written communications provided they are made available to all Board members and the General Manager on an equal basis.

- D. Ex Parte Communications. The purpose of this provision is to guarantee that all interested parties to any matter before the Board have equal opportunity to express and represent their interests. Ex parte communications are those communications members of the Board have with representatives of only one side of a matter outside the presence of other interested parties. A communication concerning only the status of a pending matter shall not be regarded as an ex parte communication. Any written or oral ex parte communication received by a member of the Board in matters where all interested parties are entitled to an equal opportunity for a hearing, shall be made a part of the record by the recipient.
- E. Violations and Penalties. Any perceived violation of this Ethics Policy by a member of the Board shall be referred to the Board President or the full Board of Directors for investigation, and consideration of any appropriate action warranted.

A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Board member who has violated this policy; (b) injunctive relief; (c) referral of the violation to the Attorney General, District Attorney, Fair Political Practices Commission (FPPC), and/or the Grand Jury; or the specific actions available to the Board enumerated in greater detail in Sections 2.16.3 and 2.16.4.

Sec. 2.16 Comprehensive Code of Conduct.

The following is the Board-approved Code of Conduct for District Board Meetings:

Sec. 2.16.1 Purposes and Goals of Code of Conduct.

Effective policy leadership requires the Board to foster effective communication throughout the organization. Effective communication is necessary to encourage the delivery of safe, high quality water and sewer services, as well as compliance with ethical and legal imperatives. Effective communication occurs best in an atmosphere of mutual respect, in which board members, staff, and members of the public feel valued and free to express themselves. Effective communication requires thorough preparation for meetings, adherence to approved procedures for the conduct of meetings, including compliance with time limits and courteous conduct during debate and discussion. Effective communication requires an atmosphere free from threats, intimidation, abusive behavior, violence, harassment, and other dangerous or disorderly conduct.

The Board believes that at a minimum, its members should behave, on a voluntary basis, as if they are fiduciaries who are expected to honor the same duties of loyalty and care expected of their peers who serve on the boards of public agencies. Board members should act professionally at all times.

This Code of Conduct is intended to describe: (1) minimum expectations for conduct at, and surrounding Board meetings; (2) how Board members are provided the resources needed for effective, informed governance; (3) rules for ensuring the fairness of proceedings; and to (4) prescribed consequences for misconduct which does not contribute to effective leadership of the FPUD, including declaring Board members ineligible for receipt of discretionary perquisites of office within the jurisdiction of the Board.

Sec. 2.16.2 Minimum Expectations for Conduct of Board Meetings.

- A. Once the Board has a quorum, the meeting should immediately commence. Time periods announced by the President for recesses shall be strictly observed.
- B. For each agenda item on which there is anticipated action, there should first be a motion and a second before any Board discussion is permitted, except that:
 - 1. Any Board member who must abstain from participation in a matter because of a legal conflict of interest shall ask the President for permission to announce the conflict; and
 - 2. Any Board member who has had any ex parte contacts with respect to an agenda item affecting the legal rights of a party appearing before the Board on a quasi-judicial matter shall ask the President for permission to describe the nature of those contacts so that the party may evaluate the potential partiality and appearance of fairness of the Board member's participation in decision-making regarding that matter. In case of doubt, a Board member shall err on the side of disclosure of the ex parte contacts.
- C. If there is no motion on an action item, or if a motion is made and there is no second, the President should move to the next agenda item without further comment from the Board members.
- D. For each agenda item that has received a motion and a second, the President should ask each member in turn as to whether that member wishes to speak on the item, starting with the maker of the motion.
- E. Each member will be recognized by the President and shall be allotted up to three minutes to speak to the motion, once recognized. Time for questions and answers addressed by a member to staff or to other Board members is included in the three minutes, unless the President grants an exception. Members who anticipate that this time will be insufficient shall, whenever feasible: (1) submit written statements at any

- time; (2) submit written questions to the President and General Manager at least 48 hours in advance of a regular meeting (see B, 2 above); or (3) request additional time. Only the member who has been recognized may speak on the motion during that time. Time limits are to be managed by the Board President.
- F. When the member's time allotment has concluded, the President should immediately recognize the next member in turn to determine if he/she wishes to speak. When recognized, the member should start speaking and the prior speaker shall promptly yield the floor.
 - G. Once the President has offered each member the opportunity to be heard, the President may offer a second round of comments. The President should again offer each member a three-minute opportunity to speak.
 - H. Unless recognized by the President, Board members shall not address members of the public who come forward to speak, and should not enter into a dialogue or debate.
 - I. Agenda materials are intended to provide answers to as many questions as possible regarding agenda items, prior to the Board meetings. Board members are expected to review the agenda materials thoroughly, prior to the Board meetings, and to timely request additional information or clarification in advance whenever feasible—generally at least 48 hours prior to any regular meeting. (See B, 2 above.) Questions from Board members at the meetings should be for the purposes of seeking clarification and/or additional information regarding particular agenda items and/or agenda materials.
 - J. Board members should be courteous and respectful of all meeting participants, including the President. Board members shall comply with the legitimate orders of the President regarding the orderly conduct of the business before the Board.
 - K. Conduct while attending Board meetings and other meetings and events related to the Board and Board committees, and while engaged in other Board-related business, which is unsafe, disruptive or which constitutes threats, intimidation, abusive behavior, violence, harassment, and other dangerous or disorderly conduct, willful disturbance of the meeting or which otherwise violates Cal Penal Code § 403, as shown in Appendix A, is prohibited.
 - L. Board Members should attend every Board Meeting and remain for the entirety of each meeting. The Board President shall make an oral announcement of any departure from the meeting and the reason, if available.

Sec. 2.16.3 Breaches of Order at Meetings; Sanctions.

The Board has a responsibility to govern itself. The Board has a right to make and enforce rules to ensure the conduct of the public's business in an efficient and orderly manner, and without disruption by members of the public or

members of the Board, up to and including ejection. At the same time, the public and Board members shall be free to criticize the policies, procedures, programs and services of the organization, and the acts and omissions of the Board.

Notwithstanding any other policy of the Board, violations of this policy during a Board meeting may be enforced, as follows:

- A. The President shall call to order, by name, any person who is in violation of any of the rules of conduct established under this policy, which is committed in the immediate view and presence of the Board. The President shall request that person refrain from any further violation, warn that a repetition may violate Cal Penal Code § 403 and result in removal from the meeting, and may specifically state that any further violation may constitute contempt of the Board.
- B. If the person repeats the violation or proceeds to violate any other provision of this policy in the immediate view and presence of the Board (such as by refusing to yield the floor or otherwise disrupting proceedings), the President may call a recess of the meeting, stating that the reason for the delay is due to the misconduct of the Board member or other person. If following such recess, the Board member or other person persists in willfully interrupting the meeting such that order cannot be restored, the President, with the concurrence of the Board, shall order the disruptive Board member or other person removed from the meeting room by District or security personnel, or, as to Board members, may request a motion under paragraph C. If removal of a Board member is ordered, the Board member shall be entitled to adjourn to attend the balance of the meeting by telephone at the meeting location or other location consistent with the Brown Act, notwithstanding the provisions of any other Board policy.
- C. In the alternative, if a Board member repeats the violation or proceeds to violate any other provision of this policy in the immediate view and presence of the Board, or, following a return from recess of the meeting if called, the President may call for a motion holding the Board member in contempt. Such a motion shall take precedence over any other motion, and shall describe the action or actions constituting the violation of this policy. If such a motion is made and seconded, each Board member shall have an opportunity to discuss the motion in accordance with this policy. If the motion is passed, the Board member shall be advised by the President that he or she has been held in contempt. A second motion may then be made to prescribe the sanction or sanctions to be imposed, which may include, but shall not be limited to, one or more of the following:
 1. A statement of censure, identifying the misconduct;
 2. Removal of the offending Board member from membership on one or more Board committees, or, if chair of any committee, removal from that position, for a specified period, or if no period is specified, until the annual election of Board officers;

3. Removal of the offending Board member from holding any Board office currently held;
 4. Removal of the offending Board member from the meeting room and offering the member the right to adjourn to attend the balance of the meeting by telephone at the meeting location or another location consistent with the Brown Act; provided that the offending Board member may also be required to attend one or more future meetings by teleconference;
 5. A determination that no compensation shall be earned by the offending Board member for attendance at the meeting at which the contempt occurred;
 6. A determination that the offending Board member shall not be provided any defense or indemnity in any civil actions or proceedings arising out of or related to the member's misconduct or the agenda items whose consideration was willfully disrupted or prejudicially delayed by the misconduct, based upon the Board member's actual malice;
 7. Rendering the offending Board member ineligible to receive any advances or reimbursement of expenses to attend future conferences or meetings otherwise permitted;
 8. Referral of the matter to the County Grand Jury pursuant to Cal Gov Code § 3060, as shown in Appendix B.
- D. Following the outcome of a motion for sanctions, the President shall direct that the order of the Board be carried out by staff, the General Manager, and/or General Counsel, as appropriate.
- E. In the event violations of this Policy occur in a closed session, the President may suspend the closed session and return to open session for the purpose of commencing the enforcement process contemplated by this section. All proceedings under this section 2.16.3 shall occur in open session.

Sec. 2.16.4 Violations of Board Policies or Law Outside of Board Meetings.

- A. When a violation of a Board policy by a member of the Board is alleged to have occurred outside of a Board meeting, the President or any member of the Board may request that an item be placed on the agenda to consider what sanctions may be appropriate, if any. In such instances, evidence of the misconduct shall be presented by the requesting member. The Board member accused of misconduct shall have an opportunity to present evidence and respond to the allegations made. Formal rules of evidence shall not apply.

- B. After consideration of the evidence presented, the Board may take such actions as it may deem appropriate, including but not limited to those described in section C of this policy, other than section 2.16.3, paragraph C, 5.

Sec. 2.16.5 Sanctions.

- A. Discipline imposed on directors herein shall continue for successive election cycles; i.e., re-election of a director who has been disciplined shall have no effect on discipline imposed in a prior term of office.
- B. A director may apply for relief from discipline upon submitting proof of compliance with the requirements of the discipline notice, if appropriate. For example, if discipline was imposed for failure to attend director orientation with the general manager, the director would submit proof of attendance.

Sec. 2.16.6 Authority of Administration to Provide for Security.

- A. The District Administration is authorized and directed to develop and implement policies and procedures, engage employees or contractors to provide security, consistent with applicable law, to promote a secure and orderly environment for Directors, employees, staff, and members of the public. These policies and procedures will include a process for notifying the District Administration in the event that any person feels that he or she has been subjected to conduct which violates this Policy.
- B. The District Administration is authorized and directed to take lawful and appropriate action and to pursue lawful and appropriate remedies against any person found to have violated this Policy.

Sec. 2.16.7 Board Orientation and Training.

- A. Every Board member shall participate in an orientation and training to be offered by the District within 60 days of election or assuming office as a condition to receiving compensation or allowance of expenses. The District encourages all directors, including re-elected directors, to attend on-going educational training.
- B. The required orientation and training shall be offered at times and places convenient to the Board member.
- C. The orientation and training for new Board members shall include:
 - 1. Attendance at the California Special District Association (CSDA) Special District Leadership Academy Conference or a half-day orientation by a third party trainer specialized in local governance. The training will include the following:
 - a. Roles and responsibilities of Board members.

- b. The role of staff and the General Manager.
 - c. Attributes and characteristics of highly effective Boards
 - d. The Boards role in setting direction for the District and in establishing financial accountability and transparency.
 2. A copy of the Board Governing Documents, which shall be reviewed and acknowledged by the Director. The Board Governing Documents includes the following:
 - a. District Background and Strategic Plan
 - b. CSDA Special District Board Member Handbook
 - c. Copy of this section of the Administrative Code
 - d. Ralph M. Brown Act
 - e. Copy of the Public Utility District Act
 3. Briefings delivered by members of the management team regarding:
 - a. District financial management and budgeting practices.
 - b. Review of the District Capital Improvement Program and a tour of the facilities owned or operated by the District.
 - c. The roles and responsibilities of each department.
 4. A briefing with the District General Counsel regarding:
 - a. Compliance laws and regulations, including conflict of interest rules under State and Federal law.
 - b. Legal responsibilities of Board members.
- D. This orientation and training shall supplement the training required by law under AB 1234.
- E. It is also recommended that new Board members complete additional training during their first term, which would include:
 1. Additional CSDA training, including additional Special District Leadership Academy Training and courses on financial oversight and governance

2. Tours provided by MWD of the State Water Project and Colorado River Aqueduct systems
3. San Diego County Water Authority Citizens Leadership Academy

Sec. 2.17 Directors Expenses Incurred on District Business.

Members of the Board of Directors attend regular, adjourned, or special meetings of the Board. In addition, they attend other District meetings, committee meetings, association meetings, and/or community functions or education seminars on behalf of the District. State statutes authorize District payments for meetings, reimbursement of expenses, and the provision of health and welfare benefits for active Directors. The District will compensate Directors a per diem for attendance at authorized meetings or functions and will reimburse Directors for reasonable expenses incurred while traveling on District business to include lodging, dining, transportation, and related incidentals.

2.17.1 Directors and Meetings.

As provided in Article 2, Section 2.12 of the District's Administrative Code, each Director shall receive per diem compensation for each day of attendance at meetings of the Board or for each day of service rendered as a Director by request or authorization of the full Board, not to exceed a total of ten (10) days in any calendar month. Attendance at meetings or functions shall be approved in advance by the Board of Directors of the District in order to be eligible for compensation and/or reimbursement. Director's claims for per diem amounts shall be made on a Director Per Diem/Meeting Form.

The District may pay compensation to District Board members for attendance at the following occurrences:

1. A meeting of the Board of Directors.
2. A conference or organized educational activity.
3. Any meeting related to District business with prior approval pursuant to Section 2.12.
4. Standing committee meetings and ad hoc committee meetings. These meetings, where practical, should be scheduled to correlate with other meetings at the District on the same day.

When travel arrangements require a day earlier arrival or a day later departure, Directors will not be eligible for the compensation; however, reasonable expenses associated with the extended stay will be reimbursed as specified below.

2.17.2 Prepayment of Otherwise Reimbursable Expenses.

A Director may request prepayment of registration, transportation, and lodging. Prepayments shall be limited to the Director's expenses only. No advances shall be made on travel expenses.

2.17.3 Reimbursement of Expenses.

Each Director shall be reimbursed for travel expenses to and from meetings or for any other authorized District business as follows:

1. Authorization. Travel associated with the attendance of meetings or functions for Directors shall be approved in advance by the Board of Directors at a regular meeting with the item agendaed under "Advance Approval to Attend Meetings."
2. Transportation.
 - a. Air Transportation. The District will endeavor to purchase airline tickets in advance taking advantage of discounts and low fares.
 - b. Automobile Transportation. Directors may use their personal vehicle. The District will reimburse Directors at the current rate/mileage as established by the Internal Revenue Service (IRS), plus tolls, parking, etc. provided, however, if air transportation is available, the total amount of expenses paid shall be limited to the cost of coach air travel between points traveled by personal vehicle. Gasoline, collision and liability insurance, and maintenance will be provided by the Director and is deemed covered in the rate/mileage reimbursement.

Directors using personal vehicles on District business must maintain a valid California driver's license and automobile insurance coverage required by the State of California or make arrangements for a driver who meets the above requirements. The Secretary will verify that Directors have valid driver's licenses. Directors will also be required to maintain automobile insurance coverage. Proof of such insurance shall be submitted to the Secretary upon renewal of the Director's individual automotive insurance policy. A current policy must be on file for a Director to be eligible for mileage reimbursement.

The District will provide a rental car when needed. Such rental car shall be a compact unless upgrades are offered at no additional cost to the District.

- c. Miscellaneous Transportation. Whenever practicable bus, taxi, rail, shuttle, etc., transportation may be used in lieu of, or in conjunction with, transportation modes above.

2.17.4 Meals and Lodging.

Whenever travel requires meals, the meals shall be reimbursable provided the Director presents an itemized receipt along with the “Board Expense Reimbursement Form” for all meals. Reimbursements for expense items where a receipt has been lost will not be paid until the Board President has reviewed and approved the expense item. Meals are reimbursable based on the Meals and Incidental Expenses (M&IE) as updated by the U.S. General Services Administration:

1. Full Day Reimbursement. When a Director is traveling for a full day and no meals are provided for by other sources, such as pre-paid registration, the Director may be reimbursed for meal expenses at the rate provided by the M&IE per day. If the Director exceeds the rate provided by the M&IE and the Board President deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the Board President may authorize reimbursement in excess of the M&IE rate.
2. Single Meal Reimbursement. When a Director requires reimbursement for a single meal while traveling, the maximum meal reimbursement amount shall be at a rate provided by the M&IE for breakfast, lunch, and/or dinner. If the Director exceeds the rate provided by the M&IE and the Board President deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the Board President may authorize reimbursement in excess of the M&IE rate.
3. Partial Day Reimbursement. When a director will be traveling for a partial day or where a single meal is provided for by other sources, such as pre-paid registration, the maximum reimbursement amount shall at the rate provided by the M&IE per meal. If the Director exceeds the rate provided by the M&IE and the Board President deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the Board President may authorize reimbursement in excess of the M&IE rate.
4. Taxes and Gratuities. The maximum meal reimbursement amounts are inclusive of, and assume expenses for, taxes and gratuities of up to 15%.
4. Lodging. The District will reimburse Directors or pre-pay accommodations in single rooms at conference facilities at the group rates, if available, or in close proximity when applicable. Or, in the absence of conference accommodations, normal single-room business, government, or commercial class accommodations may be obtained. Under normal circumstances, lodging will not be reimbursed for the night before a conference starts and the night after it ends. However, in situations where available travel schedules would require the Director to leave home before 6:00 a.m. or return to home after 12:00 a.m., lodging for the night before or the night after will be reimbursable.

2.17.5 Entertainment.

The District will not cover expenses incurred for recreation or entertainment.

2.17.6 Incidental Expenses.

Unavoidable, necessary, and reasonable authorized expenses will be fully reimbursed by the District. Some examples of allowable expenses are:

1. Reasonable transportation to local restaurants and to operational functions that are a part of conference events.
2. Reasonable gratuities, up to 15%, on reimbursable expenses.
3. Parking fees related to conference functions.
4. Fees for in-room high speed internet access for each day while registered at the hotel.
5. The following expenses are not reimbursable:
 - a. Alcoholic beverages
 - b. Parking or traffic violations
 - c. In-room services or movies
 - d. Laundry services
 - e. Expenses incurred by spouses, family members or guests.

2.17.7 Director's Responsibility.

Directors must submit a detailed "Board Expense Reimbursement Form" for reimbursement. Expense Reports must document that expenses meet the existing District policy. Claim forms should be supported by vouchers and itemized receipts of expenditures for which reimbursement is being requested. Receipts must be attached for all meal expenses and for any expense over ten dollars (\$10). Receipts are not required for non-meal individual expenses of ten dollars (\$10) or less. However, an explanation of the expenditure, the amount paid and the vendor's name is required. If a receipt required for reimbursement is lost, the lost receipt must be noted on the "Board Expense Reimbursement Form," presented to the Board President, and approved for reimbursement before any payment can be made. Claim forms should be submitted within 30 calendar days after the expense was incurred. Expense claims requiring reimbursement to the District, which are not reconciled within 30 calendar days, shall be deducted from the next month's reimbursement.

Expenses will not be reimbursed for meetings that have been pre-paid and not attended. Directors shall submit, in writing, for action at the next Board meeting the reason why they were not able to attend the meeting and why they should be excused. Directors will be required to reimburse the District for any pre-paid expenses for any unexcused absence. This reimbursement will be made by deduction from future expenditures.

When two or more Directors combine an expense on one receipt, the Director requesting reimbursement should indicate, on or attached to the Directors' "Board Expense Reimbursement Form," the identity of the other person(s) sharing expenses. This will facilitate appropriate allocation of expenses to each participant.

Expenses incurred by spouses, family members, or guests are the responsibility of the Director.

2.17.8 Reports.

Directors shall provide brief reports on meetings attended at the expense of Fallbrook Public Utility District at the next regular meeting of the District.

2.17.9 Penalties.

Penalties for misuse of District resources or falsifying expense reports in violation of expense reporting policies may include, but are not limited to, the following:

1. The loss of reimbursement privileges.
2. Restitution to the District.
3. Civil penalties for misuse of District resources pursuant to Govt. Code Sec. 8314.
4. Prosecution for misuse of District resources, pursuant to Sec. 424 of the Penal Code.

2.17.10 Ethics Training.

1. "District official" means the following:
 - a. Any Director who receives any type of compensation, salary, or stipend or reimbursement for actual and necessary expenses incurred in the performance of official duties.
 - b. Any employee designated by the District to receive the training specified under this article.
2. "Ethics Laws" include, but are not limited to, the following:

- a. Laws relating to personal financial gain by public servants, including, but not limited to, laws prohibiting bribery and conflict-of-interest laws.
- b. Laws relating to claiming prerequisites of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies.
- c. Government transparency laws, including, but not limited to, financial interest disclosure requirements and open government laws.
- d. Laws relating to fair processes, including, but not limited to, common law bias prohibitions, due process requirements, incompatible offices, competitive bidding requirements for public contracts, and disqualification from participating in decisions affecting family members.
 - (1) If a District official provides any type of compensation, salary, or stipend to a member of a legislative body, or provides reimbursement for actual and necessary expenses incurred by a member of a legislative body in the performance of official duties, then all District officials shall receive training in ethics pursuant to this article.
 - (2) Each District official shall receive at least two hours of training in general ethics principles and ethics laws relevant to his or her public service every two years.
 - (3) If any entity develops curricula to satisfy the requirements of this section, then the Fair Political Practices Commission and the Attorney General shall be consulted regarding the sufficiency and accuracy of any proposed course content. When reviewing any proposed course content, the Fair Political Practices Commission and the Attorney General shall not preclude an entity from also including local ethics policies in the curricula.
 - (4) The District or an association of the District may offer one or more training courses, or sets of self-study materials with tests, to meet the requirements of this section. These courses may be taken at home, in-person, or online.
 - (5) All providers of training courses to meet the requirements of this article shall provide participants with proof of participation.
 - (6) The District shall provide information on training available to meet the requirements of this article to its local officials at least once annually.
 - (a) Each District official in District service as of January 1, 2006, except for District Directors whose terms of office ends before January 1, 2007, shall

receive the training required herein before January 1, 2007. Thereafter, each District official shall receive the training required herein at least once every two years.

- (b) Each District official who commences service with the District on or after January 1, 2006, shall receive the training required herein no later than one year from the first day of service with the District. Thereafter, each District official shall receive the training required herein at least once every two years.
- (c) A District official who serves more than one local agency shall satisfy the requirements of this article once every two years without regard to the number of local agencies with which he or she serves.
- (d) The District shall maintain records indicating both of the following:
 - i. The dates that the District official satisfied the requirements of this article.
 - ii. The entity that provided the training.
- (e) Notwithstanding any other provision of law, the District shall maintain these records for at least five years after District officials receive the training. These records are public records subject to disclosure under the California Public Records Act.

Sec. 2.18 Gifts and Disclosure.

The California Political Reform Act of 1974 requires specified local government officials to periodically submit reports concerning sources of income or gifts as specified and has been amended to prohibit local elected office holders and designated employees of government agencies from accepting any honorarium as defined, as well as gifts in excess of \$470.00 with certain exceptions.

The Political Reform Act requires an annual disclosure of any reimbursement paid by the District within the immediately preceding fiscal year of at least \$100.00 for individual charges paid to any employee or member of the governing body of the District.

2.18.1 Annual Disclosure of Reimbursements.

The Fallbrook Public Utility District shall cause, at least annually, the disclosure of any reimbursement paid by the District within the immediately preceding fiscal year of at least one hundred dollars (\$100) for each individual charge for services or product received. "Individual charge" includes, but is not limited to, one meal, lodging for one day, transportation, or a registration fee paid to any employee or member of the Board of Directors of the Fallbrook Public Utility District. The Assistant

General Manager/Chief Financial Officer shall implement procedures to track such disbursements and publish or print same at least annually by a date determined by the District and shall be made available for public inspection. All reimbursement requests received after January 1, 1995, which are \$100 or more shall be listed. Payments for benefits such as insurance, retirement, and car allowances shall not be reported.

2.18.2 Prohibition Against Acceptance of Honorarium.

No elected officeholder, elected or appointed member of the Board of Directors, or "designated employee" (as defined in the Conflict of Interest Code) of the Fallbrook Public Utility District shall accept any honorarium. An "honorarium" means any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering. Honorarium does not include earned income for personal services which are customarily provided in connection with the practice of a bona fide business, trade, or profession such as teaching, practicing law, medicine, insurance, real estate, banking, or building contracting unless the sole or predominant activity of the business, trade, or profession is making speeches. This prohibition does not extend to reasonable travel, admission, and the refreshments provided at an event where a Board member or designated employee gives a speech or otherwise actively participates.

2.18.3 Permissible Gifts May Not Exceed \$470.00.

No elected officeholder, elected or appointed member of the Board of Directors, or designated employee of the Fallbrook Public Utility District shall accept any gifts, from any single source, which is in excess of four hundred seventy dollars (\$470), in any calendar year, except reimbursement for actual travel expenses and reasonable subsistence in connection therewith. The Fair Political Practices Commission may further adjust this amount annually. Prohibited gifts include anything of value that is accepted, regardless of whether it is used. Excessive gifts should be returned within 30 days to avoid violating the law. The limitation on receipt of gifts does not exempt wedding, birthday, or other holiday gifts. The following are not "gifts" under this section: gifts from relatives, informational material (i.e., reports, pamphlets, calendars to keep officials informed), inheritances, and personalized plaques and trophies with an individualized value of less than \$470. Other gifts that are not used and are donated to charity within 30 days of receipt are not included.

2.18.4 Penalties for Violations.

The penalties for violating the restrictions on honoraria and gifts under the Political Reform Act constitute a criminal misdemeanor and may be punished by a fine of up to the greater of \$10,000 or three times the amount the violation received.

ARTICLE 2

Sec. 2.12 – Rev. 95
Sec. 2.5 - Rev. 2/97
Sec. 2.11 – Rev. 9/98
Sec. 2.13 – Rev. 12/98
Secs. 2.2, 2.9, 2.10, 2.14 – Rev. 2/04
Sec. 2.3 – Rev. 6/06
Sec. 2.14 – Board Committees added
– Rev. 8/08
Secs. 2.3, 2.4.1, 2.6, 2.12, 2.13 –
Rev. 12/09
Sec. 2.12 – Rev. 9/10
Sec. 2.12 – Rev. 8/12
Sec. 2.16 – Added 12/12
Sec. 2.15 – Rev. 1/13
Secs. 2.16.5, 2.16.6, 2.16.7 – Rev.
9/14
Sec. 2.2 - Rev. 2/27
Sec. 2.12 – Rev. 10/17
Secs. 2.2.2, 2.2.3, 2.3, 2.4.1, 2.5, 2.6,
2.10, 2.11, 2.12, 2.16.7, and add
2.17, 2.17.1, 2.17.2, 2.17.3, 2.17.4,
2.17.5, 2.17.6, 2.17.7, 2.17.8, 2.17.9,
2.17.10, 2.18, 2.18.1, 2.18.2, 2.18.3,
2.18.4 – Rev. 8/18
Sec. 2.12 – Rev. 10/18
Secs. 2.12, 2.14 – Rev. 1/19
Sec. 2.12 – Eff. 4/26/19 (Ord. 343)

APPENDIX A

CALIFORNIA CODES
PENAL CODE
SECTION 403-420.1

403. Every person who, without authority of law, willfully disturbs or breaks up any assembly or meeting that is not unlawful in its character, other than an assembly or meeting referred to in Section 302 of the **Penal Code** or Section 18340 of the **Elections Code**, is guilty of a misdemeanor.

APPENDIX B

CALIFORNIA CODES
GOVERNMENT CODE
SECTION 3060-3075

3060. An accusation in writing against any officer of a district, county, or city, including any member of the governing board or personnel commission of a school district or any humane officer, for willful or corrupt misconduct in office, may be presented by the grand jury of the county for or in which the officer accused is elected or appointed. An accusation may not be presented without the concurrence of at least 12 grand jurors, or at least eight grand jurors in a county in which the required number of members of the grand jury is 11.

Article 3. Conflict of Interest Code

The Fallbrook Public Utility District (“District”) has adopted a Conflict of Interest Code (the “Code”) pursuant to the requirements of the Political Reform Act of 1974, Government Code Section 81000 et seq. (the “Act”). The Code sets forth the required provisions for the disclosure of assets and income, designates the positions subject to the disclosure provisions of the Code, establishes the list of disclosure categories specifying the types of assets and income required to be disclosed by each designated position to which they are assigned, and provides for the disqualification of designated positions from acting where a conflict of interest exists.

The requirements of the Code are in addition to other requirements of the Political Reform Act and to other state and local laws pertaining to conflicts of interest and have the force and effect of law. Designated positions violating any provision of the Code are subject to the administrative, criminal and civil sanctions provided by the Act. Additionally, a decision in relation to which a violation of the disqualification provisions of the Code or Government Code section 87100 has occurred may be set aside as void pursuant to Government Code section 91003.

All officers and designated positions are directed to refer to the Fallbrook Public Utility District’s Conflict of Interest Code for these specific requirements. The Conflict of Interest Code is held in the office of the Secretary to the Board of Directors, as the Fallbrook Public Utility District’s Filing Officer/Official.

ARTICLE 3
Rev. 9/94
8/95
2/97
7/97
7/10
7/14
2/17

Article 4. Organization of Staff

Sec 4.1 General Manager.

The General Manager shall be the executive officer of the District responsible directly to the Board of Directors. He will manage, plan, organize and control public utility water programs, services and resources in accordance with short-term and long-term goals, policy statements and directives; he will interpret and administer policies of the Board and perform related work as required.

The General Manager administers and carries out policies established by the Board; develops administrative procedures; supervises, develops and evaluates the performance of subordinate managers, supervisors and staff; and administers financial, engineering, construction of maintenance functions through subordinate supervisors.

The General Manager presents for the Board's consideration major goals and policy alternatives and recommendations for the District; develops the District's master plan; recommends construction contracts, leases and other legal agreements for Board approval; coordinates legal matters concerning the District and engages professional consultants for assistance.

The General Manager conducts negotiations for water storage, supply and distribution; analyzes monthly financial statements, engineering reports, labor distribution reports, water sales reports and other operating reports; develops water rate and fee schedules for Board consideration; reviews agreements negotiated by staff; and performs highly significant and specialized responsibilities in connection with inter-jurisdictional, legal, engineering and other administrative problems.

Sec. 4.2 Assistant General Manager.

The Assistant General Manager shall be appointed by the General Manager and is directly responsible to the General Manager.

The Assistant General Manager plans, budgets, supervises and directs the planning, engineering, construction, operation, and maintenance of all District facilities, grounds and buildings. In addition, the Assistant General Manager oversees the Contract Administration and Construction Management activities of the District and its consultants.

The Assistant General Manager is responsible for permitting all District facilities with regulatory compliance agencies including CEQA and NEPA. In addition, the Assistant General Manager serves as a member of the District's management team and directs interdisciplinary programs involving the management team.

The Assistant General Manager shall also be responsible for the day-to-day management of all engineering duties to include planning, scheduling, supervising, water and wastewater utility engineering processes and public services; supervise and participate in the gathering and compilation of data and difficult engineering tasks in the areas of planning, survey, design, construction management, construction contract administration, cost estimates, specifications, maps, reports; potable, recycled and wastewater corrosion control and wastewater, water quality system structures and facilities.

The Assistant General Manager also serves as Assistant Treasurer of the District and is authorized to enter into contracts with banks, savings and loan associations, the Local Agency Investment Fund and the San Diego County Treasurer's Fund, in the Treasurer's absence.

The Assistant General Manager must maintain a current valid registration certificate as a Civil Engineer in the State of California.

Sec. 4.3 Administrative Services Manager/Treasurer.

The Administrative Services Manager/Treasurer is the District Accountant and shall be appointed by the Board of Directors upon recommendation by the General Manager. Under administrative direction, he/she plans, directs and supervises the administrative support activities of the Administrative Services Department, including accounting, billing, customer service, information systems, and risk management services of the District; performs a variety of professional accounting, fiscal, analytical and systems analyses; provides administrative support to the General Manager and performs related work as required. The Administrative Services Manager/Treasurer serves, when designated, serves as the General Manager in his absence.

The Administrative Services Manager/Treasurer also serves as Treasurer of the District. The Treasurer shall be custodian of all moneys deposited with the District. Such moneys shall be paid out upon the presentation of warrants, processors, or demands legally drawn, and without such warrant, processors, or demand the Treasurer shall pay out no money, except the principal and interest of bonds payable by the District when due. All checks \$10,000 and over require two signatures. Authorized signatures are the General Manager, Administrative Services Manager/Treasurer, and Assistant Treasurer (the Assistant General Manager). The Treasurer is also authorized to enter into contracts with banks, savings and loan associations, the Local Agency Investment Fund and the San Diego County Treasurer's Fund.

Sec. 4.4 Operations Manager.

The Operations Manager shall be appointed by the General Manager and responsible directly to the General Manager for the day-to-day management of all maintenance and construction activities of the District. He shall have had basic education and experience in the field of constructing, operating, and maintaining water distribution and wastewater collection systems, with several years of increasing supervisory experience in the same areas.

The Safety & Risk Administrator reports to the Assistant General Manager and is responsible for maintaining a safe workplace by overseeing and implementing the District's safety program including the Illness, Injury and Prevention Program (IIPP), Occupational Health and Safety Standards, and all hazardous materials requirements.

Sec. 4.5 Public Affairs Specialist.

The Public Affairs Specialist is appointed by the General Manager and under his supervision plans and implements the District community relations, water conservation, education, public service programs and customer information; provides administrative and analytical support to district management in a variety of special projects and performs related work as required.

Sec. 4.6 Secretary.

The Secretary is appointed by the Board of Directors and is directly responsible to the Board of Directors and the General Manager. The incumbent shall have had education and experience in stenographic and secretarial work and shall be capable of meeting the top technical requirements in these fields.

Sec. 4.7 Annual Review and Compensation of Management Staff.

The Board of Directors will review the performance and fix the annual salaries and fringe benefits of the General Manager in July of each year. The General Manager will review the performance and fix the annual salaries and fringe benefits for the Assistant General Manager, Operations Manager, Administrative Services Manager/Treasurer, Human Resources Manager, and Secretary on the employee's anniversary date of each year.

ARTICLE 4

Sec. 4.5 - Rev. 9/95
Sec. 4.4-4.8 - Rev. 7/97
Sec. 4.2-4.3 - Rev. 4/98
Sec. 4.1 - Rev. 6/99
Sec. 4.8 - Rev. 1/02
Sec. 4.3 & 4.8 - Rev.
6/06
Sec. 4 All Sections -
Rev. 10/09
Secs. 4.2; 4.3; 4.7 -
1/13

Article 5. Administrative Services Manager/Treasurer - Department Duties

Sec. 5.1 General.

The work of this department shall include all accounting and fiscal operations required to show clearly and accurately the financial status of the District; to plan, direct and control the District's Administrative Services Department, including accounting, billing, customer service, risk management, and information systems.

Sec. 5.2 Activities.

Without limiting the general statement in Section 5.1 of this Code, the Administrative Services Department shall have the following duties:

- (a) Be responsible for all accounting and fiscal functions of the District and its officers, and be custodian of the District's permanent accounting records.
- (b) Establish and maintain current accounts in accordance with generally accepted accounting principles.
- (c) Develop, prepare, and present the District's annual operating, capital, and debt service budgets.
- (d) Apply budgetary control of expenditures from all items of appropriation, in order that they will not exceed amounts appropriated therefor.
- (e) Prepare monthly warrant from processors.
- (f) Prepare financial statements and statistical reports.
- (g) Maintain a system of cost accounting as directed by the General Manager.
- (h) Prepare all payrolls from records of departmental payroll-related information.
- (i) Reconcile payroll records, prepare and submit all applicable federal and state reports.
- (j) Administers the District liability and property insurance programs.
- (k) Administers the District Risk Management Program.
- (l) Analyze information systems requirements of all departments; evaluate existing hardware and software; procure systems that most effectively support requirements; train personnel in operation of systems; integrate Management Information Systems.
- (m) Establish, maintain and update customer files in accordance with District ordinances.

- (n) Establish and maintain individual meter accounts for all receipts and billings.
- (o) Prepare and issue bills for water delivered to all meters as set forth in the District's Rate Ordinance.
- (p) Maintain an inventory of District property and carry on such other related duties as may be directed.
- (q) Maintains and controls the District petty cash fund.
- (r) Evaluate, analyze, and integrate communications equipment, both voice and data; procure and update systems to meet support requirements; train personnel in operation of systems.
- (s) Prepare and verify Warrant monthly and distribute to Board of Directors.
- (t) Manage cash assets of the District.
- (u) Sign disbursement checks.
- (v) Make bank deposits and withdrawals and keep daily cash flow records.
- (w) Invest surplus and reserve public funds in accordance with Board policy and state requirements.

ARTICLE 5

Sec. 5(r), (y), (z) – Rev. 9/98

Sec. 5.1 & 5.2 - Rev. 6/06

Sec. 5.2 – Rev. 12/09

Article 6. **Human Resources Manager - Duties**

Sec. 6.1 General.

The Human Resources Manager shall be under the direct supervision of the General Manager. In general, the work of this department will be to develop, implement, and maintain all programs and regulations relating to all employees of the District.

Sec. 6.2 Activities.

Without limiting the general statement in Section 6.1 of this Code, the Human Resources Manager shall have the following duties:

- (a) Maintains District personnel program including recruitment, selection, assignment, transfer, promotion, discipline, termination, and required training of all employees of the District.
- (b) Responsible for insuring that the District's hiring and employment practices are in conformance with all State and Federal rules.
- (c) Responsible for the development and implementation of all Personnel Regulations.
- (d) Administers District benefits programs and is the District's privacy officer under HIPAA.
- (e) Responsible for maintaining and reviewing the District's Employee Performance Appriaisal Program.
- (f) Conducts salary and benefit surveys on an as needed basis.
- (g) Acts as technical resource for labor relations and directs implementation of Memoranda of Understanding (MOUs) and subsequent revisions to the MOUs.
- (h) Administers workers' compensation program.

ARTICLE 6
New Sec. 6 - added 6/06

Article 7. **Public Affairs Specialist - Duties**

Sec. 7.1 General.

The Public Affairs Department shall be under the direct supervision of the General Manager. In general, the work of this department will be to plan and implement the District community relations, water conservation, education, public service programs and employee information as it relates to public information.

Sec.7.2 Activities.

Without limiting the general statement in Section 6.1 of this Code, the Public Affairs Department shall have the following duties:

- (a) Responsibility for publishing the District’s community newsletter.
- (b) Coordinate all media activities to provide accurate information on a timely fashion on all District issues.
- (c) Responsible for the school education program to emphasize water conservation/education, identifying our sources of supply, and education on our fats, oils and grease (FOG) education program through the “Grease – in the Can, Not the Drain” grease can campaign.
- (d) Assist in the development and implementation of water conservation programs including the high-efficiency washing machine voucher program, weather-based irrigation controller program, water energy partnership program in conjunction with SDG&E, and joint water conservation programs throughout the community including low water use demonstration gardens.
- (e) Evaluate water allocations for individual customers that are applicable during periods of mandatory water conservation.
- (f) Participate in regional public information activities of the San Diego County Water Authority as they relate to issues of importance to the District.
- (g) Prepare an annual communications plan for approval by the Board of Directors.
- (h) Responsible for publishing of the employee newsletter.
- (i) Responsible for directing the content of the district’s Web site.

- (j) Prepare the following reports: the annual water-quality report – the Consumer Compliance Report for the Dept. of Health, the biannual Best Management Practices report for the CUWCC, and the Urban Water Management Plan every 5 years for the Dept. of Water Resources.

Article 8. Engineering Department - Duties

Sec. 8.1 General.

The Engineering activities of the District shall be under the supervision of the Assistant General Manager.

Sec. 8.2 Activities.

Without limiting the general statement in Section 8.1 of this Code, the Engineering Department shall have the following duties:

- (a) Prepare engineering reports on matters referred to the Staff by the Board.
- (b) Prepare designs, drawings and specifications for the construction of District facilities.
- (c) Maintain a complete file of "as-built" plans and specifications of all District facilities.
- (d) Prepare such other maps, charts and graphs as directed by the Assistant General Manager.
- (e) Keep the District boundary legal description up to date.
- (f) Prepare legal descriptions for easements and other documents.
- (g) Assign account numbers to new meter applications.
- (h) Process Utility Availability letters and other documents required by the County in the planning process.
- (i) Conduct such plan review and inspection services as required to ensure construction in compliance with District specifications.
- (j) Prepare project estimates for all developer project agreements as well as other project types as required for budgeting or construction.
- (k) Develop a District-wide GIS program.

ARTICLE 8

Sec. 8(h), (i), (j) - Rev. 9/98

Sec. 8.1; 8.2(d) & (k) - Rev.

10/09

Secs. 8.1; 8.2 – Rev. 1/13

Article 9. Water Distribution and Wastewater Collection Systems – Duties.

Sec. 9.1 General.

The Water Distribution and Wastewater Collections System construction and maintenance shall be under the direct supervision of the Operations Manager. In general, the work of these divisions shall include the maintenance, construction, repair and installation of District water production, distribution and treatment system equipment and facilities, as well as the maintenance, construction, and operation of District wastewater facilities.

Sec. 9.2 Activities.

Without limiting the general statement of duties as given in Section 9.1 of this Code, the Maintenance and Construction Departments shall have the following duties:

- (a) Schedule and perform maintenance, operations and construction activities.
- (b) Directs the Water Distribution System construction and maintenance.
- (c) Direct the distribution of water reclamation flows.
- (d) Perform the installation of mains, laterals, backflow devices and meters.
- (e) Respond to citizen complaints.
- (f) Inspect field job sites.
- (g) Prepare requisitions, incident reports and accident reports.
- (h) Maintain records and prepare reports as required.
- (i) Notifies Fire Department of water line shut-off and turn-on.
- (j) Locates and marks District lines in response to underground alert requests.
- (k) Directs after hours response where appropriate.
- (l) Serves as building Manager for main office facility.

ARTICLE 9

Sec. 9.2 - Rev. 9/95
Sec. 9.1 & 9.2 - Rev.
7/98
Sec.9.1 - Rev. 10/09

Article 10. Secretary – Duties.

Sec. 10.1 General.

The Secretary shall report directly to the General Manager and the Board of Directors. In general, the work of this department shall consist of providing all secretarial and stenographic services required by the District staff and Board officers, providing and maintaining official files for the permanent records of the District, handling all legal matters of the District not requiring the General Counsel's services, and signs or co-signs all contracts and agreements the District enters into.

Sec. 10.2 Activities.

Without limiting the general statement of Sec. 10.1 of this Code, the Secretary department shall have the following duties:

- (a) Prepare Board agenda and assist with memo for Board meetings. Collate Board mailings.
- (b) Take and transcribe minutes of Board meetings.
- (c) Prepare all documents for legal recording by the County Recorder.
- (d) Maintain District's Administrative Code.
- (e) Represent the District in Small Claims Court.
- (f) Prepare contract documents for competitive bidding, publish required notices, and open bids on behalf of the Board of Directors.
- (g) Prepare Bills of Sale.
- (h) Prepare documents for Department of Motor Vehicles.
- (i) Coordinates and arranges all travel for staff and Board of Directors.
- (j) Renews all license and permits.
- (k) Prepares Resolutions and Ordinances; publishes and posts notices of Ordinances as required by law.
- (l) Handle publishing of notices and distribution of material for election and / or appointment of Directors to the Board.
- (m) Sign or co-sign all District contracts and keep files of contracts.
- (n) Provide secretarial service for the General Manager and such other administrative assistance to Staff and the Board of Directors as required.

- (o) Prepare papers for annexation into the District and / or for annexation between districts.
- (p) Maintain permanent records of the District.

ARTICLE 10

Sec. 10.1; 10.2
(p)-(u) - Rev.
10/09

Article 12. Staff, Guidelines for

Sec. 12.1 Expenses Incurred on District Business.

Employees of the District are called upon to travel in conjunction with their job functions. Federal and State codes permit and provide guidance for reimbursement of expenses and compensation to employees while traveling on District business. The District will reimburse District staff for reasonable expenses incurred while traveling on District business to include lodging, meals, transportation, and related incidentals. The District will compensate non-exempt employees while traveling in accordance with District policy and applicable Memorandums of Understanding (MOUs).

12.1.1 Advances and Prepayment of Otherwise Reimbursable Expenses.

Employees may request prepayment of registration, transportation, and lodging and may request an advance upon expected costs for meals, fuel for District or rental vehicles, public ground transportation, and taxis using the Staff Travel Authorization Form. Prepayments and advances shall be limited to the employee's expenses only. Advances shall not exceed the total maximum allowable meal reimbursement anticipated for the trip plus known costs of ground transportation. Advances should be requested in a timely manner to allow normal processing through accounts payable.

12.1.2 Reimbursement of Expenses.

Each employee shall be reimbursed for travel expenses incurred while traveling on authorized District business, as follows:

1. Accountability. Travel expenses shall be budgeted by staff as a part of the annual budget process. Any travel expenses approved with the budget shall be considered authorized for that fiscal year only. Before the District expends any funds for authorized travel that involves lodging or public transportation expenses, the employee must complete a Staff Travel Authorization Form. The employee's Manager or Supervisor shall approve the authorization form. When a Manager is traveling, the the General Manager shall approve the authorization form.
2. Transportation. The District will pay for reasonable transportation costs. If for personal preference or for non-business related reasons the employee incurs additional travel expenses, the employee will be responsible for the additional expenses.
 - a. Air Transportation. The District will reimburse employee(s) or pre-pay costs for economy (coach) class airfares. The District will endeavor to purchase airline tickets in advance taking advantage of discounts and low airfares. Whenever possible, air reservations shall be made to permit travel during normal business hours.

- b. Automobile Transportation. Whenever travel by vehicle is most cost effective or practical, staff shall endeavor to use a District vehicle. Staff must have a valid driver's license to operate a District vehicle. The District will reimburse employees for gasoline purchases with receipts while using a District vehicle; however, employees should ensure that the vehicle has sufficient fuel to reach the desired destination and return, or a full tank of fuel, before departing from the District offices. Employees must comply with the provisions of the District's Administrative Code Section 11.24 and 11.27 whenever an employee chooses to use a District vehicle while traveling.

Employees must obtain permission from their Manager or Supervisor before using a personal vehicle in conjunction with District business. In situations where employees use personal vehicles on District business, the employee must maintain a valid California Driver's License and at least the minimum automobile insurance coverage required by the State of California or make arrangements for a driver who meets the above requirements. Proof of current insurance coverage must be on file with the Safety and Risk Administrator. Employees may not be reimbursed for travel in a personal vehicle if either the license or insurance requirements are not met.

If a personal vehicle is used, the employee will be reimbursed at the current maximum allowable tax-exempt reimbursement rate provided by the IRS regardless of the actual operating costs of the vehicle. Employees who receive a monthly mileage allowance are not eligible to receive reimbursement for mileage.

- c. Rental Car Transportation. The District will cover the expenses required for use of a rental car whenever approved prior to departure. The maximum reimbursement for rental cars shall be based on the rate provided for a compact car. Upgrades or additional cost features are the employee's responsibility.
- d. Miscellaneous Transportation. Whenever practicable, bus, taxi, rail, shuttle, etc. transportation may be used in lieu of, or in conjunction with, the modes listed above.

12.1.3 Meals and Lodging.

Whenever travel requires meals, the meals are reimbursable provided the employee presents an itemized receipt along with the Staff Expense Reimbursement Form for all meals. Meals are reimbursable based on the Meals and Incidental Expenses (M&IE) as updated by the U.S. General Services Administration:

1. Full Day Reimbursement. When an employee is traveling for a full day and no meals are provided for by other sources, such as pre-paid registration, the employee may be reimbursed for meal expenses at the rate provided by the M&IE per day. If an employee exceeds the rate provided by the M&IE and the General Manager deems

the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the General Manager may authorize reimbursement in excess of the M&IE rate.

2. Single Meal Reimbursement. When an employee requires reimbursement for a single meal while traveling, the maximum meal reimbursement amount shall be at a rate provided by the M&IE for breakfast, lunch, and/or dinner . If an employee exceeds the rate provided by the M&IE and the General Manager deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the General Manager may authorize reimbursement in excess of the M&IE rate.
3. Partial Day Reimbursement. When an employee will be traveling for a partial day or where a single meal is provided for by other sources such as pre-paid registration, the maximum reimbursement amount shall be at the rate provided by the M&IE per meal.. If an employee exceeds the maximum rate and the General Manager deems the meal expense, in whole or in part, is reasonable for the occasion or circumstance, the General Manager may authorize reimbursement in excess of the M&IE rate.
4. Taxes and Gratuities. The maximum meal reimbursement amounts are inclusive of and assume expenses for taxes and gratuities of up to 15%.
5. Lodging. The District will reimburse employees or pre-pay accommodations in single rooms at conference facilities or in close proximity when applicable. In the absence of conference accommodations, normal single-room business, government or commercial class accommodations may be obtained. Under normal circumstances, lodging will not be reimbursed for the night before a conference starts and the night after it ends. However, in situations where available travel schedules would require the employee to leave home before 6:00 a.m. or return to home after 12:00 a.m., lodging for the night before or the night after will be reimbursable. If staying overnight, an extra night, or over a weekend at a destination allows for a reduction of travel expenses and the cost of accommodations is less than the savings realized by the reduced transportation expenses, the District may pre-pay or reimburse the employee for the extra night's lodging. Only lodging expenses may be reimbursed in these situations.

12.1.4 Entertainment.

The District will not cover expenses incurred for recreation or entertainment.

12.1.5 Incidental Expenses.

Unavoidable, necessary, and reasonable authorized expenses will be fully reimbursed by the District. Some examples of allowable expenses are:

1. Reasonable transportation to local restaurants and to operational functions that are a part of conference events.

2. Reasonable gratuities, up to 15%, on reimbursable expenses.
3. Parking fees related to conference functions.
4. Fees for in-room high speed internet access for each day while registered at the hotel.
5. The following expenses are not reimbursable:
 - a. Alcoholic beverages
 - b. Parking or traffic violations
 - c. In-room services or movies
 - d. Laundry services
 - e. Expenses incurred by spouses, family members or guests

12.1.6 Compensation for Non-Exempt Employees.

Non-exempt employees traveling and staying overnight are normally authorized to work only the total number of hours they were regularly scheduled to work, exclusive of applicable travel time. However, all employees traveling and staying overnight are considered by the District to be on flexible schedules. During flexible schedules, employees' starting time, meal period, rest periods, etc. are adjusted to accomplish work with minimal overtime.

Should business require a non-exempt employee to travel, function attendance and travel hours are compensable. These hours are considered regular work hours for purposes of calculating overtime. During any compensable hours an employee is subject to any and all provisions of Fallbrook Public Utility Personnel Regulations.

The following hours are compensable:

1. Actual hours spent at meetings, conferences, or functions, excepting meals and special events of an entertainment nature held in conjunction with a function.
2. Actual hours spent in transit, minus hours normally spent in travel between the employee's residence and the District. Any time spent in layover at a public transportation facility is also compensable as transit time unless the employee chooses to participate in recreational activities during the layover.

12.1.7 Employees' Responsibility.

In situations where an employee can use the Petty Cash procedures for reimbursement of travel expenses, the employee may submit a Petty Cash Form to be

reimbursed. If expenses to be reimbursed are beyond the scope of the Petty Cash procedures, employees must submit a detailed Staff Expense Reimbursement Form. Petty Cash and Staff Expense Reimbursement Forms should be supported by vouchers and itemized receipts of expenditures for which reimbursement is being requested. Receipts must be attached for all expenses. If a receipt required for reimbursement is lost, the lost receipt must be noted on the Staff Expense Reimbursement Form and approved for reimbursement before any payment can be made. Claim forms shall be submitted within 14 calendar days after the expenses were incurred. Forms may be obtained through the Administrative Services Manager/Treasurer/Treasurer's office and are posted on the public network drive.

Expenses will not be reimbursed for meetings that have been pre-paid and not attended. Employees may be required to reimburse the District for any pre-paid expenses for any unexcused absence. The General Manager will determine if an absence from a pre-paid meeting is excused or unexcused.

When two (2) or more employees combine an expense on one receipt, the employee requesting reimbursement should indicate on the Staff Expense Reimbursement Form the identity of the other persons sharing expenses.

Expenses incurred by spouses, family members, or guests are the responsibility of the employee.

All reimbursements for expenses will be at the General Manager's discretion.

Sec. 12.2 Code of Conduct.

Fallbrook Public Utility District relies on the ethical and responsible conduct of all employees. Even the appearance of unethical or irresponsible conduct can be damaging to the public's trust in the District. Employees are expected to conduct themselves fairly, honestly, in good faith, and in accordance with the highest ethical and professional standards and to comply with applicable laws, regulations, contractual obligations, and District policies. The purpose of this Code of Ethics is to set a standard of conduct for all employees. Accordingly, the FPUD Board of Directors adopted this Code of Ethics to:

1. Provide an ongoing source of guidance to employees, in the performance of their duties and their day-to-day service to the District and citizens of Fallbrook; and
2. Promote and maintain a culture of ethics.

12.2.1 General Rule with Respect to Conflicts of Interest.

A conflict of interest exists when you have a personal or professional interest that is, or appears to be, at odds with the best interests of the District. Employees shall not engage in or hold any direct or indirect interest in any business or

transaction that may conflict with their official duties for the District. Further, employees should not engage in conduct that could reasonably give rise to the appearance of wrongdoing.

12.2.2 Acceptance of Gifts, Gratuities or Benefits.

Employees shall not accept any gifts, gratuities, or benefits, which a reasonable person would believe is provided to the employee primarily because of his/her official position, if ANY of the following apply:

1. A reasonable person would believe it is intended or is likely to cause the employee to act in a preferential manner towards the donor;
2. A reasonable person would believe the employee is under an obligation to or influence of the donor;
3. The item consists of cash or anything easily convertible to cash (e.g., entertainment tickets), regardless of the amount or value; or
4. The value of the gift exceeds \$25 or the accumulation of the value of gifts from a single donor to the employee exceeds \$50 in a 12-month period.

For the purposes of this section, the terms gift, benefit and gratuity shall mean the transfer of cash, goods or services without reasonable and valuable consideration.

An employee shall disclose the nature of any benefit, gift or gratuity and all relevant circumstances to his or her supervisor, the General Manager, or his/her designee, in order to evaluate the reasonableness of any such benefit, gift or gratuity.

12.2.3 Actions and Conduct Designed to Build Public Confidence.

Employees shall be impartial and dedicated to the best interests of the District. They are required to conduct themselves, both inside and outside the District's service, so as not to cause doubt of their impartiality or dedication to the District's best interests.

Employees shall also avoid perceived conflicts of interest, which are actions that the public may consider evidence of preferential service or a lack of neutrality in dealing with work-related issues.

12.2.4 Use of Confidential Information.

Employees shall not disclose confidential information acquired by or available to them in the course of their employment with the District or use such information for personal gain. This applies to improper disclosure within the organization as well as to the public.

12.2.5 Use of District Employment and Facilities for Private Gain.

Employees shall not use, for private gain or advantage, their District time or the District's facilities, equipment or supplies, nor shall they use or attempt to use their position to secure unwarranted privileges or exemptions for themselves or others.

12.2.6 Contracts with the District.

Employees shall not be involved in any way with any contract or sale in which they have a financial interest. This means that an employee shall not exercise any discretionary powers for, nor make any recommendations on behalf of or to the District with respect to any contract or sale involving the District if that employee is directly or indirectly financially interested in the contract or sale. This prohibition is not limited to the actual execution of a contract or sale; it covers the entire contracting process, including advising and participating in preliminary discussions, negotiations, compromises, reasoning, planning, drawing of plans and specifications and solicitation of bids.

12.2.7 Personal Investments.

Employees shall not make personal investments which could create a substantial conflict between their private interests and the public interests. If an employee has a financial interest in a matter coming before him or her, or before the department in which s/he is employed, s/he shall disqualify him or herself from any participation in the matter. Employees shall not make decisions or participate in decisions affecting projects that may affect (either positively or adversely) their personal property or that of their relatives or personal friends.

12.2.8 Behavior in the Workplace.

Employees are responsible for conducting themselves professionally and lawfully in the workplace. Employees are expected to be aware of and conduct themselves in accordance with the following District documents and policies:

1. Administrative Code
2. Personnel Regulations
3. Drug/Alcohol-Free Awareness Program
4. Unlawful Discrimination and Harassment

Employees are expected to be committed to creating an environment that promotes fair treatment and respect for others. Employees are expected to treat one another and the general public in an honest and respectful manner.

No Code of Conduct can list all prohibited conduct. The following information, which is not all-inclusive, illustrates some examples of specifically prohibited conduct that may lead to disciplinary action, up to and including, termination, as either unsatisfactory work performance or work-related behavior, or gross misconduct, under District policy.

Respect for Persons.

1. Disorderly conduct, including, but not limited to, using discriminatory, abusive, or threatening language; fighting, provoking a fight, or attempting bodily harm or injury to another employee or to any other individual or threatening physical action or injury on District property or during District activities; or other conduct that threatens or endangers the health, safety, or well-being of any person.
2. Violation of any District policy or law prohibiting harassment, discrimination, or retaliation.

Respect for Property.

1. Theft or willful negligent damage to District property.
2. Tampering with or wantonly destroying District data, records, or other information; gaining unauthorized access to such information; disclosing confidential information; or otherwise misusing District data or information.
3. Unauthorized use of District vehicles, mail services, identification and credit cards, telephones, computers, computer equipment, or other District equipment or materials. Computers and computer accounts are provided to employees to assist them in the performance of their jobs. Employees do not have a right to privacy in anything they create, send, or receive on a District computer. The District has the right to monitor, for business reasons, all aspects of any District computer system, including employee e-mail.

Standards of Safety.

1. The unlawful manufacture, distribution, dispensation, possession, or use of alcohol, illegal drugs, intoxicants, or controlled substances; abuse of prescription drugs while on duty; use of alcohol in a District vehicle, on or off District property; possession or use of alcohol while on duty; or reporting to work under the influence of illegal drugs or alcohol or while unlawfully using controlled substances.
2. Failure to comply with safety rules, regulations, or common safety practices.

3. Failure to report an accident involving on-the-job injury or damage to District property.

Compliance with Laws and District Policies.

1. Falsification of District records.
2. Behavior or conduct unacceptable to the District.
3. Any violation of any law in the performance of duties or that affects the ability to perform duties satisfactorily.
4. Fabrication, falsification, plagiarism, or other serious unethical or illegal deviations from accepted practices in proposing, conducting, reporting the results of or reviewing research of service activities, in violation of District policy or state or federal law or regulations.
5. The access, use, or disclosure of a person's financial, personal, protected health information, or other confidential information without authorization or legal justification, in violation of District policies or law.

Work Performance.

1. Dishonesty
2. Insubordination or refusal of an employee to follow instructions or to perform designated work or to comply with directives from their supervisor or the General Manager.
3. Failure or refusal to maintain or obtain required licensure, certification, or registration.
4. Instigating or participating in deliberate low productivity and/or interfering with another employee's work.

Standards of Attendance.

1. Unexcused Absence. An absence without proper advanced notification is considered an unexcused absence.

Ethical behavior, consistent with the foregoing Code of Ethics, is the responsibility of each employee. Employees are expected to report any good-faith concern that compliance violations might have occurred, including, but not limited to, the following: violations of state or federal law or regulations; fraud; misappropriation of resources; acts that endanger the health or safety of the public or employees; and mismanagement of programs, funds, and/or abuses of authority. Moreover, each employee is responsible for reporting ethical violations committed by fellow employees to a supervisor, the General

Manager or the Human Resources Manager. Any employee who violates this Code will be subject to disciplinary action in accordance with the applicable employee unit Memorandum of Understanding or District Personnel Regulations.

12.2.9 Ethics Training.

All new employees will be required to complete an online ethics training course as part of their new-hire orientation process. In addition, the District will require all current employees to complete an online ethics training course at least once every two years. In lieu of the online ethics-training course, the District may opt to provide an in-person ethics training.

ARTICLE 12
Sec. 12.9 - Rev. 12/94
5/00 – Rev. in its entirety
Sec. 12.1.1; 12.1.4; 12.1.7;
12.1.8; 12.1.9; 12.1.10 – Rev.
12/05
Sec. 12.1.4 (2 & 3) and Sec.
12.2.3 (2 & 3) – Rev. 12/07
Sec. 12.1.1; 12.1.3; 12.2.2;
12.2.7 – Rev. 12/09
12.1.4, 12.1.6, 12.2.3, 12.2.5,
12.2.7 – Rev. 9/11
12.1.4 - Rev. 10/11
Sec. 12.1.1 – Rev. 10/17
All Sections – Rev. 8/18

Article 13. Memberships, Professional/Technical Organizations

Sec. 13.1 Approved Memberships.

The District is a member of the following associations:

- (a) American Water Works Association
- (b) American Public Works Association
- (c) Association of California Water Agencies
- (d) Government Finance Officers Association (formerly California Finance Officers Association)
- (e) California Municipal Treasurers Association
- (f) California Special Districts Association
- (g) WateReuse (formerly AWRA/Carew)
- (h) Foundation for Cross Connection Control and Hydraulic Research
- (i) National Notary Association
- (j) Council of Water Utilities (formerly Presidents & Managers Council of Water Utilities)
- (k) San Diego County Water Works Group
- (l) Southern California Water Utilities Assn.
- (m) San Diego Farm Bureau
- (n) U.S. Committee on Large Dams
- (o) Fallbrook Chamber of Commerce
- (p) Costco (formerly Price Club)
- (q) Water Education Foundation
- (r) The Urban Water Institute
- (s) California Association of Sanitation Agencies (CASA)
- (t) California Water Environment Association (CWEA)
- (u) Sam's Club
- (v) California Society of Municipal Finance Officers

Participation by Board and Management Staff in activities of these organizations, when appropriate, is essential to meeting the District's mission.

The District expects Staff members, especially department heads, to affiliate, at their own expense, with professional associations or societies concerned with the work in which they are engaged. In general, attendance at meetings of an association, other than those listed above, of which a Staff employee is a member is at his own expense and subject to authorization by the General Manager, except that time spent at such meetings shall be considered as time spent on District work and not chargeable to annual leave. Mandatory membership fees for certification holders will be paid by the District if the certification is required by the classification.

ARTICLE 13

Sec. 13.1 - Rev. 8/96

Sec. 13.1(u)&(v) – Rev. 2/97

Sec. 13.1(p), (r) & (t)- Rev. 5/00

Sec. 13.1 (para. 2) – Rev. 5/01

Sec. 13.1(v) added 6/06

Article 14. District Procurement Procedures.

Sec. 14.1 Authority.

California Public Contract Code Sections 20200-20207.7, as well as other provisions in the California Public Contract Code, certain miscellaneous statutes found in the Public Utility District Act (Public Utilities Code Section 15501 et seq.), and the California Government Code, govern procurement (purchasing and contracting) by the District of the following:

- Articles such as goods, materials, supplies, equipment, capital assets, and advertising
- Works of construction, alteration, and non-professional services (including repair and maintenance)
- Professional services

The District has elected to become subject to the provisions of the Uniform Public Construction Cost Accounting Act (the "Act"), Public Contract Code Section 22000 et seq., which provides alternative procedures for the bidding and awarding of public contracts. As provided in Public Contract Code Section 22003, these procedures may also be utilized for maintenance work and other work that does not fall within the definition of "public project." Accordingly, it is the District's intent to utilize these procedures for "public projects" and all other purchases otherwise subject to Public Contract Code Sections 20200-20207.7.

The provisions of this Article 14 shall not apply to the acquisition of land by the District.

Sec. 14.2 General.

The ongoing operation of the District requires the procurement of various items, construction and services. Since it is necessary to procure these items, construction and services on a regular basis to carry on the day-to-day operations of the District, and since the Board of Directors reviews and approves all procurements through the budgeting process, or otherwise approves procurements by separate action from time to time, the following formal procurement policies and procedures are provided for implementation by District staff. These formal procedures are intended to implement the above-listed requirements of the California Public Contract Code, California Government Code, and California Public Utilities Code, which are mandatory for Public Utility Districts located within the State of California. State law forbids any director or other officer of the District from being interested, directly or indirectly, in any contract awarded or to be awarded by the Board, or in the profits to be derived from it.

Sec. 14.3 Procurement Philosophy.

Purchases of goods, materials, supplies, equipment, and capital assets shall be made from time to time, in the most economical quantity, in order to provide the District with maximum benefit for minimum expenditures. Quality and reliability of products are also important factors which may, on a case-by-case basis, cause rejection of an inferior product that does not meet specified requirements. It is also essential that purchases of all goods, materials, supplies, equipment, and capital assets be done by the District in a fair and open manner that promotes public confidence in the District and reinforces the public perception of fairness and equal opportunity for all competing vendors offering their products or services to the District. Contracts for works of construction and all services shall be made from time to time, after complying with applicable legal requirements and these procurement policies and procedures. To the extent permitted by law, and subject to the limitations established in Section 14.10, purchases should be made from vendors located within the boundaries of the District.

Sec. 14.4 Definitions.

- a. Articles. Goods, materials, supplies, equipment, capital assets, and advertising required to carry on the day-to-day operations of the District, including without limitation, office supplies, computer hardware and software, communications equipment, equipment, materials and supplies for distribution and treatment, including meters, meter parts, and pipeline materials.
- b. Commission. The California Uniform Construction Cost Accounting Commission.
- c. Designee. The General Manager may authorize the following persons as his designee in those areas in which they exercise budgeting control:
 - (1) Assistant General Manager/Chief Financial Officer – (Articles related to office equipment and supplies, all computer hardware and software, communication equipment, and contract services).
 - (2) Operations Manager – (Articles used for distribution and treatment and SCADA).
 - (3) Field Services Manager – (Construction and field equipment and materials, contract change orders).
 - (4) Chief Plant Operator – (Articles used for treatment).
 - (5) Senior Engineer – (Contract services, contract change orders).
 - (6) Senior Accountant – (Contract services, articles related to office equipment and supplies).

- (7) Field Supervisors – (Articles such as field equipment and materials).
- (8) Warehouse Supervisor – (Warehouse related articles).
- d. Maintenance. As defined in Public Contract Code § 22002, Maintenance includes all of the following: (1) routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes (2) minor repainting (3) resurfacing of streets and highways at less than one inch (4) landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems (5) work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems, including, but not limited to, dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.
- e. Open Purchase Order. A purchase order for Articles which is effective for a specified period of time, not more than annually, and within the same budget year, i.e., office supplies and auto parts.
- f. Professional Services. Professional services, such as services involving provision of a report, study, plan, design, specification, document, program, advice, recommendation, analysis, review, inspection, investigation, audit, brokering or representation of the District before or in dealings with another party, or any other services which require a special skill or expertise of a professional, scientific or technical nature. Professional Services include architectural, landscape architectural, engineering, environmental, land surveying, construction project management services. Professional Services also include legal, financial, accounting, and planning services.
- g. Public Project. Defined in Cal. Public Contract Code § 22002, means any of the following: (1) Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility and (2) Painting or repainting of any publicly owned, leased, or operated facility.

Sec. 14.5 Procedures for the Purchase of Public Projects, Maintenance, and Articles

- a. Purchase Procedures for Public Projects, Maintenance, and Articles in the Amount of \$45,000 or Less (“Small Purchase Procedures”).

The General Manager or Designee may make purchases of Public Projects, Maintenance, and Articles in an amount of \$45,000 or less, in accordance with the following Small Purchase Procedures, which the Board has imposed for such purchases, in the interests of sound business judgment.

- (1) Purchases of \$10,000 or more shall be made after obtaining three (3) written quotations. Purchases under \$10,000 shall be purchased in the most prudent and economical manner possible, but do not require multiple competitive quotations.
- (2) The requirement for three (3) quotations is not required in those cases where the Board has approved the purchase as a “standardized item” such as meters, or for Open Purchase Orders as provided below.
- (3) Small Purchase Procedures specific to Articles. All purchases shall be made by purchase order after a properly authorized Purchase Order Requisition (POR) has been completed, signed and forwarded in the required manner. The only exceptions to this requirement are purchases made under a pre-existing Open Purchase Order, purchase of small routine items from suppliers with open purchase order or accounts, or purchases made during emergency. The purchase order must indicate the name of the suggested vendor and an exact description and price of each Article. Shipping charges, if any, and applicable taxes must also be included in the total price. The purchase order shall be reviewed and signed by the General Manager or Designee.

Open Purchase Orders shall generally be utilized for the purchase of repetitive need, low-valued Articles or for the purchase of Articles (such as automotive supplies) which must be available on short notice. Open Purchase Orders shall not be utilized as a substitute for the normal requisition and purchase order process described in this section. Open Purchase Orders may be written for a single class of consumable Articles i.e., office supplies, without listing specific, exact descriptions of each Article, but not to exceed the authority listed above and cannot span a period of time which includes more than one fiscal year.

- (4) Small Purchase Procedures specific to Public Projects and Maintenance. All purchases shall be made by written contract. Any such contracts shall be awarded on the basis of price and such other criteria established by the General Manager or Designee, as may be in the best interest of the District, in light of the type of work involved. Contracts for Public Projects shall require the successful bidder to execute a bond, in a form approved by the Board, for the faithful performance of the contract. Additionally if the contract exceeds \$25,000 and involves erection, construction, alteration, repair or improvement of any public structure, building, road or other public improvement of any kind, the successful bidder shall execute a payment bond, as required by the provisions of the California Civil Code.

- (5) Petty cash. Occasionally purchases of minor items may be required. Payments for such items may be authorized from petty cash funds by the General Manager or Designee. In no case will approval exceed \$50.00.
- (6) Quote information shall be retained until completion of the annual audit for the fiscal year in which purchased, or as otherwise established in the District's Records Retention Schedule.
- (7) Nothing in these Small Purchase Procedures shall prevent the General Manager, or Designee, from obtaining multiple quotations or from implementing the Informal Bid Procedures or Formal Bid Procedures if it is in the best economic interests of the District to do so. This judgment shall be made in the sole discretion of the General Manager or Designee.
- (8) Nothing in these Small Purchase Procedures shall prohibit the District from doing or causing to be done directly by the District, and without any contract, any or all work necessary or proper in or about the making of all current and ordinary repairs or in or about current and ordinary upkeep or maintenance.
- (8) Under no circumstances shall purchases be split or separated into multiple purchases in order to avoid the Small Purchase Procedures, Informal Bid Procedures and/or Formal Bid Procedures set forth herein

b. Purchase Procedures for Public Projects, Maintenance, and Articles in Excess of \$45,000 and \$175,000 or Less ("Informal Bid Procedures").

In accordance with Public Contract Code section 22034, the District adopts the following Informal Bid Procedures, applicable to purchases of Public Projects, Maintenance, and Articles in excess of \$45,000 and \$175,000 or less. Contract award shall be made by the Board.

- (1) The District shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be as required by the Commission.
- (2) All contractors on the list for the category of work being bid or all construction trade journals pursuant to in Public Contract Code Section 22036, or both all contractors on the list for the category of work being bid and all construction trade journals pursuant to in Public Contract Code Section 22036, shall be mailed, faxed or emailed, a notice inviting informal bids unless the product or service is proprietary.
- (3) All delivery of notices inviting informal bids to contractors and construction trade journals shall be completed not less than 10 calendar

days before bids are due. The notice inviting informal bids may also be published in in a newspaper of general circulation.

- (4) The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and state the time and place for the submission of bids.
- (5) If all bids received are in excess of \$175,000, the Board may, by adoption of a resolution by a four-fifths (4/5) vote, award the contract, at one \$187,500 or less, to the lowest responsible bidder, if it determines the cost estimate of the District is reasonable.
- (6) If awarded, a contract will be awarded to the lowest responsible bidder, consistent with the quality and delivery requirements.
- (7) All contracts for Public Projects shall require the successful bidder to execute a bond, in a form approved by the Board, for the faithful performance of the contract. Additionally if the contract involves erection, construction, alteration, repair or improvement of any public structure, building, road or other public improvement of any kind, the successful bidder shall execute a payment bond, as required by the provisions of the California Civil Code.
- (8) The Board shall have the right to reject all or any of the bids received.

c. Purchase Procedures for Public Projects, Maintenance, and Articles in Excess of \$175,000 (“Formal Bid Procedures”).

Purchases of Public Projects, Maintenance, and Articles in an amount exceeding \$175,000 shall be procured pursuant to the following Formal Bid Procedures. Contract award shall be made by the Board. Additionally, all plans and specifications for Public Projects shall be adopted by the Board or General Manager/ Designee.

- (1) In accordance with Public Contract Code section 22037, a notice inviting formal bids shall be published in a newspaper of general circulation, printed and published, at least 14 calendar days before the date of opening the bids, in the jurisdiction of the District and any such other newspaper publications deemed appropriate by the General Manager or Designee. Notice inviting formal bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project.

If applicable, the notice inviting formal bids shall also be sent electronically, if available, by either facsimile or electronic mail and mailed to all construction trade journals. The notice shall be sent at least 15 calendar days before the date of opening the bids.

- (2) All bids for shall be presented under sealed cover. If awarded, a contract will be awarded to the responsible bidder who submits the lowest responsive bid.
- (3) All bids for Public Projects shall be accompanied by one of the following forms of bidder's security:
 - i. Cash
 - ii. A cashier's check made payable to the District
 - iii. A certified check made payable to the District
 - iv. A bidder's bond executed by an admitted surety insurer made payable to the District in the form provided by the District

Upon an award to the lowest bidder, the security of an unsuccessful bidder shall be returned in a reasonable period of time, but in no event shall that security be held by the District beyond 60 days from the time the award is made.

- (4) All contracts for Public Projects shall require the successful bidder to execute a bond, in a form approved by the Board, for the faithful performance of the contract. Additionally if the contract involves erection, construction, alteration, repair or improvement of any public structure, building, road or other public improvement of any kind, the successful bidder shall execute a payment bond, as required by the provisions of the California Civil Code.
 - (5) The Board shall have the right to reject all or any of the bids received.
- d. Nothing in this Section shall preclude the District from utilizing the design-build project delivery method where authorized by and in accordance with the provisions and requirements set forth in California Public Contract Code Section 22160 et seq., as it may be amended from time to time.

Sec.14.6 Procedures for Procurement of Professional Services.

- a. Pursuant to California Government Code Section 4526 et seq., the District shall secure professional services on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required. When specific technical expertise or experience is required, the District may negotiate the scope and fee for these services with an individual firm with this specific expertise.
- b. The District may, for procurement of architectural, landscape architectural, engineering, environmental, land surveying, and construction management services, utilize the Qualification-Based Selection procedures adopted by the

Architects and Engineers Conference Committee of California, as deemed appropriate by the General Manager or Designee.

- c. If the value of the services are estimated to be \$45,000 or more, the District shall issue a formal Request for Proposals for the services. Additionally, if deemed in the best interests of the District as determined by the General Manager or Designee, the District may first issue a Request for Qualifications to solicit firms with the necessary qualifications for the services.
- d. If the value of the services are estimated to be less than \$45,000, where practical, three proposals shall be obtained unless the General Manager or Designee deems otherwise appropriate.
- e. Award of Professional Services Contracts may be made by the General Manager for contracts in the amount of \$45,000 or less. Contracts in excess of \$45,000 shall be awarded by the Board.
- f. The contract amendment procedures outlined in this Article apply to Professional Services Contracts.

Sec. 14.7 Prequalification.

The District may prequalify contractors, pursuant to the provisions and requirements of California Public Contract Code Section 20101, as determined appropriate in the reasonable discretion of the General Manager or District Engineer. Prequalification shall be through a uniform system of rating bidders on the basis of completed questionnaires and financial statements in a form specified by the Board. The District may accordingly limit bids or proposals it receives to those contractors who are prequalified.

Sec. 14.8 Emergencies.

California Public Contract Code Section 22050 authorizes special contracting procedures in cases of “emergency.” An “emergency” for purposes of Section 22050 is defined as a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

In the case of an emergency, as defined herein, the General Manager or Designee, may repair or replace a public facility, take any directly related and immediate action required by the emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts. The General Manager, or Designee, must report to the Board at its next meeting required pursuant to this Section 14.8, the reasons justifying why the emergency will not permit a delay

resulting from a competitive solicitation for bids and why the action is necessary to respond to the emergency.

If the General Manager or Designee, orders any action specified herein, the Board shall initially review the emergency action not later than seven days after the action, or at its next regularly scheduled meeting if that meeting will occur not later than 14 days after the action, and at least at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action, unless the General Manager or Designee, has terminated that action prior to the Board reviewing the emergency action and making a determination. When the Board reviews the emergency action, it shall terminate the action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice for bids to let contracts.

Sec. 14.9 Exceptions to Procurement Requirements.

a. Sole Source Exception.

Notwithstanding any provision in this Article 14, the procurement requirements set out in this Article 14 shall not apply to the procurement of Articles, Professional Services, Public Projects, or Maintenance that can only be obtained from one supplier or contractor and for which obtaining quotes or bids is therefore impossible or not in the public interest, such that no competitive advantage can be gained by soliciting quotes or bids. Sole source contracts or agreements up to \$45,000 may be procured by the General Manager or Designee. The Board must approve any source contracts or agreements of \$45,000 or more.

b. Purchases when Price Controlled by an Official Rate-Making Body.

Whether approved by the General Manager or Designee, or the Board, the District is authorized to procure services or Articles without quotation or bid if the price is controlled by an official rate-making body such as is the case with wholesale water from SDCWA, electricity, gas and telephone, and the services are provided for in the operating budget.

Sec. 14.10 Local Procurements.

- a. It is the District's policy to encourage local businesses to provide goods and services to the District in order to maintain a healthy local economy, to increase local competition, and to lower core costs of goods and services. Local preference for the procurement of eligible contracts may be allowed, so long as it is not otherwise prohibited by funding sources, by providing a 5% local preference where the purchase or contracts with a respective local vendor or business during any fiscal year do not exceed \$45,000. In order to qualify for this local preference, a vendor or business must either (a) be a District rate payer in

good standing for the past six months, or (b) receive District utility services at its business location for the past six months, paid by a third party.

- b. Eligible procurements include those contracts which are not otherwise subject to competitive bidding, including contracts for the following:
 - (1) Purchases of Public Projects, Maintenance, and Articles in the amount of \$45,000 or less, pursuant to Section 14.5(a).

Sec. 14.11 Sale of Surplus Property/Equipment and Scrap Metal.

- a. Surplus Property/Equipment. When it has been determined by the General Manager that equipment is no longer appropriate because of capability, size, age, etc., to fulfill the District's mission or if a particular piece of equipment is more costly to maintain than to replace, the item will be disposed of through the next scheduled San Diego County auction. Should property become surplus through obsolescence or through a change in operating methodology, the excess property will be disposed of, as determined by District staff, as follows:
 - (1) To other public agencies on a bid basis;
 - (2) San Diego County Auction, or
 - (3) Internet-based inline auction services.
- b. Scrap Metal. The scrap metal which accumulates through the replacing of damaged and/or unserviceable items in the course of District operations, shall be sold as scrap to local scrap dealers at prevailing rates. Sales receipts shall be miscellaneous revenues of the District.

Sec. 14.12 Use of District Credit Card.

- a. There are certain transactions that are more efficient using a credit card transaction. Examples include small purchases that are lower cost on-line, travel arrangements, registration for training and other similar services.
- b. The credit card shall never be used to circumvent established competitive purchasing procedures. The credit card is prohibited from being used to purchase items for personal use under all circumstances. Personal use of the credit card will result in disciplinary action.
- c. Authorized cardholders and credit card use shall be per the District Credit Card Users Guide as approved by the General Manager.

Sec. 14.13 Contract Amendment Procedures.

As delegated by the Board of Directors of the District pursuant to the provisions of the Public Utility District Act, the General Manager is authorized to issue amendments to contracts as follows:

- a. A purchase order or contract may be amended by the issuance of a change order or amendment, provided the change which is the subject of the change order or amendment is reasonably related to the scope of the original contract. The General Manager may issue a change order or amendment which results in a total contract price of \$45,000.00 or less. The General Manager may request approval authority from the Board to issue contract amendments for up to 10% of the total contract value for specific projects with an initial contract value of greater than \$45,000.

- b. When the cumulative sum of amendments to a contract would exceed the limits in (a) above, a report of such amendments will be presented to the Board at its next meeting. Upon acceptance of the amendments by the Board, the General Manager shall have additional authorization to issue amendments as if the original contract amount were the total of the original amount and all accepted amendments.

ARTICLE 14
Sec. 14.7 - Rev. 4/95
Sec. 14.10 – Rev. 3/96
Sec. 14.5(a), 14.6(a) & (d), 14.7(d) – Rev. 6/99
Sec. 14.11 – Added 10/05
Sec. 14.4e(2), 14.10(c) & 14.12(g) – Rev. 6/06
Sec. 14.5(g) – Rev. 8/08
Sec. 14.4(e), Rev 01/09
Secs. 14.4(e)1,3,4,5,(f); 14.5(a)(d); 14.6(c)(d); 14.7(d); 14.9(b); 14.11(c) – Rev. 2/10
Add Sec. 14.12 – Rev. 2/11
Secs. 14.4; 14.9 – Rev. 1/13
Secs. 14.4; 14.13 – Rev. 7/13
Sec. 14.4 – Rev. 5/15
Sec. 14.4(f), 14.9(c) – Rev. 1/16
All Secs. Repealed and Replaced - Rev. 6/17
Sec. 14.4 – Rev. 5/19

Article 15. Budget and Fund Management

Sec. 15.1 District's Annual Budget.

Preparation of the District Budget is directed by the Assistant General Manager/CFO. Working with the Fiscal Policy and Insurance Committee the General Managers develops annual financial goals and objectives for the budget in February. A first preliminary Budget is presented to the Board of Directors and public in May and a second preliminary Budget in June. The final Budget is presented in July for adoption, along with a resolution adopting a tax rate for Bonded Indebtedness.

The budgeting process is intended to create a transparent process that enables the Board of Directors to estimate the Districts revenues and expenses including employee compensation arising from negotiations and changes in other costs of operations.

15.1.1 Annual Budget Resolution.

The Board shall approve an annual budget resolution that establishes the total appropriation for the fiscal year based on the following budget categories:

1. Administration, operations, and maintenance
2. Water purchases and contingencies
3. Capital improvements and equipment
4. Revenue Bonds, State Revolving Fund, interest, and principal
5. Established annual Liquidity Fund level

In addition, the budget resolution shall identify any anticipated net withdrawal of District reserves for the Fiscal Year. Any unanticipated net withdrawal of District reserves shall be a separate board action. Any withdrawal of funds from long-term investments, as shown in the District's Treasurer's Report, shall require prior Board approval.

Any spending above the established appropriations or additional withdrawal of reserves shall require Board approval. As part of the annual budget process, the Board will review and approve the District's liquidity fund level.

Sec. 15.2 Treasurer's Fund.

The Treasurer's Fund is established primarily to account for all District cash and investments and also to record detailed accounting for fringe benefits. Revenues are obtained from a budgeted mark-up on District labor. Revenue and Expense accounts in this fund are closed to the Utility fund annually.

Sec. 15.3 General Fund.

The General Fund shall consist of accounts for property tax revenues and appropriations to other funds as determined by the Board.

Sec. 15.4 Utility Funds.

The Utility Funds consists of three separate funds reflecting the operating departments of Water, Wastewater and Recycled Water. The funds reflect the revenues from water sales, monthly service charges and other recurring fees and all expenses, including Operating and Maintenance (O&M) and General & Administrative (G&A).

Sec. 15.5 Capital Funds.

The Capital Funds consists of all Property, Plant and Equipment and the expenditures as well as revenues from Capital Improvement Charges that are dedicated/restricted to capital expenditures. All use of revenues in the Capital Funds is restricted to capital investments, which includes capital assets as defined by the District's accounting policy and debt service. Sources of funding and expenditures for capital assets are maintained in three separate funds:

Water – all capital assets associated with the water treatment and distribution system; all administrative buildings and equipment; and all construction equipment and vehicles.

Wastewater – all capital assets associated with treatment facilities and the wastewater collection system.

Recycled Water – all capital assets associated with the recycled water facilities and the recycled water distribution system.

Sec. 15.6 Equipment Fund.

The Equipment Fund consists of all expenses for field equipment operations, maintenance, repair and replacement. Revenues are obtained from a budgeted mark-up on District labor. Revenue and expenses are closed to the Utility fund annually.

Sec. 15.7 Debt Service Funds.

Debt Service funds shall be established to account for General Obligation Bonds, Certificates of Participation, or other indebtedness which the District may incur for construction, completion, or acquisition of works, for the treatment, storage and distribution of water and water rights, including dams, reservoirs, storage tanks, treatment facilities, pipes, pumping equipment, and all necessary equipment and property therefor. The funds shall record annual transactions showing source of revenue, and both interest and principal payments.

Sec. 15.8 Appropriated Fund Balances.

Appropriated Fund Balances shall be established to provide adequate funding to meet the District's short term and long term plans and commitments; to minimize adverse annual and multi-year budgetary impacts from unanticipated expenditures; and to preserve the financial stability of the District against present and future uncertainties in an ever-changing environment. The following Appropriated Fund Balances will be established and maintained.

15.8.1 Utility Funds Appropriated Fund Balances.

1. Water.

- a) Working Capital. To be established and maintained at a level of three months operating and maintenance expenses including water purchases.

- b) Santa Margarita Debt Payment Fund. To prevent “spikes” and mid-year changes in rates because of net revenue shortfalls due to weather conditions, state or federal legislation or other future uncertainties. The target level is set equal to 2-years of debt service payments on the Santa Margarita Conjunctive Use Project financing.

2. Wastewater.

- a) Working Capital. To be established and maintained at a level of three months operating and maintenance expenses.
- b) Rate Stabilization Fund. To promote smooth and predictable rates and charges a Rate Stabilization Fund is established with a target of level equal to 10% of annual revenues.

3. Recycled Water.

- a) Working Capital. To be established at three months operating and maintenance expenses.

15.8.2 Utility Capital Funds Appropriated Fund Balances.

1. Water Capital Fund.

The primary source of funds are the Water and Pumping Capital Improvement charges, annexation fees, connection fees and meter fees. Target fund balance is set to the equivalent of 3-year average expenditures on recurring capital projects (*i.e.* pipeline renewal/replacement).

- a) Funds related to the 1958 Annexation and the DeLuz Service Area bond proceeds are tracked separately in the fund.

2. Wastewater Capital Fund.

The primary source of funds are Wastewater Capital Improvement Charges, connection fees and meter fees. Target fund balance is set to the equivalent of 3-year average expenditures on recurring capital projects (*i.e.* pipeline renewal/replacement).

3. Recycled Water Capital Fund.

Target fund balance is set to the equivalent of 3-year average expenditures on recurring capital projects (*i.e.* pipeline renewal/replacement).

15.8.3 Debt Service Funds.

Each borrowing activity is maintained within a separate Debt Service fund. Some indentures require the establishment of a reserve fund and the District must comply with any creditor

imposed requirements. Since sources of funding to repay each debt instrument varies, the possibility of that inflow being interrupted is likely/possible with different issues in differing circumstances. Because of the possibility of this interruption, each Debt Service Fund should establish an Appropriated Fund Balance equal to the next year's total debt service (principal and interest).

Sec. 15.9 Petty Cash.

The responsibility for and the accountability for the petty cash fund is assigned to the Assistant General Manager/CFO and/or the Accountant. The fund at all times will total \$400.00 in cash and disbursement receipts. When an employee requires reimbursement, not-to-exceed \$50.00, for an out-of-pocket District expense, a petty cash voucher is filled out and the receipts for purchases attached.

Reimbursement will not be made from the petty cash fund without the immediate supervisor's approval on the petty cash voucher and receipts attached thereto.

During the planned absence of either the Assistant General Manager/CFO or Accountant, the Supervising Accounting Assistant will be authorized to make petty cash reimbursements. Prior to assumption of these duties, cash in the fund will be counted and verified by both the Assistant General Manager/CFO and Accountant.

Periodic audits will be performed as required by District management or the Auditor. Checks drawn to replace the disbursement will be processed in the same manner as any other invoice paid by the District.

ARTICLE 15
Sec. 15.8 - Rev.74/97
Sec. 15.4 & 15.5 – Rev. 4/03
Sec. 15.8 added 4/03
Sec. 15.1 & 15.9 – Rev. 6/06
Sec. 15.9 – Rev. 8/08
Sec. 15.6 – Rev. 9/09
Sec. 15.8.1 – Rev. 12/09
Secs. 15.1, 15.5, 15.8.1, 15.8.2, 15.8.4, 15.9 – Rev. 1/18
Secs. 15.1.1, 15.8.1 – Rev. 2/19
Sec. 15.1.1 – Rev. 4/19

Article 16-A. Insurance Claims Handling Procedures (JPIA)

Sec. 16A.1 General.

The District is a member of the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA) and obtains its general liability and real property insurances from them. It is the policy of JPIA to see that all liability claims made against its member districts are investigated and settled expeditiously. Decisions regarding the disposition of a claim shall be based on the merits of that claim; including the legal liabilities involved, the nature and extent of damage, and the coverage afforded by and/or through JPIA. It is the policy of JPIA to pay only those claims for which member districts have legal liability.

Sec. 16A.2 General Handling Procedures.

Before commencing a suit for money or damages against the District, the claimant must present a written claim to the District and allow it to act upon the claim. The claim must contain the name and address of claimant, P.O. box to which the person presenting a claim desires notices to be sent, date, place and circumstances of the occurrence, description of injury, damages, or losses so far as they are known, names(s) of District employee(s) causing injury or damage, the amount claimed and the basis for computation if under \$10,000 and signature of the claimant or representative.

A claim for death, personal injury, or damage to personal property must be presented within six (6) months of the accrual of the cause of action. Exceptions to the six month rule are claims for inverse condemnation, violations of federal rights, contract violations, and damage to real property.

16A.2.1 Rejection of Sufficient and Timely Claims.

Only those claims with proper and sufficient contents and presented in a timely fashion may be rejected by the Board of Directors. If a claim is rejected in writing within 45 days of presentation and the rejection by the Board is in the prescribed manner, the claimant has only six (6) months in which to file suit. The claimant may also contact JPIA directly and be assigned a claims adjuster to handle their claim after the Board's rejection.

If a claim is not rejected in writing within 45 days of presentation, the claim is deemed rejected by operation of law on the 45th day. The resulting problem, however, is that the claimant then has two (2) years in which to file suit. Therefore, written claim rejections are recommended where claims are to be rejected.

16A.2.2 Rejection of Insufficient and Late Claims.

An insufficient claim should not be rejected. The District must notify the claimant in writing with 20 days of presentation that the claim is insufficient and state the particulars, or the District waives the insufficiency and cannot claim insufficiency as a defense.

16A.2.3 Late Claims.

If a claim is not presented in a timely fashion, then the claimant must present an application to present a late claim within one year of accrual of cause of action, and must have a written claim attached and must set forth the reason for delay. Claims filed late, if not accompanied by an application for leave to file a late claim, should be rejected specifically because they are late. They should not be considered on their merits.

The District shall grant the application where the failure to present a claim was by excusable neglect, mistake or the like, and the District was not prejudiced, or the claimant was a minor during all of the time period, or physical or mental incapacitation or death was the cause.

The District may deny any application if it is not excused. The denial must be in writing, and must advise the claimant that he has only six (6) months to take the matter to court. The court can choose to allow the filing of the late claim on the same grounds as in acceptance of application for late claim. The denial for the application has nothing to do with the validity of the claim. It is not a rejection of the claim or its merits. It means only that the claim was not properly presented.

Sec. 16A.3 Small Claims Settlement Option.

The District has the option of settling or denying claims arising out of any occurrence covered by the JPIA Liability Program which meets all of the following conditions:

- (a) All claims arising out of the occurrence are for property damage only.
- (b) No claim arising out of the occurrence has any apparent potential for related bodily injury allegations.
- (c) The estimated settlement value for all claims arising out of the occurrence does not exceed the District's Self-Insured Retention per occurrence.
- (d) The claim settlement or denial arising out of the occurrence can be concluded within 60 days of when the District became aware that the claim existed.
- (e) A settlement is to be made only when the claim being considered is determined to be based upon liability covered by the JPIA Liability Program.

ARTICLE 16
Renamed Article 16A – 1/22/07

Article 16-B. Insurance Claims Handling Procedures (District-Government Code 905)

Sec. 16B.1 General.

The liability and immunity of a public agency such as the District is governed by the Government Tort Claims Act set forth in Government Code Section 819 et seq. (the "Act"). Pursuant to the Act, an action for money or damages may not be maintained against the District unless a written claim has first been timely presented to the District and rejected in whole or in part (Government Code Section 905, 905.2, 945.4). Presentation of a claim, when required by law, is a mandatory prerequisite to bringing a legal action against the District, and,

Government Code Section 905 sets forth the rule regarding the presentation of claims and also provides an exemption from said requirement in certain cases including claims by the State or another public entity.

Government Code Section 935 permits the District to establish its own procedures to cover the presentation of those claims against it which are exempted by Section 905, as well as all other claims.

Pursuant to the authority contained in Section 935 of the Government Code, the following claims procedure is hereby established for claims against the District for money or damages that are not governed by any State law.

Sec. 16B.2 Claims Time Limitations.

Notwithstanding the exemptions set forth in Section 905 of the Government Code, all claims against the district for damages or money, where a procedure for presenting such claims is not otherwise provided by State law, shall be presented within the time limitations and in the manner provided by Section 910, et seq. of the Government Code.

Sec. 16B.3 Claims Required.

All claims against the District for money or damages not otherwise governed by the Government Claims Act, California Government Code Division 3.6, Sections 810 et seq., or another state law (hereinafter in this ordinance, "claims") shall be presented within the time, and in the manner, prescribed by Part 3 of Division 3.6 of Title 1 of the California Government Code (commencing with Section 900 thereof) for the claims to which that Part applies by its own terms, as those provisions now exist or shall hereafter be amended, and as further provided by this article.

Sec. 16B.4 Form of Claim.

All claims shall be made in writing and verified by the claimant or by his or her guardian, conservator, executor or administrator. No claim may be filed on behalf of a class of persons unless verified by every member of that class as required by this section. In addition, all claims shall contain the information required by California Government Code Section 910.

Sec. 16B.5 Claim Prerequisite to Suit.

In accordance with California Government Code Sections 935(b) and 945.6, all claims shall be presented as provided in this section and acted upon by the District prior to the filing of any action on such claims and no such action may be maintained by a person who has not complied with the requirements of Sec. 16B.3 of this section.

Sec. 16B.6 Suit.

Any action brought against the District upon any claim or demand shall conform to the requirements of Sections 940-949 of the California Government Code. Any action brought against any employee of the District shall conform to the requirements of Section 950-951 of the California Government Code.

Sec. 16B.7 Severability.

Should any provision of this article, or its application to any person or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable or otherwise void, that determination shall have no effect on any other provision of this article or the application of this article to any other person or circumstance and, to that end, the provisions hereof are severable.

ARTICLE 16B

New Article added – 1/22/07

Article 17. District Inspections by a Regulatory Agency

Sec. 17.1 General.

It is the policy of Fallbrook Public Utility District (FPUD) to permit inspections by representatives of county, state and federal regulatory agencies without notice or court order and to cooperate fully. Such inspections shall be accomplished in accordance with the procedures outlined below.

Sec. 17.2 Purpose.

In order to comply with FPUD's Mission Statement to continue to provide for the community of Fallbrook now and in the future:

- (a) A reliable supply and delivery of high quality retail potable water and service, and
- (b) the collection and disposal of wastewater and solids consistent with the optimal use of recycled water,
- (c) use of the most efficient and economical means possible while emphasizing the importance of making customer satisfaction the top priority of operations,

these procedures are designed to provide guidance to District employees to effectively respond to and assist with, regulatory agency compliance inspections. These procedures were developed to provide guidance for District personnel in complying with regulatory inspections without impairing the functioning of District Staff.

Sec. 17.3 Scope.

These procedures shall apply to all FPUD employees who may interact with regulatory agency compliance inspectors in the course and scope of their work. Members of management and employees directly involved in an inspection shall be guided by the examples following.

Sec. 17.4 Responsibilities.

The Engineering Department Head, or his designee, will be the initial contact for any regulatory agency compliance inspector. If no one is available, it will be arranged for the inspector to return at a later time.

If the inspector arrives unannounced, he/she will be asked to wait for the Engineering Department Head. If the Engineering Department Head is unavailable, an available member of management will meet with the inspector to explain the District's policy on unannounced inspections and will then make an appointment for that inspector with the Engineering Department Head or his

designee. If the inspection is of a regulatory nature that requires an inspection without prior notice, a member of management will accompany the inspector.

Sec. 17.5 Procedures.

Before an Inspection:

1. Upon arrival at any District workplace, the inspector will be asked to wait for the Engineering Department Head or his designated District representative. If the inspector contacts a District employee, the employee shall immediately notify their supervisor who will inform the Engineering Department Head. The inspector may be requested to meet with the Engineering Department Head or his representative at a specific location, such as the administrative offices.
2. If the Engineering Department Head or his designated District representative (herein known as the District representative) is not available in a reasonable time, 30 to 60 minutes, the inspector is to be informed of that fact. The inspector should be told that District policy requires the presence of a District representative during the inspection and that the inspection may not proceed without this individual. If no District representative is available, it should be politely suggested that the inspection take place another time or day.
3. The District representative will ask for an opening conference in an attempt to learn the basis for the inspection. The representative should try to limit the inspection to the purpose stated by the inspector.
4. During or upon completion of the opening conference, the inspector should ask consent to begin the inspection. The inspection will then commence in the presence of the District representative.

During the Inspection:

1. The District representative will accompany the inspector throughout the inspection. The representative should be courteous to the inspector and respond to questions only if authorized to do so. The inspector should be informed that the representative is not authorized to speak for the District. Answers should be direct and succinct. Do not volunteer irrelevant and unfavorable information.

Under no circumstances is the representative, or any other employee, to guess or speculate when responding to questions of an inspector. The only acceptable answer is what the employee knows to be the facts. If the employee has no actual knowledge he should say so. Do not agree with statements made by the inspector, as they may be incorrect.

2. Inspectors may take photographs, videos, and/or samples of the workplace. The District representative will take similar samples and photographs. The District representative should take notes of everything the inspector says and does, and the identity and summary of testimony of the employees interviewed.

After the Inspection:

1. Upon completion of the inspection, ask the inspector for a closing conference. At this conference ask if any citations will be issued and what regulatory guidelines will be cited. Also try to find out how the citations will be classified (general, serious, etc.). Do not argue with the inspector and do not admit to any violation of regulatory guidelines. It may be helpful to have additional management staff at the closing conference to ensure what the inspector says is fully understood.
2. If the inspector indicates that citations may be issued, call the inspecting agency's District office, that day, and schedule a meeting with the District Manager. The purpose of this meeting is to present your side of the facts and attempt to mitigate any potential citations. During the meeting advise the District Manager that the District is concerned and desires to mitigate and/or avoid reoccurrence.
3. When the inspection is completed, the District representative should meet with District management and District legal counsel. A report should be prepared listing all actions taken during the inspection, everything the inspector said and did, and include all photographs and samples. The report is confidential and copies of this report are not to be circulated.
4. Call JPIA Risk Management, 800/231-5742 and discuss the results of the inspection and the District's potential options.
5. If the District receives a citation(s) it will come by certified mail. If it is decided by management and legal counsel that the District is going to appeal the citation, the District usually has 15 days to file an appeal. Contact JPIA Risk Management and District legal counsel for assistance in appropriately filling out the appeal form. The completed appeal form should be filled out and returned via certified mail.
6. If the District has to appear at an appeal hearing, legal counsel should represent the District. Working with JPIA Risk Management in preparing for the hearing is also recommended.

ARTICLE 17

Sec. 17.10 – Rev. 4/95
Sec. 17.11 – Rev. 4/95
Sec. 17.12 – Rev. 4/95
Sec. 17.7 – Rev. 7/97
Sec. 17.13 & 17.14 –
Rev. 11/99
Sec. 17.5 – added ½
Sec. 17.16.4 & 17.16.5
– Rev. 6/06
Secs. 17.7 to 17.15;
17.6 deleted – Rev.
1/11
All Secs. – Rev. 3/11

Article 18. **Annexations**

Sec. 18.1 **Incorporation by Reference.**

Ordinance Nos. 73, 92, 122, 226, and 248 are hereby incorporated into the Administrative Code and made a part hereof. Summaries of various provisions of these ordinances follow herein. Reference must be made to a particular ordinance for exact language and legal descriptions of property annexed. The above referenced ordinances refer to the following:

Ordinance No. 73	1950 Annexation
Ordinance No. 92	1958 Annexation
Ordinance No. 122	Airpark Annexation
Ordinance No. 226	Conditions of Service, Waterline Extensions
Ordinance No. 248	Water Service & Water Rates
Resolution No. 1732	Description of Land, Red Mountain Ranch
Resolution No. 1791	Red Mountain Ranch Annexation
Resolution of LAFCO	DeLuz Annexation 1/8/90
Resolution No. 10A	Board of Supervisors, DeLuz Annexation 6/13/90

Sec. 18.2 **General.**

Water Service will be provided to lands within FPUD only after the owner of each parcel to be served has paid an annexation fee. Annexation fees are established for the purpose of equalizing the proportionate obligations, expenditures, and costs of operation between the territory within the District and the territory to be annexed.
Ordinance No. 92

As finances permit, the District will, at its discretion, provide, maintain, operate mains to serve water to but not within each forty acre parcel or larger single ownership parcel within the District.
Ordinance No. 226 and 248.

Sec. 18.3 **Annexation Payments.**

Annexation payments made to the District will be deposited in and held in a special account and will be used by the District toward defraying the costs and expenses of:

- a) Payment of costs and expenses of the District in connection with or incidental to the annexation proceedings.
- b) Payment to the San Diego County Water Authority and Metropolitan Water District of any amounts established by each said Authority and said District in consenting to the concurrent annexation of said territory to said Authority and said District, to be levied as special taxes by said Authority and by said District.

- c) In lieu taxes, from date of Board's approval of annexation to date District taxes may be levied.
- d) Pipelines to service or facilitate service of water to the annexed lands.
- e) Storage facilities.
- f) Improvements in District's facilities to enable it to handle the larger operating load created by the annexation.
- g) Other capital improvements which the Board of Directors may determine would be beneficial to the annexed lands.

Annexed lands share fully in all District assets and liabilities and shall be subject to the same District taxes as the lands already in the District, including taxes for payment of the present bonded indebtedness and other outstanding obligations of the District. Water deliveries to lands in the annexed areas, which have paid their service connection charges in full, will be commenced as rapidly as facilities can be provided out of the funds made available therefor from the payments of the annexed lands and construction and operation can be economically effected by the District.

All water rates, rentals, rules and regulations established and to be established by the District for water service and for water delivered by said District, irrespective of the source from which water comes, shall apply uniformly to lands in the annexed areas which have paid their service connection charges in full and to the land already within the District.

Ordinance No. 92

Sec. 18.4 Conditions for Annexation.

All lands annexed shall be subject to easements for rights of way for District pipelines, power and phone lines and similar facilities used and to be used in connection with the District's operations, as may be required and determined necessary by the Board of Directors of said District, for installing, improving, repairing, replacing and maintaining such District facilities, which rights of way shall be furnished the District without claim or charge for compensation or damages. The District or its party will undertake to locate and maintain such facilities with as little injury as possible to the landowners property consistent with maintaining and operating an efficient system.

All existing operating policies of the District relating to water service and water delivery shall apply to and govern the annexed lands which have completed their service connection charges in full, uniformly with present District lands.

District's distribution pipelines to service the annexed lands will be laid along routes as determined by the District. Pipelines beyond District distribution lines or meters, must be installed, maintained and operated by owners.

Annexation to the District is and will be subject to the condition that the said territory shall also be annexed concurrently to the SDCWA and MWD and shall become and be subject to and be bound by all the terms and conditions fixed by said District and said

Authority respectively, for said annexation and annexation to the District shall become effective and binding only if and when said annexation also has become effective and binding as to the SDCWA and MWD and said lands have been included in and have become a part of the SDCWA and MWD.

Ordinance No. 92

Sec. 18.5 1950 Annexation.

The 1950 annexation has all been paid into the District. The 1950 annexation was recorded August 1, 1950.

Ordinance No. 73.

Sec. 18.6 1958 Annexation.

A petition for annexation to the Fallbrook Public Utility District of unincorporated contiguous territory was filed with the District by not less than 15% of the qualified electors residing in the territory and adopted on September 2, 1958.

In 1958, the District annexed 7,277 acres of land, mainly in the area across the Santa Margarita River, but also taking in all the little windows, which were within the original District boundary that had not paid their annexation fee. Prior to 1958, annexations were not voluntary, and therefore, there was no annexation fee charged at the time. Starting in 1958, a fee of \$250/acre rising to \$450/acre, which was reached in 1970, is a condition for receiving District water. Persons wishing to annex to the District must provide 1) certification of gross acreage by a licensed engineer or surveyor, 2) metes and bounds legal description, and 3) a plat map. (A recorded lot split map showing gross acreage provides all three requirements.)

At the option of the owner of land within the annexed area, service connection charges may be paid for a portion of a single ownership, at the rate of \$450/acre, subject to the following conditions:

- a) The portion of a single ownership so paid up shall consist of not less than 10 acres and shall be rectangular in shape with all four of its side boundaries parallel to Section lines, except sides which are property boundaries.
- b) Water service will not be provided for any portion of a single ownership unless service connection charges have been paid for all planted acreage within such single ownership.

The 1958 annexation was filed with the County Recorder on November 24, 1958.

Ordinance No. 92

Sec. 18.7 Airpark Annexation.

In 1966, the Board annexed the Airpark property to the District. The maximum service connection charge of \$400 per gross acre was reached in 1975.

Ordinance No. 122.

Sec. 18.8 Red Mountain Ranch Annexation.

In 1978, the District annexed 330 acres of Red Mountain Ranch. Water service connection charges (annexation) began at \$750/acre in 1980 and progressed to

\$1,000/acre January 1, 1984. The District will not serve any parcel above the 1400 foot elevation level until such time as all water service connection charges have been paid on all such parcels within the annexed area. Two parcels, 108-010-39 and 40, have been granted a waiver from this agreement.

Resolution Nos. 1732 & 1791

Sec. 18.9 DeLuz Annexation.

Formation of the Parent District of the DeLuz Heights MWD occurred on September 25, 1962 by the registered voters. The District then became a member agency of the San Diego County Water Authority on June 28, 1967, and the District Board of Directors established Improvement District No. 1 (I.D. #1) on March 11, 1969 which consisted of approximately 8,970 acres. Subsequently, a joint petition was filed by 13 individual property owners requesting annexation of approximately 1,580 additional acres to I.D. #1. Improvement District No. 2 (I.D. #2) was formed by the Board of Directors on February 29, 1972 by a special election of individual property owners, which brought the total area to 10,687 acres.

Both I.D. #1 and #2 have coterminous boundaries and voter approved bonds in both areas were used for system improvements in the DeLuz Service Area.

On June 13, 1990, the San Diego County Board of Supervisors and the Local Agency Formation Commission approved the dissolution of DeLuz Heights MWD and its annexation to the Fallbrook Public Utility District, with approval from a majority of the voters. This reorganization included transfer of 12,000 acres of inhabited land, all tangible assets and monies, including cash on hand, monies due but not collected, and all accounts payable and any other obligations, effective June 30, 1990.

LAFCO Resolution dated 1/8/90 & Board of Supervisors Resolution No. 10A dated 6/13/90.

Sec. 18.10 Annexation/Detachments Between Adjacent Districts.

Requests for annexation/detachment between Districts is usually done because one District has a pipeline closer to the parcel wishing service, or the other District can provide more adequate service. These requests must be made to both Districts so that annexation/detachment is concurrent. The Board of Directors determines administrative fees, annexations fees, and/or pro-rated share of bonded indebtedness.

Ordinance No. 120

Sec. 18.11 Partial Annexations.

If a landowner has more than 10 acres, he may pay for just 10 acres, provided he submits a legal description of the acreage to be annexed and served with District water. If he has less than 10 acres, he must pay in the whole piece. If more than 10 acres are planted, he must bring in all the planted area. In December of 1976, the Board of Directors authorized the General Manager and/or Secretary to accept a promissory note secured by a Deed of Trust, for annexation fees, if the payment of the fees causes a hardship on the property owner. The owner must pay 20% down with the balance, plus interest at the current general rate, on the promissory note. The balance is paid in four annual payments.

This section revises Section 4 of Ordinance No. 92

Sec. 18.12 DeLuz Service Area Annexations.

The fees charged for annexation of land to the DeLuz Service Area are as follows:

- a) Fee for annexation to the DeLuz Service Area, Parent District, is \$1,000.00, plus an acreage fee of \$100.00 per acre.
- b) Fee for annexation to the DeLuz Service Area Improvement Districts I and II is \$1,000.00, plus an acreage fee of \$350.00 per acre.
- c) Fee for annexation to the DeLuz Service Area Parent District and Improvement Districts I and II is \$1,000.00, plus an acreage fee of \$450.00 per acre.

18.12.1 Additional Costs.

The acreage fee shall increase as follows:

Five percent (5%) annually commencing July 1, 1988, and this increase shall be imposed on the first day of July of each calendar year thereafter.

All costs of preparing and processing an Environmental Impact Report, in the event one is required to process the annexation, shall be paid in full by the applicant.

All persons making application for annexation shall deposit with the District the required fees. In the event an environmental impact report is required to be prepared, the estimated cost of preparation and processing of the report shall be deposited with the District prior to the employment of the person or firm which will prepare the report. All additional fees required shall be deposited by the applicant before the District will file the Certificate of Completion to complete the annexation process. Any excess fees deposited will be returned to the applicant upon completion of the annexation.

DeLuz Heights MWD Ordinance No. 10 (9/8/87)

Sec. 18.13 Improvement District "S".

18.13.1 Annexation Fees and Costs.

The fees and costs for annexation of real property to the Fallbrook Public Utility District, Improvement District "S" after April 24, 2012, shall be those set forth below:

- a) Costs: The amount of Three Hundred Dollars (\$300.00) plus the current LAFCO processing fees shall be paid to the District at the time of application for processing annexation of real property to Improvement District "S".

The costs shall include any fees or costs required to be deposited with other governmental agencies in order to process the annexation. The District shall not approve the annexation until all required fees and costs have been deposited with the District.

- b) Fees: Effective April 24, 2012, an annexation fee of Nine Thousand Eight Hundred Sixty-Seven (\$9,867) dollars shall be charged for each equivalent dwelling unit permit for sewer service granted for service within the annexed territory at any time after the territory is annexed to the District. This fee shall be deposited with the application for issuance of a sewer service permit for service within the annexed territory.

18.13.2 Adjustment Review.

The fees and costs fixed by this Article of the Administrative Code shall be reviewed every five (5) years for the following fiscal year and the fees and costs may be adjusted to be effective with the commencement of the fiscal year.

ARTICLE 18
Sec. 18.11 – Rev. 2/93
Sec. 18.1, 18.3-4 – Rev. 4/93
Sec. 18.12 – Rev. 11/94
Sec. 18.13 – Rev. 6/95
Sec. 18.13.6 – Rev. 9/96
Sec. 18.13.4 – Rev. 6/97
Sec. 18.13.5 – Rev. 6/97
Sec. 18.13.6(b) – Rev. 6/97
Sec. 18.13.2,3,4,5,6(b) – Rev. 9/98
Sec. 18.13 – Rev. 4/12

Article 19.

Water Service Connections & Rules for Delivery of Water

Sec. 19.1 Definitions.

For the purpose of this Administrative Code and the regulation of water service by the Fallbrook Public Utility District, the following definitions are adopted:

The word "District", as used herein shall mean and refer to the Fallbrook Public Utility District of San Diego County, California. Fallbrook Service Area (FSA) will indicate that area known as Fallbrook Public Utility District prior to July 1, 1990. The DeLuz Service Area (DLSA) will indicate that area known as Improvement Districts I and II of DeLuz Heights Municipal Water District prior to July 1, 1990.

The word "Consumer", as used herein, shall mean and refer to every individual, corporation, association, farm, or place of business to whom or to which water is served by the District.

The word "Unit", as used herein, shall mean and refer to each of the following:

1. A single family residence.
2. A single business establishment.
3. A single farm.
4. One hotel or motel suite with bath and kitchen.
5. Two hotel or motel suites without kitchen but with private bath.
6. Four hotel or motel suites without private bath.
7. One trailer space.
8. In multi-family dwellings, each apartment with kitchen and bath.
9. Each dormitory or labor camp facility.
10. Nursing home.

The word "rates" shall mean the compensation fixed by the Directors by Ordinance for water delivered to the consumer or for the cost of installing and maintaining meters, main line extensions and any and every appliance, fixture or connection used by said District in delivering water to said consumer.

The term "service connections", as used herein, shall designate the distribution system extension to the meter assembly and the connection to the consumer's line which shall previously have been provided to the location and to the specifications set by the District.

"Agricultural purposes" (TSAWR and Commercial Ag programs) shall mean the growing or raising, in conformity with recognized practices of husbandry, for the purposes of commerce, trade, or industry, of agricultural, horticultural, or floricultural products, and produced (1) for human consumption or for the market, or (2) for the feeding of fowl or livestock produced for human consumption or for the market, or (3) for the feeding of fowl or livestock for the purpose of obtaining their products for human consumption or for the market, such products to be grown or raised on a parcel of land having an area of not less than one acre fully utilized for agricultural purposes on which incidental domestic use of water related to non-permanent residency may also occur.

The term "Agricultural-Domestic purposes" (TSAWR programs), as used herein, shall mean the use of water through a single service connection for both agricultural and

domestic purposes for permanent residences. The first 20 units of water provided each month is considered for domestic purposes regardless of the number of residences on the property.

The term "Commercial Agricultural", as used herein, shall mean the use of water through a single service connection for agricultural purposes without participation in the or the TSAWR discount programs. Must meet the same usage and minimum acreage requirements as "Agricultural purposes".

The term "Commercial Agricultural -Domestic", as used herein, shall mean the use of water through a single service connection for both agricultural and domestic purposes for permanent residences without participation in the or the TSAWR discount programs. The first 20 units of water provided each month is considered for domestic purposes regardless of the number of residences on the property. Must meet the same usage and minimum acreage requirements as "Agricultural purposes"

The term "Domestic purposes", as used herein, shall mean the use of water for residential (up to and including two units) purposes and businesses that use water for incidental domestic purposes only.

The term "Large Lot domestic purposes", as used herein, shall mean the use of water through a single service connection for residential (up to and including two units) purposes on parcels of one acre or more.

The term "Commercial purposes", as used herein, shall mean the use of water through a single service connection for the operation of the business or maintaining the landscaping of non-residential property.

The term "Government purposes", as used herein, shall mean the use of water through a single service connection for any political subdivision property.

The term "Multi-Unit purposes", as used herein, shall mean the use of water through a single service connection for master-metered residential housing of more than two living units.

The term "Standby Service", as used herein, shall mean a meter which has been locked at the request of the customer and which account balance remains current. Accounts may also be locked and placed on "standby service" in the event that the unpaid balance on the account becomes delinquent for a period of 90 days and/or if the District is made aware of foreclosure or vacancy of said property. A fee of \$50 to lock the meter and initiate standby service will be charged to the account and the account will be charged all applicable monthly standby charges.

The term "Construction Meter Service", as used herein, shall mean the temporary use of water for construction from a meter installed on a fire hydrant.

The term "Temporary Ag Service", as used herein, shall mean the temporary use of water solely for the growing of annual crops through a temporary connection.

The term "Recycled Water System", as used herein, shall mean water that is defined in Title 22, Division 4, Chapter 3, Article 60301, paragraph 8, of the California Administrative Code and shall mean water which, as a result of filtration and disinfection of domestic wastewater, is suitable for a direct beneficial use or a controlled use that otherwise would not occur.

Sec. 19.2 Remote Meter Agreements.

A Remote Meter Agreement is an agreement between the District and a consumer that a water meter will be installed at a location remote from the property to be served where the District does not intend to extend the District distribution system to abut the said property, and that the consumer is responsible for extending his own private line from the meter to his property and obtaining the permanent easements required for such extension.

Sec. 19.3 Temporary Service Agreements.

A Temporary Service Agreement is a recorded agreement between the District and a consumer that a meter will be placed temporarily at a location remote from the property to be served, where the District intends, at some future date, to extend the District distribution system to abut the property described in the agreement, and that the consumer is responsible for extending his own temporary private line from the meter to his property, and obtaining whatever temporary easements are required for such extension. Such agreements shall establish the financial obligations of the consumer related to the future installation costs of the District's distribution system and the cost of relocation of the meter, and shall be binding upon the signatory and all successor owners of said property.

If the customer's obligation is to be secured with a promissory note and deed of trust, the terms will be based on the 10-year Treasury Bill rate plus 2%. Interest will be recalculated annually on the anniversary date of the recorded Trust Deed and will be compounded annually on the same anniversary date.

Failure to comply with the terms of the agreement shall be cause for termination of water service to said property and the basis for establishing a lien against the property for collection of any amounts due the District. Upon change of ownership, any parcel receiving water service under a Temporary Service Agreement will be required, as a condition of continued service, for the new owner to enter into a new Temporary Service Agreement with the District.

Sec. 19.4 Engineering Fees.

Sec. 19.4.1 Plan Check Fees.

- A) Plan checks less than 500 lineal feet, water or sewer, \$500 each.
- B) Plan checks 500 lineal feet to 1,000 lineal feet, water or sewer, \$1,000 each.
- C) Plan checks greater than 1,000 lineal feet, \$1,000 each, plus .50 cents per lineal foot thereafter.

Sec. 19.4.2 Fees for District to Inspect Contractor Installed Facilities

- A) Water Meter Service Line Installation
 - ¾" to 2" 5 hours @ \$105.37 = \$526.86
 - 3" and larger 9 hours @ \$105.37 = \$948.35
- B) Fire Hydrant Installation 9 hours @ \$105.37 = \$948.35
- C) Fire Service Installation 9 hours @ \$105.37 = \$948.35

If the sum of the inspection fees for a project is greater than \$3,000, the inspection will be done on a time and material basis and a deposit for the estimated cost will be paid prior to start of construction. Inspection fees will be adjusted annually based on the Engineering News Record (ENR) Construction Cost Index (CCI) of February. Staff will report back to the Board no less than every five (5) years with analysis comparing current fees to calculated fees.

Sec. 19.5 Rules for Service of Water.

The following rules for the service of water by the District to the consumer, either within or without the District, are hereby established:

All parcels desiring water must abut a District pipeline, and all meters will be located on the parcel being served unless the General Manager approves a Remote Meter Agreement, or the Board of Directors authorizes a Temporary Service Agreement subject to certain conditions as described in Section 19.3.

Each consumer desiring water furnished by the District shall furnish a plat of the property to be served, individually file a written application for such service, and in the form provided by the District, shall state the location, the number of acres served, the legal owner thereof, the purpose for which water is to be used and such other data regarding consumer's water production and use practices as required by the District. Based on the information provided, and verified by physical inspection if appropriate, each application will be assigned a user code: Agricultural with TSAWR Discount (AS); Agricultural Commercial (CA); Agricultural-Domestic with TSAWR Discount (AT); Agricultural Commercial-Domestic (CB); Domestic (D); Commercial (C), Government (G); or Multi-Unit (M) in accordance with the definitions provided in Section 19.1.

By making such application and upon approval thereof by the General Manager, or his designee, the application and the acceptance shall constitute a contract, the effect of which shall bind the applicant to pay all rates then or thereafter prescribed by the District for water service and to comply with all the rules and regulations with respect to service, a breach of any of which will authorize the District to discontinue water service immediately without notice or recourse and to levy such charges as otherwise provided for in this ordinance for resumption of service.

In addition, the effect of this contract shall be such as to bind the applicant to pay reasonable attorney's fees as fixed by the court where the District is required to take legal action to enforce collection of any charges incurred under this service.

The District reserves the right to determine the size and location of all service connections and may to that extent, where deemed for the best interests of the District, reduce the size, change the location or the pressure of the service connection without notice or recourse.

Sec. 19.6 Meter and Service Line Installations.

Before any service connection with the water distribution system of the District is made, the District shall collect from the applicant who desires water service an installation charge as set forth below. A connection fee based on the demand factor shall be paid in addition to the installation charges and is described in Article 20 of this Administrative Code. Reclaimed meter and service line connections shall be

capitalized as part of the project and not charged to the customer. Installation charges will be adjusted annually based on the ENR (Engineering News Record) Construction Cost Index (CCI) of February. Staff will report back to the Board of Directors no less than every five (5) years with analysis comparing fees to actual costs.

<u>Meter Size</u>	<u>Meter and Service Line*</u>	<u>Meter Only on Existing Service Line</u>	<u>Service Line Only*</u>
3/4"	\$2,761	\$464	N/A
1"	\$2,936	\$638	\$2,297
1-1/2"	\$3,981	\$1,013	\$2,968
2"	\$4,775	\$1,168	\$3,607
3", 4" or 6"	Cost	Cost	Cost
Recycled, any size	No charge	No charge	No charge

* If paving for a service line is less than or equal to 15 feet, there is an additional charge of \$1,791. If paving for a service line is greater than 15 feet and less than 30 feet, there is an additional charge of \$3,582. If County road inspection is required, there is an additional fee of \$1,389.

Sec. 19.7 Meter Relocation Fees.

<u>Meter Size</u>	<u>Relocation and Service Line*</u>
3/4"	\$3,174
1"	\$3,334
1-1/2"	\$4,005
2"	\$4,604

* If paving is required up to 30 feet, there is an additional fee of \$4,704. If County road inspection is required, there is an additional fee of \$1,389.

Sec. 19.8 Connection/Capacity Fees.

A connection fee shall be paid at the time meter service is applied for, for all permanent service connections, which fee shall be in addition to the charges made for the actual cost of labor and materials necessary to make the physical connection to the water system. The capacity fee for the connection is based on the demand that could be placed on the District's water system by reason of the connection. The extent of demand will be determined on the basis of the size of the water meter necessary to provide the estimated quantity of water usage for the connection. The demand factor for each meter size shall be calculated on the basis of the rated capacity of each size of meter divided by the rated capacity of a 3/4" meter at a pressure of 40 pounds per square inch (20 gpm), hereinafter referred to as an "equivalent meter unit" (EMU) as defined by SDCWA. Connection/ capacity charges will be adjusted annually based on the ENR (Engineering News Record) Construction Cost Index (CCI) of February. Staff will report back to the Board of Directors no less than every five (5) years with analysis comparing current fees to calculated fees.

Effective January 1, 2019, the schedule of capacity fees based on the demand factor of each meter size shall be as follows:

<u>Meter Size</u>	<u>SDCWA Demand Factor (EMU)</u>	<u>Capacity Fee</u>
3/4"	1	\$5,727
1"	1.6	\$9,164
1-1/2"	3	\$17,181
2"	5.2	\$29,782
3"	9.6	\$54,984
4"	16.4	\$93,928
6"	30	\$171,824

The capacity charge for a meter size greater than 6 inches shall be a basic charge for one (1) EMU multiplied by one of the following factors:

8".....factor	52.0
10".....factor	78.0
12".....factor	132.0

Sec. 19.8.1 Removal of Meters.

An owner of a parcel who has a meter and is not required to have District water for their parcel can request to have their meter removed and discontinue service. A fee of \$100 will be charged for meter removal. Once the meter is removed, if service is later requested for the parcel, it will be subject to all the fees identified in Article 19, including installation and connection/capacity fees as if it is a new service.

The following procedure will be followed when discontinuation of service is requested:

1. The District will verify that the parcel does not have a residence or that another supply is available for the residence. If District water service is necessary as a health and safety concern for the residence then the meter cannot be removed.
2. The parcel owner shall sign a form that will be recorded on their deed indicating that water service was discontinued and re-establishing service will require payment of all fees similar to any other new water customer.
3. The District will remove the meter based on the fee established for meter removal.
4. The owner will be deleted from the District's customer database and no further monthly operations, capital improvement or standby fees will be charged to the parcel. The parcel will be subject to Water Availability Charges, unless the parcel owner requests deferral in accordance with Article 24.
5. If the water service is requested in the future for this parcel it will be similar to any other parcel without water service and subject to all necessary fees including installation and connection/capacity fees.

Sec. 19.8.2 Meter Testing Costs.

The District will provide meter testing upon request by ratepayers. A meter is considered accurate according to AWWA standards if it measures 98.5% to 101.5% of actual usage. If, after the customer's request for testing, the meter is determined to be accurate, the customer will be charged the following fee based on the size of the meter:

<u>Meter Size</u>	<u>Fee for testing</u>
3/4" – 1"	\$121
1 1/2" – 2"	\$163
Over 2"	To be tested by an outside agency at a cost to be determined on actual time and materials.

If the meter is inaccurate, the District will absorb the cost of the test and make the appropriate exchange or repair to said meter to AWWA standards of accuracy. These charges will be adjusted annually based on the ENR (Engineering News Record) Construction Cost Index (CCI) of February.

Sec. 19.8.3 Adjustment to Fees for Meters and Connections.

Service requests after advance payments for meters and connection fees shall be adjusted to the District's current schedule after six (6) months from the payment date(s).

Sec. 19.9 Credit for Connection Fees and Fees for Increased Meter Size.

Owners of parcels presently receiving water service through a District meter that subdivide their property and apply for additional meters to new legal parcels will be given credit for connection charges if they reduce their demand by requesting a smaller meter for their original service.

Owners of parcels presently receiving water service through a District meter that are not in the process of subdividing their land, but require a larger meter service connection due to a change in land use, shall pay a connection fee equal to the difference between connection fees for the old and new meters in accordance with the schedule in Sec. 19.8.

Sec. 19.10 San Diego County Water Authority Connection Fees.

The Board of Directors of the San Diego County Water Authority (SDCWA) announced an administrative adjustment to capacity charges on all meters purchased on or after January 1, 2019 within the boundaries of the SDCWA.

The System Capacity Charge for a meter size of one (1) inch or greater shall be the basic charge of \$5,267 multiplied by a Factor that is based upon additional meter capacity.

<u>Meter Size</u>	<u>Factor</u>	<u>System Capacity Charge</u>	<u>Water Treatment Capacity Charge</u>	<u>TOTAL</u>
Less than 1"	1.0	\$5,267	\$146	\$5,413
1"	1.6	\$8,428	\$233	\$8,661
1-1/2"	3.0	\$15,802	\$437	\$16,239
2"	5.2	\$27,390	\$757	\$28,147
3"	9.6	\$50,566	\$1,398	\$51,964
4"	16.4	\$86,383	\$2,389	\$88,772
6"	30.0	\$158,018	\$34,370	\$162,388
8"	52.0	\$273,898	\$7,574	\$281,472
10"	78.0	\$410,847	\$11,361	\$422,208
12"	132.0	\$695,274	\$19,226	\$714,505

The System Capacity Charge is the cost for the conveyance and storage facilities necessary to operate the delivery system.

The Water Treatment Capacity Charge is the cost for the connection to the 50 MGD (million gallons per day) regional water treatment facility. The Water Treatment Capacity Charge is an additional charge of \$146 for each new meter of a size less than one inch and a corresponding increase for larger meters.

The member agency shall determine the size of the water meter to serve any property within its jurisdiction. In the event an agency calculates the water demand by the equivalent dwelling unit (EDU) method, the County Water Authority's capacity charge will be collected based on the size of meter actually installed to meet flow demand.

No capacity charge shall be imposed for a water meter permanently connected to a reclaimed water system and measuring reclaimed water. If a water user converts a water meter to permanently measure only reclaimed water, the capacity charge previously collected for the meter shall be refunded upon written request from the water user and verification by the member agency in which the water user is located that the meter is permanently connected to the reclaimed water supply and is measuring reclaimed water. The refund shall be in the amount of the capacity charge actually collected.

All claims for refund permitted shall be presented within one year of the date of the event justifying the refund.

Sec. 19.11 San Diego County Water Authority Transitional Special Agricultural Water Program Administration

Sec. 19.11.1 Purpose.

The San Diego County Water Authority Transitional Special Agricultural Water Program (TSAWR) provides discounted wholesale supply and treatment pricing for qualified agricultural users within its service area on the basis that participants receive non-firm, interruptible supply up to the maximum allowed under Section 4901 of the MWD Administrative Code. The San Diego County Water Authority (SDCWA) also provides a wholesale pricing discount associated with its Emergency Storage Project financing, based upon the existence of and individual participation in the TSAWR. This section of the District's Administrative Code establishes the rules and regulations for Administration of the SDCWA TSAWR within the Fallbrook Public Utility District (District).

Sec. 19.11.2 Qualification.

The qualifications for water use under the San Diego County Water Authority's (SDCWA) TSAWR program are set forth in Section 162.5 of the SDCWA Administrative Code, as follows:

To qualify for participation, the TSAWR customer must demonstrate that water delivered by the District is used for growing, raising, in conformance with recognized practices of husbandry, for the purposes of commerce, trade, or industry, or for use by public educational or correctional institutions, of agricultural, horticultural, or floricultural products, and produced for human consumption or for the market, or for feeding of fowl or livestock produced for human consumption of the market, or for the feeding of fowl or livestock for the purposes of obtaining their products for human consumption or for the

market, such products to be grown or raised on a parcel of land having an area of not less than one acre dedicated to and utilized exclusively for the purposes described in this section.

Sec. 19.11.3 Certification and Recertification.

Individuals applying for participation in the SDCWA TSAWR shall certify that they are the owner or authorized agent of the owner of the property to receive water under the SDCWA TSAWR and further certify that their respective water usage will meet the qualifications set forth in Section 19.11.2 and as modified from time to time by SDCWA. Upon submission and approval of the application for participation in the TSAWR, applicants shall be classified as either “Agricultural” or “Ag / Domestic”, and be eligible to receive the established water rate for the assigned classification. Participants may be subject to periodic re-certification as determined by MWD, the SDCWA, or the District.

Sec. 19.11.4 Acknowledgement.

Individuals participating in the TSAWR shall acknowledge that:

- a) Water received under the TSAWR is a non-firm, interruptible supply, subject to early and accelerated mandatory supply reduction as is from time to time determined necessary by MWD and the SDCWA.
- b) Water received under the TSAWR is a non-firm interruptible supply, subject to mandatory supply reduction as is from time to time determined necessary by MWD and SDCWA. The supply reduction will be equal to the reduction in firm demand required by MWD or SDCWA.
- c) Water use under the TSAWR supply is subject to periodic data and field audits and participants agree to respond in a timely manner to requests for information and access to properties receiving water under the TSAWR.
- d) Failure to respond in a timely manner to information requests, associated data and field audits or recertification, or failure to provide reasonable access to properties receiving water under the TSAWR will result in automatic removal of the subject property from the TSAWR, subject to the conditions set for in subsection 19.11.5(c) of this Article, and subsequent water use on the property will be classified and billed as “Domestic” or “Commercial”.
- e) If, as a result of an audit, it is determined that TSAWR supply was used on property and/or for purposes not meeting the qualifications established by SDCWA, then said usage may be subject to assessment of retroactive supplemental water rates, penalties and charges as required by MWD, the SDCWA, or the District, which the participant agrees to pay.
- f) If an audit determines that the subject property and/or water use on the property does not qualify for the TSAWR, then the property and associated water account will be removed from the TSAWR as provided for and subject to the conditions in sub-section 19.11.5(c) of this Article, and subsequent water use on the property will be classified and billed as “Domestic” or “Commercial”.

Sec. 19.11.5 Exit and Re-entry into the TSAWR.

- a) TSAWR customers who knowingly no longer meet the participation qualifications of the TSAWR are required to inform the District as soon as possible. TSAWR customers no longer qualifying for the discounted pricing differential and who have continued to accept the discounted supply may be required to refund the differential amount for the period in which the water was utilized for non-TSAWR qualified purposes.
- b) Customers electing to voluntarily exit the TSAWR will still be subject to TSAWR-related reductions if the customer exiting utilized TSAWR water in the base year for a mandatory reduction in a subsequent year. TSAWR customers may not voluntarily exit during periods of water shortage allocations and mandatory reductions.
- c) By SDCWA policy, only customers who were previously in the MWD-Interim Agricultural Water Program (IAWP) or SDCWA Special Agricultural Water Rate Program (SAWR) and TSAWR participants may re-enter the TSAWR program. Additionally, prior MWD-IAWP, SAWR and TSAWR participants may not re-enter the program during a TSAWR mandatory water use reduction period, as determined by the SDCWA.

Sec. 19.11.6 Implementation of Mandatory TSAWR Supply Reductions.

Actual implementation of mandatory supply reductions shall be based upon levels of reduction required by MWD and the SDCWA. To achieve the required levels of use reduction and avoid the maximum penalty possible any operational or financial sanctions which may be imposed on the District by MWD or the SDCWA, the District will utilize one or a combination of methods, including timely notice of pending reductions, water management information dissemination, individual participant water budgets and use reduction targets, assessment of financial disincentives, and individual meter flow reduction devices.

Sec. 19.12 Installation or Extension Line Costs.

Sec. 19.12.1 Fallbrook Service Area.

In connection with the installation or extension of water distribution lines, the District may concurrently install service lines for adjoining land parcels. The cost of the service lines together with the pipeline extension costs will be borne by the owners.

Where because of any unusual circumstance service connections involve extra expense to the District, an additional deposit or payment based upon the actual cost of such connection as determined by the Chief Engineer, may be required by the District.

Sec. 19.12.2 DeLuz Service Area.

The DeLuz Service Area consists of a Parent District and coterminous I.D.'s No. 1 and No. 2. There is approximately 1000 acres of land in the Parent District. These parcels are within the CWA and MWD service area and are entitled to imported water, but must pay annexation fees to FPUD before being entitled to

be served. As long as these parcels remain in the Parent District, they do not pay standby charges or the G.O. Bond tax levy used to pay for the District's facilities. All properties in the two I.D.'s do pay standby charges and the G.O. Bond tax levy.

It is the policy of the Board of Directors of the Fallbrook Public Utility District that water system extensions in the DeLuz Service Area shall be as follows:

1. Parcels or groups of contiguous parcels under the same ownership in existence as of July 1, 2000, in the Improvement Districts are entitled to adequate water system extensions and service at District expense. The water system and service will be extended to the boundary of the parcel or group of parcels under the same ownership on a case-by-case basis consistent with regulation and the overall best interests of the District and service areas. Both Temporary Service Agreements (TSA's) and Permanent Remote Meter Agreements (RMA's) may be utilized as in the Fallbrook Service Area. Where undersized District lines are in place, the District will upsize these lines when necessary to serve new additional parcels at the developer's expense.
2. Parcels in the Parent District but outside the Improvement Districts fall into one of the following categories:
 - A) The southern DeLuz Road area is designated as Area "A" on the attached exhibit. The District shall extend adequate water service along DeLuz Road at District expense to these parcels provided that all the parcels in Area "A" have paid annexation fees to the Improvement Districts. Any parcel in Area "A" that is not touched by a waterline will be responsible for providing an adequate system extension for service consistent with District regulations, including TSA's and RMA's.
 - B) The remote area west of the DeLuz Road Area "A" is designated as Area "B" on the attached exhibit and will be entitled to an adequate system extension from DeLuz Road to the eastern boundary of Section 6 provided that all parcels in Area "B" have paid annexation fees to the Improvement Districts, and the Area "A" improvement is complete. Any parcel in Area "B" that is not touched by a waterline will then be responsible for providing an adequate system extension for service consistent with District regulations, including TSA's and RMA's.
 - C) The area west of DeLuz Road is designated as Area "C" on the attached exhibit and will be entitled to adequate system extensions in DeLuz Road south to the center of Section 32 provided that all parcels in Area "C" have paid annexation fees to the Improvement Districts. Any parcel in Area "C" that is not touched by a waterline will then be responsible for providing an adequate system extension for service consistent with District regulations, including TSA's and RMA's.
 - D) The area in Section 31 which is unannexed to the Improvement Districts and not currently (1-1-99) touched by a waterline is designated as Area "D" on the attached exhibit. Parcels in Area "D" will be entitled to an extension and looping of the Distribution System from the end of the existing 4-inch main to the end of the Guy 8-inch main extension provided that all parcels in Area "D" have paid annexation fees to the Improvement Districts. Any parcel in Area "D" that is not touched by a waterline will then be responsible for providing an adequate system extension for service consistent with District regulations, including TSA's and RMA's.

- E) All remaining areas in the Parent District and not annexed to the Improvement Districts will be responsible for providing an adequate system extension for service consistent with District regulations, including TSA's and RMA's, provided that the parcel in question has paid all required annexation fees to the Improvement Districts.
- F) Nothing in this policy shall prohibit a parcel from extending adequate distribution systems in accordance with District regulations at its own expense for service provided that all required annexation fees for the parcel have been paid.

Sec. 19.13 Customer Valve.

There shall be a stopcock or wheel valve in every attachment between the meter and the main next to the meter which said stopcock or wheel valve and the meter and other devices and fittings, including the meter box supplied by the District, shall be for the exclusive use and under the control of the District.

There shall be a stopcock or wheel valve in each service connection located on the consumer's side of the meter, at a point to be designated by the District, which stopcock or wheel valve shall be for the use of the consumer and shall be referred to as the "customer valve."

The District has responsibility to repair or replace facilities up to and including the customer shut off valve. Repair and maintenance of facilities beyond the customer valve is the responsibility of the customer.

The District is not responsible for water loss due to leaks or other problems on the property side of the customer valve.

If there is an emergency, the District, at its discretion, can make temporary repairs and charge the customer a minimum of \$50. However, the District is under no obligation to repair leaks beyond the customer valve and assumes no long term liability for those repairs. It is recommended that the customer obtain the services of a licensed plumber to make permanent repairs.

Sec. 19.14 Water Must Pass Through Meter.

All water sold by the District and used by any consumer must pass through that customer's meter, and no delivery will be made by the District except through that customer's meter. In the event that it should be discovered that water is served to any premises by means of a bypass or any other mechanical device or instrument which permits water to be served other than through that customer's meter, the District shall have the right to immediately cut off the supply of water to said consumer until the person guilty of such conduct shall have reimbursed the District for the cost, as determined by the District, of the water so illegally used. The District shall assess a \$100 penalty, per incident, to any person who steals water in any amount.

Sec. 19.15 Mains, Service Pipes, Equipment Belonging to District.

All water mains, extensions of service pipes, meters, and all other

equipment used in the delivery of water to any meter, including the meter and the customer valve shall belong to and be the property of the District, and shall be maintained and repaired by the District.

Customer shall permit reasonable access to the meter and valves to effect said maintenance and repairs and to read the meter. Replacement shall be made by the District when such equipment is rendered unserviceable through reasonable use thereof.

However, the cost of replacements, repairs, or adjustments of any equipment of said District, including meters, when rendered necessary by any act, negligence or carelessness of the consumer, shall be made by the District at the expense of the consumer.

Sec. 19.16 Meter Area Clean and Consumer Line Free from Leaks.

Every consumer of water must keep his service pipes, valves, fixtures, and all other apparatus beyond that belonging to and serviced by the District in good repair and free from leakage at his own expense and he will be responsible for all damages which may result from failure to comply with this rule.

Sec. 19.17 Fires.

In the event that fires should take place within the District, where it is necessary to use the distribution mains of the District to supply water to extinguish such fires, the District may temporarily discontinue service to any meter, and the affected consumer shall not be permitted to use water from any of the District mains until such fire is completely extinguished.

Sec. 19.18 Access to Meters.

No person shall place or cause to be placed on or about or around any meter, hydrant, stopcock or service connection of any of the mains, pipes or water-works of the District any material of any kind which may serve or act as an obstruction to the free access or use of such meter, hydrant, stopcock or service connection. Upon failure to remove such obstruction after reasonable notice, the District shall have the right to have the water shut off and keep the same from being turned on again until such obstruction is removed and the necessary fee for turning on said water paid to the District.

Sec. 19.19 Temporary Discontinuance of Service for Repairs, etc.

The District reserves the right at any time to discontinue the service of water from its mains to water consumers for the purpose of making repairs or extensions to all parts of the system under the operation and control of the District or for any other purpose which may be found necessary by the District in order to properly maintain its system. In such case, the District will, if practicable, give notice to the consumer of such interruption in service.

Sec. 19.20 Allowances or Rebates.

No allowance or rebates in rates or charges shall be made under any circumstances, except as hereinafter in this Administrative Code authorized, and the rates herein prescribed for service of water shall be a charge against any and all property as hereinbefore specified, until the District shall receive written notice of request to

discontinue the water to such property, provided, however, that notwithstanding such written notice or request, the District shall still collect the minimum amount prescribed by this Administrative Code for the standby service as long as the meter is in place.

Sec. 19.21 Water Served to Others.

It is hereby declared to be a violation of the consumer's contract for which the District shall have the right to discontinue the service of water, if any water consumer shall be found to have served water to a consumer whose water has been shut off for breach of any of the provisions of this Administrative Code.

The District or representatives of the District shall have the right at all times to have free access to all parts of the premises of the consumer supplied with water to inspect the water system maintained by the customer.

Sec. 19.22 Backflow Prevention Devices.

In accordance with Title 17 of the California Administrative Code, backflow prevention devices to protect the District distribution system from possible contamination will be owned and maintained by the District.

The device will be located at the service connections. The type of protection that shall be required to prevent backflow into the public water supply shall be commensurate with the degree of hazard that exists on the customer premises. The type of protective device that will be required (listed in an increasing level of protection) includes: Double check Valve Assembly-(DC), Reduced Pressure Principle Backflow Prevention Device-(RP) and an Air gap Separation-(AG). The customer may choose a higher level of protection than required by FPUD. The minimum types of backflow protection required to protect the public water supply, at the water user's meter connection to the property with various degrees of hazard, are listed below. Situations not covered in the listed below shall be evaluated on a case-by-case basis and the appropriate backflow protection shall be determined by FPUD.

Sec. 19.22.1 Type Of Backflow Protection Required.

1. An (AG) is required on premises where there are waste water pumping and/or treatment plants and there is no interconnection with the potable water system. This does not include a single-family residence that has a sewage lift pump. A RP may be provided in lieu of an AG if approved by the District.
2. An (AG) is required on premises where hazardous substances are handled in any manner in which the substances may enter the potable water system. This does not include a single-family residence that has a sewage lift pump. A RP may be provided in lieu of an AG if approved by the District.
3. An (RP) is required on premises where there are irrigation systems into which fertilizers, herbicides, or pesticides are, or can be, injected. Any sign of injection systems on the property, including unused systems will require an (RP).
4. Auxiliary Water Supplies--Any water supply other than that received from a public water system.

- A) (AG) is required on premises where there is an unapproved auxiliary water supply which is interconnected with the public water system. A RP or DC may be provided in lieu of an AG if approved by the District.
- B) An (RP) is required on premises where there is an unapproved auxiliary water supply and there are no interconnections with the public water system.

5. Recycled Water

- A) An (AG) is required on premises where the public water system is used to supplement the recycled water supply.
- B) An (RP) is required on premises where recycled water is used, and there is no interconnection with the potable water system.
- C) An (RP) is required on residences using recycled water for landscape irrigation as part of an approved dual plumbed use area. If the District is also the supplier of the recycled water, to utilize an alternative backflow protection plan that includes an annual inspection and annual shutdown test of the recycled water and potable water systems.

6. Fire Protection Systems

- A) An (RP) is required on premises where the fire system is directly supplied from the public water system and there is an unapproved auxiliary water supply on or to the premises (not interconnected).
- B) An (AG) is required on premises where the fire system is supplied from the public water system and interconnected with an unapproved auxiliary water supply. A RP may be provided in lieu of an AG if approved by the District.
- C) An (RP) is required on Premises where the fire system is supplied from the public water system and where either elevated storage tanks or fire pumps which take suction from private reservoirs or tanks are used.
- D) An (RP) is required on Premises where the fire system is supplied from the public water system and where recycled water is used in a separate piping system within the same building.
- E) A (DC) is required for single family residence with fire protection system. The (DC) needs to be installed and maintained by the property owner.

- 7. An (RP) is required on premises where entry is restricted so that inspections for cross-connections cannot be made with sufficient frequency or at sufficiently short notice to assure that cross-connections do not exist.

8. An (RP) is required on premises where there is a repeated history of cross-connections being established or re-established.
9. An (RP) is required where adjacent parcels under common ownership are served by more than one meter. RP devices will be required at each meter.
10. An (RP) is required on all new agricultural (AS), agricultural/domestic (AT), commercial agricultural (CA), or commercial agricultural domestic (CB) services. An RP will be installed by the District only with the new meter services.
11. Property owners who appeal to the District to change classification from a classification other than agricultural (AS, AT, CA, CB) will be required to install a Reduced Pressure Backflow Preventer at the property owners expense. See Section 19.22.3 & 4.

Evaluation of Hazard. The District shall evaluate the degree of potential health hazard to the public water supply which may be created as a result of conditions existing on a user's premises. The District, however, shall not be responsible for abatement of cross-connections which may exist within a user's premises. As a minimum, the evaluation should consider: the existence of cross-connections, the nature of materials handled on the property, the probability of a backflow occurring, the degree of piping system complexity and the potential for piping system modification. Special consideration shall be given to the premises of the following types of water users:

- A) Premises where substances harmful to health are handled under pressure in a manner which could permit their entry into the public water system. This includes chemical or biological process waters and water from public water supplies which have deteriorated in sanitary quality.
- B) Premises having an auxiliary water supply, unless the auxiliary supply is accepted as an additional source by the District.
- C) Premises that have internal cross-connections that are not abated to the satisfaction of the District.
- D) Premises where cross-connections are likely to occur and entry is restricted so that cross-connection inspections cannot be made with sufficient frequency or at sufficiently short notice to assure that cross-connections do not exist.
- E) Premises having a repeated history of cross-connections being established or reestablished.

Sec. 19.22.2 Backflow Device Installation on New Services.

The District shall install Reduced Pressure Backflow Preventers on new potable water meter services when applicable. (see Type of Backflow Device Protection Required)

An additional charge will be made for installation of backflow prevention devices as follows:

Reduced Pressure Principle Devices (installed along with new meter)

For each ¾ inch meter	\$470
For each 1 inch meter	\$555
For each 1-1/2 inch meter	\$1,025
For each 2 inch meter	\$1,229
For each 3, 4 or 6 inch meter	Cost

Backflow / RP device charges will be adjusted annually based on the ENR (Engineering News Record) Construction Cost Index (CCI) of February. Staff will report back to the Board of Directors no less than every five (5) years with analysis comparing fees to actual costs.

Sec. 19.22.3 Reduced Pressure Backflow Preventer Retrofits.

Retrofit: Installation of a Backflow device after the service connection has been established.

General Design Considerations.

- A) The design and construction of the backflow prevention assembly shall meet the requirements called for in this specification.
- B) The nominal size of the backflow prevention device shall be equal to the size of the purchased meter. For example, a (1") meter shall have a (1") backflow prevention device.
- C) The assembly shall include same size valves located on either side of the backflow prevention assemblies. Four test cocks shall be appropriately located on the assembly for testing and certification.
- D) The nominal size of reduced-pressure principle detector assemblies shall be as shown on the Approved Plans or as directed by the Fire Department of jurisdiction.
- E) Enclosures and concrete slabs shall be provided only as shown on the Approved Plans or as required by the agency of jurisdiction.

Sec. 19.22.4 Reduced Pressure Backflow Preventer Device Retrofit –Installed by Property Owner

The property owner shall be responsible for the Reduced Pressure Backflow Device Retrofit. Once the device is installed, passes the backflow test, and meets the District’s standards the device will become the property of the District. The device will be charged the standard monthly service charges and will be tested annually.

Upon notification by the District that a Reduced Pressure Backflow Device is needed, the property owner will have sixty (60) days to comply. After sixty (60) days, the District shall have the right to discontinue water service and charge a fee of fifty dollars (\$50) to lock the meter. A fee of one hundred (\$100) will be charged for broken or damaged locks. Damage to corp or angle stop in attempt to restore services will be billed at actual time and material and added to the water bill. The water service will be restored only after the fees are paid and the device is installed, passes, and meets the District standards.

Installation.

- 1) Installations of retrofit backflow devices will not be performed by District Personnel and is the sole responsibility of the property owner.
- 2) Forty-eight (48) hours prior to installation, the Backflow Department will be notified at (760) 728-1125, extension 1129. Installations and inspections will be scheduled Monday through Thursday's only – excluding all District holidays. District personnel will shut off the angle stop before the meter. If the installer or property owner shuts off the angle stop and causes damage, the installer and property owner will be responsible for damages. The damages will be calculated at a time and materials rate.
- 3) Installation shall comply with the latest edition of the Uniform Plumbing Code and applicable District requirements.
- 4) Backflow prevention assemblies shall be installed in accordance with the District's standard drawings.
- 5) Water service and fire service shut-off valves will be secured closed during installation until an approved backflow prevention device is installed and tested in compliance with this specification.
- 6) When static pressure exceeds 175 psi, a pressure-reducing valve may be installed. Please contact the Backflow Department for determination of necessity.
- 7) After installation of the backflow device, the Backflow Department must be notified to inspect the installation to insure that the device meets the District specifications. It will then be tested by District personnel.
- 8) There will be no charge if the backflow device is installed correctly and test properly on the first inspection. If the backflow device fails the first test, it shall be the responsibility of the property owner to have any necessary repairs made. Repairs must be made according to District specifications. Any additional inspections will be charged one hundred twenty dollars (\$127) plus the costs of parts if needed.
- 9) Backflow / RP device charges will be adjusted annually based on the ENR (Engineering News Record) Construction Cost Index (CCI) of February. Staff will report back to the Board of Directors no less than every five (5) years with analysis comparing fees to actual costs.

10) Any damages or leaks after the customer shut-off valve will be the property owner's responsibility.

Sec. 19.22.5 Well Destruction and Alteration.

To protect the State's groundwater supplies, the Legislature authorized the establishment of standards (Department of Water Resources Bulletins 74-81 and 74-90) and regulations pertaining to the construction, alteration, and destruction of wells.

California Water Code Section 13750.5 requires that those responsible for the construction, alteration, or destruction of water wells, cathodic protection wells, groundwater monitoring wells, or geothermal heat exchange wells possess a C-57 Water Well Contractor's License. This license is issued by the Contractors State License Board.

California Water Code Section 13751 requires that anyone who constructs, alters, or destroys a water well, cathodic protection well, groundwater monitoring well, or geothermal heat exchange well file with the Department of Water Resources a report of completion within sixty (60) days of the completion of the work.

The Land and Water Quality Division regulates the design, construction, modification, and destruction of water wells throughout San Diego County to protect San Diego County's groundwater resource. Water Wells are commonly used as the only potable water supply in the rural areas of San Diego County. For general information call the San Marcos office at (760) 471-0730.

Upon the completion of the well destruction or alteration, the property owner is responsible for supplying proper documentation to the District.

If the property owner chooses not to follow the California Water Code (listed above) within sixty (60) days, the District shall have the right to discontinue water service and charge a fee of fifty dollars (\$50) to lock the meter. A fee of one hundred (\$100) will be charged for broken or damaged locks. Damage to corp or angle stop in attempt to restore services will be billed at actual time and material and added to the water bill. The water service will be restored only after the fees are paid and a Reduced Pressure Backflow Device is installed (See Section 19.22.3&4) and passes and meets the District standards.

Sec. 19.23 Booster Pumps.

No person shall place or cause to be placed a device to raise the pressure of water supplied him by the District unless said booster system plans and proposals have been submitted to the District's General Manager and written approval for its installation and use has been secured. In the event such apparatus is installed without permission, the General Manager will immediately discontinue service to the consumer and resume service only after satisfactory removal or correction and payment of turn-on charges and payment for any repair or treatment necessary for sanitary and safe operation.

Sec. 19.23.1 Fallbrook Service Area Pressure Zones. Any approved individual service booster pump in the following pressure zones will be installed, operated, and

maintained entirely at the individual customer's expense and will remain the property of the individual customer:

- 1) Toyon Heights
- 2) Sachse
- 3) Red Mountain
- 4) Gheen
- 5) Modified Town
- 6) Rattlesnake

Sec. 19.23.2 DeLuz Heights Service Area Pressure Zones. Any approved individual service booster pump in the DeLuz Service Area will be installed, operated, and maintained entirely at the individual customer's expense and will remain the property of the individual customer, with the exception of the following meter numbers:

- 1) Meter No. 7783
- 2) Meter No. 7784
- 3) Meter No. 7789

Sec. 19.24 Fire Hydrants.

For installing, maintaining and use of fire hydrants, the following will apply:

The District will install fire hydrants and necessary piping so required where and when jointly approved by the Chief Engineer of the District and the Chief of the Fire District at the cost of the North County Fire Protection District.

In the event hydrants are required as part of pipeline extensions to service a subdivision or consumer, the cost of such hydrants will be included in the cost of the extension construction and paid for by the subdivider or consumer. Charges for installation of hydrants on the existing District distribution system will be as follows:

Model J-3700 (2-port hydrant).....	\$9,057 (complete assembly)
Model J-3765 (3-port hydrant).....	\$9,808 (complete assembly)
Fire flow testing	\$527

If paving over 20 feet is required, there is an additional fee of \$254 per trench foot. If county road inspection is required, there is an additional fee of \$1,389.

Charges for fire hydrants will be adjusted annually based on the ENR (Engineering News Record) Construction Cost Index (CCI) of February. Staff will report back to the Board of Directors no less than every five (5) years with analysis comparing fees to actual costs. Maintenance and repairs to hydrants, valves and connecting pipelines, will be performed by the District at the expense of the North County Fire Protection District.

Sec. 19.25 Automatic Sprinkler and Fire Protection Systems.

For automatic sprinkler and fire protection systems, the District upon request, will install a detector check valve system subject to the payment of the following installation charges by the user:

4 inch service	Cost
6 inch service	Cost

8 inch serviceCost

Sec. 19.26 Construction Meters.

For each use of a fire hydrant by any person not officially associated with a fire fighting organization, by pre-arrangement and approval of the District, and upon receipt of a \$1,254 deposit, a meter installation charge of \$121 will be made. There will be a relocation charge of \$121 to cover cost of moving a construction meter. Upon notification by customer that the construction meter is no longer needed, District staff will retrieve the meter. Charges for construction meters will be adjusted annually based on the ENR (Engineering News Record) Construction Cost Index (CCI) of February. Staff will report back to the Board of Directors no less than every five (5) years with analysis comparing fees to actual costs. Upon retrieval, deposits will be refunded to the customer less any accrued operations charges and water use charges. The cost to repair a damaged construction meter will be deducted from the deposit. The construction meter will be locked to the fire hydrant and moved only by District staff. If the meter is stolen, the District will bear the cost of replacement.

Sec. 19.27 Water Used for Annual Crops.

For each use of water for agricultural purposes solely for the growing of annual crops, as described in Sec. 19.1, Temporary Ag Service, the connection charge levied by Sec. 19.8 will not be assessed for this purpose.

All other fees, assessments, and charges of this Administrative Code will be in effect. The Board of Directors will determine annually the availability of water for these purposes, and the use will be continued on a year to year basis at the discretion of the Board of Directors.

Sec. 19.28 Illegal Use of Water.

The District may discontinue service to any consumer who uses or permits the use of District water beyond District boundaries or who within the District permits the flow of water beyond the limits of his property which is recorded as being served by the meter service through which the water is supplied. After discontinuing service for such cause, a charge of \$100 plus the estimated cost of the water so wasted or misused will be made and water service will not be resumed until paid.

Sec. 19.29 Water Service Outside District.

In the event that the District should at any time have surplus water over and above that which may be needed and used within the limits of the District, then and in that event, the Directors of the District are hereby authorized to enter into a contract for the sale of such surplus water outside the boundaries of the District, upon such terms and conditions and for such rates as the Directors may at the time deem for the best interests of said District, provided, however, that in no case shall the Directors of said District, in fixing the rate to be charged for water in such contract, charge less than a sum which would represent the cost of actually developing and delivering said water outside of said boundaries of said District.

Sec. 19.30 Application of Water Service to Affordable Housing

Per Government Code Sec. 65589.7, effective July 1, 2006, the

District shall not deny or condition the approval of an application for water service to, or reduce the amount of services applied for by, a proposed development that includes housing units affordable to lower income households unless the District makes specific written findings that the denial, condition, or reduction is necessary due to the existence of one or more of the following:

- a) The District does not have sufficient water supply as defined in paragraph (2) of subdivision (a) of Government Code Sec. 66473.7 or is operating under a water shortage emergency as defined in Water Code Sec. 350, or does not have sufficient water treatment or distribution capacity to serve the needs of the proposed affordable housing development as demonstrated by a written engineering analysis and report; or
- b) The District is subject to a compliance order issued by the State Department of Health Services that prohibits new water connections; or
- c) The District does not have sufficient sewer treatment or collection capacity to serve the needs of the proposed affordable housing development as demonstrated by a written engineering analysis and report; or
- d) The District is under an order issued by the Regional Water Quality Control Board that prohibits new sewer connections; or
- e) The applicant fails to agree to reasonable terms and conditions for water service from the District which is generally applicable to other development projects seeking water service from the District including, but not limited to, payment of any fee or charge authorized by Government Code §66013.

Sec. 19.30.1 Review of Service Policies.

At least once every five (5) years after passage of this policy, the policies contained in this section shall be presented to the Board of Directors of the District for a review and evaluation of the written policies governing water service to proposed developments that include housing units affordable to lower income households.

Sec. 19.31 Administrative Fees.

The following administrative fees will be charged for the preparation, processing, and recording of the following documents:

Insufficient Funds Check	\$25
Temporary Service Agreements	\$50
Remote Meter Agreements	\$50
Quitclaim of Easement	\$50
Grant of Easement	\$50
Grant Deed	\$50
Temporary Sewer Service Agreements	\$50
Repayment Agreements	\$100

ARTICLE 19

Sec. 19.1,19.4,19.6, 19.21, 19.23 &
19.28 – Rev. 6/93
Sec. 19.5, 19.21 & 19.24 – Rev. 2/94
Sec. 19.8 – Rev. 4/95
Sec. 19.1 – Rev. 8/95
Sec. 19.33-19.43 – Rev. 8/95
Sec. 19.5, 19.24-19.25 – Rev. 9/96
Sec. 19.6-19.8 – Rev. 9/96
Sec. 19.23 – Rev. 10/96
Sec. 19.8 – Rev. 6/97
Sec. 19.1 – Rev. 7/97
Sec. 19.11 – Rev. 7/98
Sec. 19.9 – Deleted (all parcels paid) –
Rev. 9/98
Sec. 19.21 – Rev. 6/99
Sec. 19.8 – Rev. 7/99
Sec. 19.9 – Rev. 11/99
Sec. 19.20.2 – Rev. 11/99
Sec. 19.9.2 – Rev. 7/00
Sec. 19.8 – Rev. 12/00
Sec. 19.8 – Rev. 8/01
Sec. 19.21, 19.23 – Rev. 07/03
Sec. 19.6, 19.21 – Rev. 6/04
Sec. 19.8, Rev. 1/05
Sec. 19.5 – Rev. 7/05
Sec. 19.4 & 19.8 – Rev. 3/06
Sec. 19.5, 19.6, 19.19, & 19.21 – Rev.
6/06
New sec. 19.27 added 6/06
Sec. 19.5, 19.8 & 19.23 – Rev. 12/06
New Sec. 19.4 – Added 2//07
Sec. 19.20 – Rev. 3/07
Sec. 19.22 – Rev. 6/07
Sec. 19.6 – Rev. 6/07; 19.7 – Added
6/07; 19.20 – Rev. 6/07; 19.22 – Rev.
6/07
New 19.11 – added 8/07
Sec. 19.1 (last para pg. 1) & 1st para.
Pg. 2 – Rev. 12/07
Sec. 19.8.2 – Add 3/08
Sec. 19.1, 19.6, 19.7, 19.8, 19.8.1,
19.9, 19.14, 19.22, 19.24, 19.26, 19.27,
and 19.31 – Rev. 6/08
Sec. 19.1, 19.6, 19.8, 19.8.2, 19.10,
19.11.2, 19.11.3, 19.11.4, 19.11.5,
19.11.6, 19.22,
19.24, - Rev. 6/09
19.1, 19.5 Rev. 8/09
Sec. 19.22-19.22.5 – Rev. 10/09
Sec. 19.8.1 – Rev. 5/10
Sec. 19.5 – Rev. 10/10
Sec. 19.3 – Rev 12/10

ARTICLE 19 CONTINUED

Sec. 19.6, 19.7, 19.8.2, 19.22.2, 19.24,
19.26 – Rev. 5/11

Sec. 19.8, 19.9 – Rev. 4/12

Sec. 19.1, 19.5, 19.6, 19.7, 19.8,
19.8.2, 19.22.2, 19.24, 19.26 – Rev.
6/12

Sec. 19.5, 19.6, 19.7, 19.8, 19.8.2,
19.22.2, 19.24, 19.26 – Rev. 6/13

Sec. 19.1, 19.5, 19.6, 19.7, 19.8,
19.8.2, 19.10, 19.22.2, 19.24, 19.26 –
Rev. 6/14

Sec. 19.8.1 – Rev. 10/14

Sec. 19.6, 19.7, 19.8, 19.8.2, 19.22.2,
19.24, 19.26 Rev. 6/15

Secs. 19.1, 19.5, 19.11, 19.11.1,
19.11.2, 19.11.3, 19.11.4, 19.11.5,
19.11.6, 19.22.1 Rev. 3/16

19.4.2 (add), 19.6, 19.7, 19.8, 19.8.2,
19.10, 19.22.2, 19.24, 19.26 – Rev.
7/16

Sec. 19.10 - Rev. 1/17

Secs. 19.4.2, 19.6, 19.7, 19.8, 19.8.2,
19.10, 19.22.2, 19.22.4, 19.24, 19.26 –
Rev. 12/18

Article 20. Sewer Service Connections and Construction Permits and Fees.

Sec. 20.1 Unlawful Connections.

It shall be unlawful for any person to connect to the District sewer or to add any building, apartment, trailer, or other unit to an existing sewer connection or commence construction of any sewer line within the District without having first obtained a written permit from the District authorizing such connection or construction. No permit to connect shall be issued except to the owner of the property or the owner's duly authorized agent.

Sec. 20.2 Definitions.

For the purpose of this Administrative Code and the regulation of sewer service by the Fallbrook Public Utility District, the following definitions are adopted:

The word "applicant", as used herein, shall mean a person, partnership, joint venture, or corporation making application to the District for a permit for a sewer connection.

The term "application", as used herein, shall mean the application form approved by the District for Applicants to submit a request for sewer service to the District.

The term "Board", as used herein, shall mean the governing board of the Fallbrook Public Utility District or any successor-in-interest.

The term "BOD", as used herein, means biochemical oxygen demand.

The term "Bulletin", as used herein, shall refer to "Bulletin 54" and shall mean the Clean Water Grant Program Bulletin 54.

The term "District", as used herein, shall mean the Fallbrook Public Utility District or any successor-in-interest.

The term "Equivalent Dwelling Unit", as used herein, shall mean an increment of wastewater flow attributable to the average single-family residence in the Fallbrook Public Utility District of 215 gallons per day having concentrations of biochemical oxygen demand ("BOD") and suspending solids ("SS") similar to the concentrations thereof for wastewater discharge into the District's sewer system from the average single-family residence, i.e., 250 milligrams per liter (MG/l) biochemical oxygen demand and 250 milligrams per liter (MG/l) suspended solids.

The term "Owner", as used herein, shall mean the holder of record title to a parcel or parcels of real property located within the District or a lessee under a long-term ground lease having a term of thirty (30) years or more who is required to construct and occupy a structure on the real property subject to the lease.

The term "Parcel of Land", as used herein, shall mean a separate parcel of land recognized as a separate unit by the Assessor's office for the County of San Diego and legally subdivided by California law.

The term "Parcel Map", as used herein, shall mean the division of a parcel of land into four (4) or fewer lots in compliance with the Subdivision Map Act.

The term "Permit", as used herein, shall mean permit for a sewer connection issued by the District.

The term "Project", as used herein, shall mean the development, use, building or structure for which the owner is seeking sewer service and all developments, uses, buildings, and structures which have not previously secured a sewer permit from the District.

The term "Subdivider", as used herein, shall mean any person, firm, corporation, partnership, or association who proposes to divide, divides, or causes to be divided real property into a subdivision for himself or for others as defined by the Subdivision Map Act.

The Term "SS", as used herein, means suspended solids.

The term "SS per EDU", as used herein, means suspended solids per equivalent dwelling unit.

The term "Subdivision", as used herein, shall mean any improved or unimproved real property, or a portion thereof, shown on the latest equalized County Assessment Tax Roll as a unit or as contiguous units which is divided into five (5) or more parcels for the purpose of sale, lease or financing.

The term "Volume per EDU", as used herein, means 215 gallons per day of sewage flow.

Sec. 20.3 General Provisions.

For the purpose of this Administrative Code and the regulation of sewer service by the Fallbrook Public Utility District, the following general provisions are adopted: *Former FSD Ordinance No. 47.*

Sec. 20.3.1 "Shall" and "May". "SHALL" is mandatory and "MAY" is permissive.

Sec. 20.3.2 Number. The singular number includes the plural and the plural includes the singular.

Sec. 20.3.3 Tenses. The present tense includes the past and future tenses; and the future, the present.

Sec. 20.3.4 Provisions Not Affected by Headings. Article and section headings contained herein shall not be deemed to govern, limit or modify, or in any manner affect the scope, meaning or intent of any section hereof.

Sec. 20.3.5 Severability of Provisions. If any section, subsection, sentence, clause or phrase of this Article of the Administrative Code is, for any reason, held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or unconstitutionality irrespective of the fact that any one or more other sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Sec. 20.3.6 Service of Notices. Whenever a notice is required to be given under this Article, unless different provisions are hereinafter specially made, such notice may be given either by person delivery thereof to the person to be notified or by deposit in the United States Mail in a sealed envelope, postage prepaid, addressed to such person at his last address as the name appears in the records of the District. Services by mail shall be deemed to have been completed at the time of the deposit in the Post Office.

Sec. 20.4 Application Process.

Applicants desiring sewer service from the District shall submit request for sewer service from the District on the application form approved by the District. The application shall be made in the name of the Owner and be signed by the Owner or Owner's authorized representative. No application shall be deemed complete for the purposes of processing until the District has obtained all information requested by District staff to process the application.

Sec. 20.4.1 Environmental Review. Upon request, the applicant shall provide the District with all documents evidencing any environmental review of the project for which the applicant seeks sewer service. If the District determines that additional environmental review is necessary, the applicant shall be required to deposit such sums as the District determines necessary in order to complete this environmental review. The District may elect to utilize the applicant's environmental expert or may elect to retain its own environmental consultant at the applicant's sole cost and expense.

Sec. 20.4.2 Required Documents. Except where waived by District staff, all applications for a sewer permit shall be accompanied by a complete set of all plans and specifications for the proposed development prepared by an architect or engineer licensed in the State of California. The District shall have no obligation to process any application until District staff has received all plans and specifications determined necessary by District staff to consider the impacts of the proposed project on the District's sewer system.

Sec. 20.4.3 Parcel Maps and Subdivisions. Applications for sewer service to parcel maps and subdivisions will not be processed until the applicant submits an executed application form and the District has been provided with a copy of the parcel map or subdivision map prepared by a licensed civil engineer in the State of California.

The parcel map or subdivision map shall show all proposed sewer facilities. Where the parcel map or subdivision will require a pipeline extension, the applicant will be required to execute a pipeline extension agreement. The District may also require the applicant to submit copies of all environmental review being conducted for the parcel map or subdivision. Where District staff determines that the environmental review is insufficient, the District may require a deposit for additional environmental review as determined necessary by District staff. All costs for such additional environmental review shall be paid by the applicant.

Sec. 20.4.4 Sewer Availability Forms and Letters. If an applicant has submitted a completed application, all environmental review has been completed to the satisfaction of the District, and the District has reviewed and approved the applicant's plans for sewer service, the District may issue a sewer availability letter or execute the Sewer Project Facility Availability form provided by the County of San Diego.

Execution of the sewer availability letter or form is not a commitment that the District will provide sewer service to any project nor is it a guarantee that sewer service will be available to serve the project at the time a sewer commitment is actually made. Execution of the sewer availability letters or forms merely indicates that sewer service is available at the time the District executes the sewer availability letter or form. The District is not committed to provide sewer service until the District issues the permit, the applicant pays all deposits and fees required by the District, and all sewer facilities required to serve the project by the District have been completed and accepted by the District.

Sec. 20.4.5 Sewer Permit. When an applicant has paid all fees and charges of the District and complied with all requirements of this Administrative Code, the District may issue a permit. An applicant does not have any right to sewer service until the permit is issued. Upon issuance of the permit, monthly service charges will commence in accordance with Section 20.

Sec. 20.5 Engineering Fees.

Sec. 20.5.1 Plan Check Fees.

1. Plan checks less than 500 lineal feet, water or sewer, \$500 each.
2. Plan checks 500 lineal feet to 1,000 lineal feet, water or sewer, \$1,000 each.
3. Plan checks greater than 1,000 lineal feet, \$1,000 each, plus .50 cents per lineal foot thereafter.

Sec. 20.5.2 Fees for District to Inspect Contractor Installed Facilities

1. Sewer Lateral Installation 5 hours @ \$105.37 = \$526.86

If the sum of the inspection fees for a project is greater than \$3,000, the inspection will be done on a time and material basis and a deposit for the estimated cost will be paid prior to

start of construction. Inspection fees will be adjusted annually based on the Engineering News Record (ENR) Construction Cost Index (CCI) of February. Staff will report back to the Board no less than every five (5) years with analysis comparing current fees to calculated fees.

Sec. 20.6 Changes in Use.

Sewer permits are issued only for the use expressly authorized by the permit. No person or entity shall be entitled to remodel any existing building, change the use of any parcel of land for which a sewer permit has been issued, or construct any additional improvements on any parcel of land which causes the discharge of a greater volume of wastewater than authorized by the sewer permit issued by the district or which causes the wastewater to have a greater concentration of BOD or SS than authorized by the prior sewer permit without first submitting an application to the District for a new sewer permit.

Sec. 20.6.1 Process. Upon receipt of the application, District staff will evaluate impacts of the change in use on the District's system quantitatively. The applicant will be required to construct any additional sewer facilities determined necessary by the District to adequately serve the revised project. The District staff will calculate any additional sewage discharge required for the revised project based upon an equivalent dwelling unit of wastewater flow. The applicant will be required to pay additional capacity fees based on the capacity fee in effect at the time the applicant is submitted for the additional number of equivalent dwelling units calculated by District staff.

Sec. 20.6.2 Reduction in Uses. An existing commercial or industrial use may obtain a reduction in equivalent dwelling units by appealing the capacity per Section 20.7.4. Any reduction in capacity will reduce the ongoing capital improvement charge, but will not result in any refund of capacity fees.

Sec. 20.6.3 Application of Sewer Service to Affordable Housing.

Per Government Code Sec. 65589.7, effective July 1, 2006, the District shall not deny or condition the approval of an application for sewer service to, or reduce the amount of services applied for by, a proposed development that includes housing units affordable to lower income households unless the District makes specific written findings that the denial, condition, or reduction is necessary due to the existence of one or more of the following:

- a) District does not have sufficient water supply as defined in paragraph (2) of subdivision (a) of Government Code Sec. 66473.7 or is operating under a water shortage emergency as defined in Water Code Sec. 350, or does not have sufficient water treatment or distribution capacity to serve the needs of the proposed affordable housing development as demonstrated by a written engineering analysis and report; or
- b) District is subject to a compliance order issued by the State Department of Health Services that prohibits new water connections; or

- c) The District does not have sufficient sewer treatment or collection capacity to serve the needs of the proposed affordable housing development as demonstrated by a written engineering analysis and report; or
- d) The District is under an order issued by the Regional Water Quality Control Board that prohibits new sewer connections; or
- e) The applicant fails to agree to reasonable terms and conditions for sewer service from the District which is generally applicable to other development projects seeking sewer service from the District including, but not limited to, payment of any fee or charge authorized by Government Code §66013.

Sec. 20.6.4 Review of Service Policies.

At least once every five (5) years after passage of this policy, the policies contained in this section shall be presented to the Board of Directors of the District for a review and evaluation of the written policies governing water service to proposed developments that include housing units affordable to lower income households.

Sec. 20.7 Formula For Capacity Fees.

Sec. 20.7.1 Capacity Fees Based Upon Equivalent Dwelling Unit. The capacity fee payable for any particular project will be calculated by District staff based upon the capacity fee in effect at the time payment is being made multiplied by the number of equivalent dwelling units of sewage flow being generated by the project as calculated by District staff. The Board has adopted an EDU for certain classes of service. These EDU's for classes of service will be utilized except as otherwise altered by the Board.

Upon receipt of the application, District staff will evaluate impacts of the change in use on the District's system both quantitatively and qualitatively. The applicant will be required to construct any additional sewer facilities determined necessary by the District to adequately serve the revised project. The District staff will calculate any additional sewage discharge required for the revised Project based upon an equivalent dwelling unit of wastewater flow. The applicant will be required to pay additional capacity fees based on the capacity fee in effect at the time the application is submitted for the additional number of equivalent dwelling units calculated by District staff.

Finance options are available for customers who owe additional fees to the District due to property expansions that did not purchase additional capacity and/or visual audits conducted by District staff.

- a) Any amounts financed by the District require a signed agreement and Promissory Note. Any amount greater than \$10,000 will also require a Trust Deed.
- b) Any delinquent amounts will be transferred to the property tax bill.

- c) Amounts up to \$3,000 are due immediately with no financing option.
- d) Amounts between \$3,001 and \$5,000 may have terms of up to one year at the Local Agency Investment Fund (LAIF) rate + 2%.
- e) Amounts between \$5,001 and \$10,000 may have terms of up to two years at the LAIF rate + 3%; interest to be re-calculated at the one year anniversary.
- f) Amounts greater than \$10,001 may have terms up to three years at the LAIF rate + 4%; interest to be re-calculated at the one year and two year anniversaries.
- g) Liens will not be offered as a methods of postponing payment of fees.

Sec. 20.7.2 Equivalent Dwelling Unit Schedules. Upon receiving an application for issuance of a sewer permit, the number of equivalent dwelling units for which the Permit shall be issued shall be determined from the following schedule:

(SEE SCHEDULE OF EQUIVALENT DWELLING UNITS AND CLASS OF SERVICE ON THE FOLLOWING PAGES)

SCHEDULE OF EQUIVALENT DWELLING UNITS AND CLASS OF SERVICE		
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CLASS	DESCRIPTION	EQUIVALENT DWELLING UNITS
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Class 1	Single Family Residence	
	Single family residence	1.00
	Mobile home on individual parcel	1.00
Class 2	Apartment/Condominium/Attached Cottage-Mobile Home	
	Per detached cottage with bathroom and kitchen on a parcel with a single family residence	0.80
	Per mobile home on a parcel with a single family residence	0.80
	Per apartment unit	0.80
	Per condominium/duplex unit	0.80
Class 3	Mobile Home Park	
	Per separate mobile home space	0.80
	Motel/Hotel	
Class 4	Per motel/hotel with kitchen unit	0.80
Class 41	Per motel/hotel without kitchen unit	0.50
	A Separate Business, Retail Shop With Office, Or Packing House Equipped With Restroom Facilities, Or Not So Equipped But Located In A Building Or Complex With Common Restroom	
Class 5	First 3500 square feet (exterior building area) facilities	1.33

Class 55	Per additional 1000 square feet (exterior building area)	0.38
	Automotive Service Station	
Class 6	4 pumps or less	2.00
Class 61	More than 4 pumps	3.00
Class 62	Per recreational vehicle holding tank disposal station	1.00
	Church, Fraternal Lodge Or Similar Auditorium	
Class 7	Per 200 seating capacity	1.00
	Bakery	
Class 8	Per 3500 square feet (exterior building area)	1.00
	Theater	
Class 9	Per 150 seating capacity	1.33
	Hospital	
Class 10	Per bed	0.65
	Convalescent or Boarding Home	
Class 11	Per bed	0.30
	Labor Camp	
Class 12	Per bed	0.10
	Elementary School / Daycare	
Class 13	Per 60 Students	1.00
	Junior High School	
Class 16	Per 40 Students	1.00
	High School	
Class 17	Per 30 Students	1.00
	Mortuary	
Class 14		1.00
	Special Class	
Class 15	EDU determined by Administrative Code Sections 20.7.3 & 20.7.4	
	Car Wash	
Class 21		5.00
	Self Service Laundry	
Class 23		5.00

	Restaurants	
Class 24	Restaurant Under 2500 Square feet	3.00
Class 25	Restaurant 2501-7000 Square feet	4.00
Class 26	Restaurant Over 7000 Square feet	5.00
	Grocery Stores	
Class 32	Grocery Stores Under 2500 feet	3.00
Class 33	Grocery Stores 2501-7000 Square feet	4.00
Class 34	Grocery Stores Over 7000 Square feet	5.00
Class 88	Standby	0.24

Sec. 20.7.3 Large Commercial / Industrial and Unclassified Sewer Users. For larger (> 30 EDU) commercial and industrial user and for types of sewer use other than those provided for in the classes of service set forth in the foregoing schedule, District staff shall determine that number of equivalent dwelling units for which a permit shall be issued based upon the estimated volume of wastewater to be discharged there from into the District's sewer system and concentrations of BOD and SS in such wastewater determined pursuant to the table set forth in State Water Resources Control Board Bulletin 54B ("Bulletin 54B") or for types of sewer use not included in said table, by such other data as District staff shall determine to be reliable and by using the following formula:

$$[(\text{Estimated daily volume}) / (\text{Volume per EDU})] \times$$

$$[0.5 (\text{BOD per Bulletin 54B}) / (\text{BOD per EDU}) +$$

$$0.5 (\text{SS per Bulletin 54B}) / (\text{SS per EDU})]$$

Sec. 20.7.4 Appeal Process for Classes 4 through 62. When requested by the owner for Classes 4 through 62, the equivalent dwelling units shall be determined on the basis of the estimated daily volume of wastewater which will be discharged into the District's sewer system and concentrations of BOD and SS in such wastewater using the table mentioned and the formula set forth in Subsection 20.7.3; provided, however, that if District staff determines that the daily volume of wastewater for such a use cannot be estimated with reasonable accuracy or that the BOD of or SS in such wastewater cannot be determined based on table or other reliable data, the equivalent dwelling units for which a permit shall be issued shall be determined based on the schedule set forth in Subsection 20.7.2.

Sec. 20.7.5 Determination of Equivalent Dwelling Units for Existing Permits. The holder of an existing permit for sewer connection which does not show thereon the number of equivalent dwelling units for which it is issued, may make application to the District for a determination of equivalent dwelling units based on the current use of the property to which the permit relates.

Upon receipt of an application, the District shall determine the number of equivalent dwelling units which shall be credited to the permit based on Section 20.7.2 or Section 20.7.3.

Upon making such determinations, the District shall determine the equivalent dwelling units to be credited to the permit by use of the formula set forth in Subsection 20.7.2. Upon completing the determination of the number of equivalent dwelling units to be credited to an existing permit, the District shall amend the permit to show thereon the number of equivalent dwelling units credited thereto and shall also make a notation of such equivalent dwelling units to be credited to an existing permit, the District shall amend the permit to show thereon the number of equivalent dwelling units credited thereto and shall also make a notation of such equivalent dwelling units in the appropriate District record.

Upon receiving an application for a permit for the remodeling, renovation, or enlargement of an existing building for which a permit is outstanding or for a permit for a change in the use of a parcel of land for which a permit is outstanding or for the construction of an additional building or buildings on a parcel of land where an existing building is connected to the District's sewer system, and if the outstanding Permit does not show thereon the number of equivalent dwelling units for which it was issued, an evaluation shall be done to determine the number of dwelling units to be credited to such permit in the manner above provided, and based on such determination shall determine in such manner whether the new or changed use to be made of the remodeled, renovated, or enlarged building or the parcel of property or the additional building or buildings to be constructed on the parcel of property, as the case may be, will necessitate the issuance of a permit for additional equivalent dwelling units.

Sec. 20.8 Sewer Permit Fees.

Sec. 20.8.1 Capacity Fees. The following capacity fees shall be paid by the applicant for each equivalent dwelling unit determined by the District:

<u>Type of Capacity Fee</u>	<u>Amount Per Equiv. Dwelling Unit</u>
Capacity Fee.....	\$7,052
Annexation Fee (if required).....	\$11,302

Capacity fee charges will be adjusted annually based on the ENR (Engineering News Record) Construction Cost Index (CCI) of February. Staff will report back to the Board of Directors no less than every five (5) years with analysis comparing fees to actual costs.

The sewer annexation fee shall apply to areas annexed to the sewer service area after March 23, 2012, and are due with the other sewer permit fees when applying for a sewer permit.

Sec. 20.8.2 Lateral Cost. District staff will be utilized to install a lateral from the main line and to put in a clean-out box and overflow device. Upon submission of the

application, the applicant shall pay the following fee to cover the cost to install the lateral from the main line and to install the clean-out box and overflow device:

Length	Depth	Crew Size	Man Hours	Cost
≤ 15'	≤ 8'	4	36	\$3,470
≤ 15'	>8'	4	56	\$5,373
>15' to 30'	≤8'	5	90	\$7,377
>15' to 30'	>8'	5	115	\$9,501
>30'	Any	5	Actual	Actual

If paving is less than or equal to 15 feet is required, there is an additional fee of \$1,456. If paving is greater than 15 feet up to 30 feet is required, there is an additional fee of \$2,440. If county road inspection is required, there is an additional fee of \$1,389.

Lateral installation charges will be adjusted annually based on the ENR (Engineering News Record) Construction Cost Index (CCI) of February. Staff will report back to the Board of Directors no less than every five (5) years with analysis comparing fees to actual costs.

Sec. 20.9 Sewer Permits Non-Transferable.

The sewer permit issued for a particular parcel of land is specifically limited to use for that parcel of land. A sewer permit shall not be transferred to or used for a parcel of land which is not specifically described in the sewer permit. Sewer permits may be used only for the use which is specifically set forth on the sewer permit.

Sec. 20.10 Miscellaneous Provisions.

Sec. 20.10.1 Users Outside the District. The Board of Directors of the District shall have the power under Sec. 16474 of the Public Utilities Code to establish by agreement or resolution, the fees and charges and such other conditions as it deems appropriate that shall be imposed for providing sewer services to premises located outside the District.

Sec. 20.10.2 Use of District's Facilities Prohibited Unless Fees and Charges Paid. No person shall discharge or allow the discharge of or dump sewage or other waste matter into the District's sewer system except in compliance with the terms of this Administrative Code and payment of the fees and charges provided and established by or pursuant to this Administrative Code.

Sec. 20.10.3 Fees and Charges May Be Collected with Taxes. Notwithstanding any other provision of this Administrative Code, the fees and charges, including the connection fee and the sewer service charges, or either of them may be collected on the tax roll in the same manner and together with the general taxes of the District pursuant to Section 16469 of the Public Utilities Code.

Sec. 20.11 Temporary Sewer Service Agreements.

A Temporary Sewer Service Agreement is a recorded agreement between the District and a consumer that a sewer will be placed temporarily at a location remote from the property to be served, where the District intends, at some future date, to extend the District sewer system to abut the property described in the agreement, and that the consumer is responsible for extending his own temporary private line from the sewer to his property, and obtaining whatever temporary easements are required for such extension. Such agreements shall establish the financial obligations of the consumer related to the future installation costs of the District's distribution system and the cost of relocation of the sewer, and shall be binding upon the signatory and all successor owners of said property.

If the customer's obligation is to be secured with a promissory note and deed of trust, the terms will be based on the 10-year Treasury Bill rate plus 2%. Interest will be recalculated annually on the anniversary date of the recorded Trust Deed and will be compounded annually on the same anniversary date.

Failure to comply with the terms of the agreement shall be cause for termination of sewer service to said property and the basis for establishing a lien against the property for collection of any amounts due the District. Upon change of ownership, any parcel receiving sewer service under a Temporary Sewer Service Agreement will be required, as a condition of continued service, for the new owner to enter into a new Temporary Sewer Service Agreement with the District.

ARTICLE 20

Revised in its entirety – 6/93,
6/94, 6/95, 9/96
Sec. 20.7, Sec. 20.7.2 – Rev.
6/99
Sec. 20.6 – Rev. 11/99
Sec. 20.5.4 & 20.5.5 – Rev.
6/06
Sec. 20.7.1 & 20.7.2 – Rev.
6/06
Sec. 20.6.1 – Rev. 10/06
New Sec, 20.6 – Added 2//07
Sec. 20.7.5; 20.7.8; 20.8;
20.8.1; 20.8.2 – Rev. 6/07
20.8.1 – Rev. 3/08
20.7.2, 20.7.4, 20.7.5, 20.7.6,
20.8, 20.8.2 – Rev. 6/08
Sec. 20.7.2 – Rev. 8/08
Sec. 20.8.1, 20.8.2 – Rev.
6/09
Sec. 20.11 – Rev. 12/10
Sec. 20.8.2 – Rev. 5/11
Sec. 20.8.1 – Rev. 6/11
Sec. 20.8.1 – Rev. 4/12
Sec. 20.2, 20.4, 20.6.2,
20.6.3, 20.7.1, 20.7.2, 20.7.3,
20.7.4, 20.7.5, 20.7.6, 20.8.2
– Rev. 6/12
Sec. 20.7.2, 20.7.3 – Rev.
7/12
Sec. 20.8 – Rev. 6/13
Sec. 20.8.1, 20.8.2 – Rev.
6/14
Sec. 20.8.1, 20.8.2 – Rev.
6/15
Secs. 20.5.2 (add), 20.8.1,
20.8.2 – Rev. 7/16
Secs. 20.5.2, 20.8, 20.8.2 –
Rev. 12/18

Article 21. Water and Sewer Rates and Service Charges.

Water and sewer rates and charges are set to fully recover the District's costs. In order to help stabilize the revenue of the District during increasing or decreasing sales, the District has established a policy to collect approximately 80% of the District's fixed water operating costs through the monthly fixed charges and collect the remaining approximately 20% of the District's fixed operating cost through volumetric water rates. The rates and charges are set based upon cost of service principals that meet legal requirements and industry standards.

Effective January 1, 2019, the following rates for water deliveries to each class of service are established:

Sec. 21.1 Volumetric Water, Recycled Water and Pumping Rates.

For purposes of determining water rates, one unit equals 1,000 gallons:

Domestic (D), Large Lot Domestic (LD).

1-5 units per month	\$5.96 per unit
6-30 units per month	\$6.05 per unit
Over 30 units per month	\$7.37 per unit

Commercial (C).

All usage	\$6.14 per unit
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Multi-Unit (M) (Tier ranges factor residential units, per Article 19.1).

1 - 5 units per month	\$5.96 per unit
6 - 30 units per month	\$6.05 per unit
Over 30 units per month	\$7.37 per unit

Government (G).

All usage	\$6.04 per unit
-----------------	-----------------

Irrigation Only (I).

All usage	\$6.15 per unit
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SAWR - Ag Only (AS).

All usage	\$4.42 per unit
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SAWR - Ag & Home (AT).

1-5 units per month	\$5.96 per unit
6-20 units per month	\$5.12 per unit
Over 20 units per month	\$4.42 per unit

Commercial Ag (CA).

All usage	\$5.12 per unit
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Commercial Ag Domestic (CB).

1-5 units per month	\$5.96 per unit
Over 5 units per month	\$5.12 per unit

Drought Rates

In order to prepare and manage future periods of water shortage and mandatory conservation, the District adopted a water shortage contingency plan called the Water Shortage Response Program (the “Program”). Pursuant to the Program, the District established four Water Shortage Response Levels. Article 26 Water Shortage Response Program provides information on the program and the applicable water use rates.

Volumetric Recycled Water Rate.

Recycled water furnished within the District service area for any appropriate purpose will be billed at \$5.10 per 1,000 gallons. Recycled water sold outside the District service area will be sold by contract with specific customers. For San Diego County Water Authority and Metropolitan Water District rebate purposes, reclaimed water rates must be set at higher of 85 percent of lowest applicable potable water rate or 80 percent of the average of Tier 1 and Tier 2 rates.

Construction Meter.

Water furnished for construction purposes will be billed at \$7.60 per 1,000 gallons.

Volumetric Pumping Charges. (DSA and Toyon only)

Pumping charges for the DeLuz High Pressure Service Area and Toyon Heights shall be furnished at \$0.73 per 1,000 gallons to recover the cost of electricity.

Sec. 21.2 Monthly Fixed Charges.

Effective January 1, 2019, the following rates and charges are established and shall be collected by the District for water and recycled water service:

Monthly Service Charges for each meter (\$/meter size):

	Water Fixed Charges	Recycled Water Charges	Standby Service Charge	Private Fire Services Charge
3/4 inch meter	\$46.75	\$20.98	\$20.98	NA
1 inch meter	\$71.37	\$28.41	\$28.41	NA
1-1/2 inch meter	\$132.88	\$46.97	\$46.97	NA
2 inch meter	\$206.71	\$69.24	\$69.24	\$10.19
3 inch meter	\$403.57	\$128.66	\$128.66	\$10.87
4 inch meter	\$625.05	\$195.50	\$195.50	\$12.04
6 inch meter	\$1,240.26	\$381.15	\$381.15	\$16.22
8 inch meter	NA	NA	NA	\$23.44

NA- Not applicable

For construction meters, a service charge of \$310.07 per month or fraction thereof will be made in addition to the cost of water consumed. This rate is calculated using a factor of 1.5 times the fixed charge for a 2” water meter.

The foregoing fixed charges for water service through various sized meters that are installed or upgraded will be effective commencing the day of installation, regardless of the amount of water used, as long as the consumer's property is actually connected with the District's distribution system. In addition, any request to down size a meter properly filed with the District will receive a fixed charge commensurate with the meter size effective the next billing cycle.

Billings for water furnished to all accounts will be on a monthly basis.

A monthly service charge to cover the District's cost for annual inspection, maintenance, repair and replacement of backflow prevention devices will be made as follows (\$/meter size):

For each 3/4 inch device	\$5.16
For each 1 inch device	\$6.07
For each 1-1/2 inch device	\$11.23
For each 2 inch device	\$13.47
For each 3 inch device	\$26.92
For each 4 inch device	\$42.06
For each 6 inch device	\$84.10

Sec. 21.3 MWD Readiness-to-Serve Charge (RTS) and SDCWA Infrastructure Access Charge (IAC).

Effective January, 2019, the following monthly charges are established and shall be collected by the District for the Metropolitan Water District of Southern California’s Readiness-to-Serve (the “RTS”) charge and San Diego County Water Authority’s Infrastructure Access Charge (the “IAC”).

Monthly charges for each meter (\$/meter size):

	RTS	IAC
3/4 inch meter	\$2.23	\$3.01
1 inch meter	\$3.72	\$5.03
1-1/2 inch meter	\$7.41	\$10.02
2 inch meter	\$11.86	\$16.04
3 inch meter	\$23.74	\$32.12
4 inch meter	\$37.10	\$50.18
6 inch meter	\$74.17	\$100.32

Sec. 21.4 Water Capital Improvement Charge.

For each water account, an additional \$9.12 per month per Equivalent Meter Unit (EMU) shall be added as a Capital Improvement Charge effective January 1, 2019. This charge is solely dedicated to funding water capital improvement projects. The Water Capital Improvement Charge (the “CIC”) was implemented to provide a partial funding source for capital projects like the UV treatment facility at the Red Mountain Reservoir and to fund pipeline replacement projects.

Water Capital Improvement Charges will be adjusted annually based on the ENR (Engineering News Record) Construction Cost Index (CCI) of February, plus 3% not to exceed 10%. Staff will report back to the Board of Directors no less than every five (5) years with analysis of its necessity. The Capital Improvement Charge will be used to fund capital improvement projects or debt service for capital improvement projects. Revenue from the Capital Improvement Charge will not be used to fund Operating Costs.

Fallbrook Public Utility District’s Equivalent Meter Unit (EMU) is associated with meter size as listed below.

Meter Size	FPUD EMU	Water CIC	Water CIC (Standby Service)
3/4 inch meter	1.0	\$9.12	\$4.14
1 inch meter	1.67	\$15.20	\$6.89
1-1/2 inch meter	3.33	\$30.40	\$13.78
2 inch meter	5.33	\$48.64	\$22.05
3 inch meter	10.67	\$97.29	\$44.08
4 inch meter	16.67	\$152.01	\$68.88
6 inch meter	33.33	\$304.02	\$137.75

An additional, a Water CIC Pumping charge of \$.10 per 1,000 gallons is charged and allocated to capital improvements for the DeLuz High Pressure service area and Toyon Heights zone. This Capital Improvement Charge will be adjusted annually based on the ENR (Engineering News Record) Construction Cost Index (CCI) of February, not to exceed 10% annually.

Sec. 21.5 Billing Periods.

Billing periods end on the 10th, 20th, and 30th of the month depending on meter location in the District. All charges for water and sewer service and water usage during any billing period are due and payable when rendered and become delinquent on either the 10th, 20th, or 30th of the month, as noted on the bills. Bills paid prior to becoming delinquent will be credited with a discount. Accounts not paid by the delinquent date are sent special delinquent notices and the meters are subject to lock-up for non-payment. Delinquent accounts are subject to a pre lock-up notice implemented by a door hanger on the property, which is delivered a minimum of 48 hours before the meter is locked. Such accounts accrue a \$30 lock-up notice fee upon the District's preparation of the final pre lock-up notice report, regardless of when the actual door hanger is placed on the property. Accounts not paid within 30 days after lock-up and accounts that have tampered with the meter to obtain water illegally are subject to removal of meters and permanent disconnection of water service. Standby charges will continue to accrue after the meter has been removed.

If a meter has been locked for non-payment for a period of 90 days, it may be placed on Standby Service by FPU. Standby Service charges will accrue from that time until an application for service restoration has been received by the District.

The District must be notified in a timely manner with the name and mailing address of the new owner or tenant and the upcoming date of transfer. Notification of the transfer of property ownership, or tenancy, is the responsibility of the owner/seller. The District is not responsible for the proration of the final billing if notification is not received prior to the date of sale, or change of tenancy.

Sec. 21.6 Meter Locks and Restrictors.

If for any reason, other than District convenience, a water meter shall be locked by the District, the water may not be again turned on to serve the property through such meter until all past due charges plus a turn-on charge of Fifty Dollars (\$50) shall have been paid to the District. There shall be a fee of \$30 to process and deliver Pre-Lock Notices and a fee of \$100 for broken or damaged locks. Damage to corporation or angle stop in attempt to restore services locked for non-payment will be billed at actual time and material and added to the water bill.

If flow restrictors are required for any reason in order to implement policies within this Administrative Code, the fees are as follows:

<u>Meter Size</u>	<u>Installation Fee</u>
3/4" and 1" Meters	\$137
1-1/2" and larger	\$582

Sec. 21.7 Meter Not Registering.

Whenever, for any reason, a meter fails to register correctly, the consumer will be charged an amount for the previous billing period increased or decreased by the percentage change in total billing by the District for all consumers for the two billing periods.

Sec. 21.8 Water Rates or Service Charges Lien on Property.

In addition to any other remedy provided therein or by law for the collection of any water rate, charges or account, all rates or service charges provided for in this Administrative Code shall be charged and become a charge against the property on which the water is furnished and against the owner thereof, and all charges for water so served to a property shall be and become a lien against the premises upon which the water is used or served.

Standby accounts with a delinquent balance greater than \$500 as of April 1st of each year may be sent notification of intent to place delinquent and unpaid charges on the annual tax roll. The notification will be sent by May 1st and provides the customer 60 days to bring the account current. If the amount is not brought current by July 1st, the portion of the delinquency due as of the prior April 1st may be reported to the County Treasurer for inclusion on the annual taxes levied on the property.

If for any reason or cause the sums of money owing for such water services are not paid as required by the terms and provisions of this Administrative Code, the District shall have the right to shut off such water, and in no case shall service of water be resumed on the same property until all such delinquencies and additional turn-on charges shall have been paid in full. Delinquent bills from former owners or tenants are the responsibility of the present owner.

Sec. 21.8.1 Theft of Water.

Water is defined as stolen from the customer if the water is stolen from the customer's side of the meter. Water stolen from a mainline, hydrant, District pipeline, appurtenance, or tampering with a customer's meter is defined as water being stolen from the District.

Water Stolen from Customer.

Customers who have reported water theft to the District must also notify local law enforcement agencies. The District will require proof of theft from a law enforcement agency that a theft of water occurred. Customer's asking for credit on the bill for water theft will be processed by account type. If a full price M&I customer, the District may discount the estimated amount of water stolen and charge the District's wholesale cost of water for the amount stolen. An estimate of the amount of water stolen will be made by District staff using that customer's usage history. Water sold to agricultural customers, SAWR, and Commercial Ag/Commercial Ag Domestic, is sold at District cost so no discount may be applied. If the stolen water caused the customer's allocation bank to be adversely affected, the District will restore the estimated amount stolen to the customer's allocation bank. If the water theft resulted in an overuse penalty, the District will credit the penalty to the customer for the estimated amount of water stolen.

Water Stolen from District.

Any theft of water from the District will be reported to law enforcement agencies. If the theft is due to meter tampering, the customer will be

charged a \$250 fee for tampering with the meter plus time and materials to place the meter back into proper position. If a water theft from the District due to meter tampering occurs again on the same meter, the customer will be charged a \$500 fee for tampering and an item will be brought forward to the Board of Directors to consider discontinuance of service. An estimate of the amount of water stolen will be calculated and billed to the customer's account. Collection of said fees are subject to all District regulations regarding collection of past due accounts.

Sec. 21.9 Volumetric Wastewater Charges.

Wastewater service charges are established upon each property within the District that is connected to a sewer line of the District whether said premises are occupied or unoccupied. Volumetric Wastewater Charges are applied to estimated billable wastewater flows, which are based upon adjusted water deliveries. The charge per killogallon of wastewater flow is shown below:

User Class	Volumetric Wastewater Charge (\$/kgal)
Ag. Domestic	\$ 9.86
Commercial Ag. Domestic	\$ 9.86
Residential (Single , Multi-family)	\$ 9.86
Government	\$ 9.79
School	\$ 9.79
Church	\$ 9.79
Commercial – Low Strength*	\$ 9.79
Commercial – Medium Strength*	\$ 12.09
Commercial – High Strength*	\$ 15.09

Appendix A to this Article provides commercial effluent classification.

For the purpose of determining the billable wastewater flows, water deliveries must be converted to wastewater flows returned to the sewer system. To do this conversion, a Return to Sewer Factor is applied. The Return to Sewer factor adjusts the water received by the meter to the estimated flows from the residence or entity into the sewer system. The Return to Sewer Factor applied to the different customer classes are shown below:

Cusomer Class	Return to Sewer Factor
Residential (Multi-Family, Single Family)	75%
Non-Residential/Commercial	90%
Low / Medium / High	90%
Government	
Low / Medium / High	90%
Schools	80%
Churches	80%
Special	

Customer Class	Return to Sewer Factor
Low / Medium / High	100%
Special 10% RTS (1-10%)	
Low / Medium / High	10%
Special 20% RTS (11-20%)	
Low / Medium / High	20%
Special 30% RTS (21-30%)	
Low / Medium / High	30%
Special 40% RTS (31-40%)	
Low / Medium / High	40%
Special 50% RTS (41-50%)	
Low / Medium / High	50%
Special 60% RTS (51-60%)	
Low / Medium / High	60%
Special 70% RTS (61-70%)	
Low / Medium / High	70%
Special 80% RTS (71-80%)	
Low / Medium / High	80%

Non-residential customers with higher outdoor are evaluated on a case by case basis.

For those Single Family Residences (D, LD, AT, CB), volumetric charges are calculated as follows:

1. The 2-year average winter use is calculated based upon prior year water deliveries that include December, January and February. The average used for wastewater billing is capped at 21.33 units.
2. 75% of this water is assumed to be returned to sewer/billable flow.
3. The Volumetric Wastewater Charge (\$/kgal) is applied to this flow.
4. Consumption analysis is performed annually. Appeal for consumption is available.
5. No prior history customer (new customer) will be placed at that customer class median of 5. For customers with at least one winter of use data, that data will be used for the their winter average.
6. Use must be > 0 unless customer is on standby.

For those Multi-Family Residences (M), volumetric charges are calculated as follows:

7. The average winter use is calculated based upon prior year water deliveries that include December, January and February.
8. 75% of this water is assumed to be returned to sewer/billable flow.
9. The Volumetric Wastewater Charge (\$/kgal) is applied to this flow.
10. Consumption analysis is performed annually. Appeal for consumption is available.
11. No prior history customer (new customer) will addressed on a case by case basis.

All other water customer classes (G, C, A,, AS, CA), with the exception of public elementary and public junior high schools:

1. Monthly sewer bill based on actual water sold.
2. The Return to Sewer factor applied to determine the billable flow. Appeals for irrigation and/or water usage which does not get returned to the sewer is available.

3. Customer is classified as high, medium, or low strength (based upon BOD and SS). See attached Appendix A. Appeal for strength classification is available.
4. The applicable Wastewater Volumetric Charge is applied to the billable flow.

Public elementary and public junior high schools:

1. Monthly sewer bill based on per person, per month charge.
2. The public elementary and / or public junior high school district to provide a report each October that documents the number of students and faculty at each site.
3. CY 2019 public elementary school rate is \$1.16 per student and \$1.69 per staff, per month.
4. CY 2019 public junior high school and administrative offices rate is \$1.69 per person, per month.
5. Rates to be increased by the overall percentage increase in wastewater revenues each year.

Sec. 21.10 Monthly Fixed Wastewater Charge.

For each sewer account, Effective January 1, 2019, the Monthly Fixed Wastewater Charge shall be \$9.70 per month per Equivalent Dwelling Unit (EDU). EDUs will be calculated per Administrative Code Sections 20.7.2, 20.7.3, or 20.7.4.

Sec. 21.10.1 Wastewater Capital Improvement Charge.

For each account, an additional \$11.53 per month per Equivalent Dwelling Unit (EDU) shall be added as a Wastewater Capital Improvement Charge Effective January 1, 2019. This charge is dedicated to Wastewater Debt Service and Wastewater Capital Improvements. The Wastewater Capital Improvement Charge has been implemented to partially fund the debt service payments for upgrades to the Wastewater Treatment Plant. EDUs will be calculated per Administrative Code Sections 20.7.2, 20.7.3, or 20.7.4. This Capital Improvement Charge will be adjusted annually based on the ENR (Engineering News Record) Construction Cost Index (CCI) of February, not to exceed 10%. Staff will report back to the Board of Directors every five (5) years with analysis of its necessity. The Capital Improvement Charge will only be used to fund capital improvement projects or debt service for capital improvement projects. Revenue from the Capital Improvement Charge will not be used to fund Operating Costs.

ARTICLE 21

Sec. 21.1 – Rev. 7/02
Sec. 21.2-21.8.2 – Rev. 9/96
Sec. 21.3 – Rev. 10/96
Sec. 21.4 & 21.9 – Rev. 6/97
Sec. 21.4 – Rev 7/02
Sec. 21.9 – Rev. 10/97
Sec. 21.9 – Rev. 6/04
Sec. 21.9 – Rev. 1/05
Sec. 21.1, 21.3, 21.4, 21.9 – Rev. 6/05
Sec. 21.1, 21.2, 21.4, & 21.9 – Rev. 6/06
Sec. 21.9, Flat Rate + Metered Flow – Rev. 7/06
Sec. 21.9 (Flat Rate classification) – Rev. 10/06
Sec. 21.4 (construction meters), Sec. 21.5 & Sec. 21.6 – Rev. 12/06
Sec. 21.5 – Rev. 3/07
Sec. Sec. 21.1, 21.2, 21.4 , 21.10, 21.10.1– Rev. 6/07
Sec. 21.5 – Added 6/07
Sec. 21.10.2 – Deleted 6/07
Sec. 21.11 – Added 10/07
Sec. 21.4.1 – Added 12/07; Sec. 21.7 renamed and addition of flow restrictors – Rev. 12/07
Sec. 21.1, 21.2, 21.4, 21.5, 21.7, 21.10, and 21.11 – Rev. 6/08
Sec. 21.1, 21.2, 21.4, 21.4.1, 21.4.2 (added), 21.5, 21.7, 21.10 (new table), 21.10.1, - Rev. 6/09
Sec. 21.4, 21.10 – Rev. 12/09
Sec. 21.6, 21.9 – Rev. 5/10
Sec. 21.1, 21.2, 21.4, 21.4.1, 21.4.2, 21.5, 21.10, 21.10.1 – Rev. 6/10
Sec. 21.9.1 (added) – Rev. 9/10
Sec. 21.1, 21.4, 21.4.1, 21.4.2, 21.5, 21.10, 21.10.1 - Rev. 6/11
Sec. 21.1, 21.2, 21.4, 21.5, 21.10, 21.10.1 – Rev. 6/12
Sec. 21.1, 21.2, 21.4, 21.5, 21.10, 21.10.1 – Rev. 6/13
Sec. 12.1, 21.2, 21.4, 21.5, 21.9.1, 21.10, 21.10.1 – Rev. 6/14
Sec. 21.1, 21.2, 21.5 – Rev. 1/15
Sec. 21.1, 21.2, 21.3, 21.4, 21.4.2, 21.5, 21.10, 21.10.1 Rev 6/15
Sec. 21, 21.1 – Rev. 11/15
Secs. 21, 21.2, 21.4, 21.5, 21.7, 21.10, 21.10.1 – Rev. 7/16
Secs. 21, 21.1 - Rev. 12/16
All Secs. – Rev. 12/17
Sec. 21.3 – Rev. 6/18
Secs. 21.1, 21.2, 21.3, 21.4, 21.9, 21.10, 21.10.1 – Rev. 12/18

APPENDIX A:

: Customer Classes

<u>Low Strength</u>	Retail (Packaged) Food (No Sewer Disposal)	Laundromat, Commercial, Transportation – Bus/Air Terminal
Soft Water Service	Retail Furniture & Home Furnishings	Malls/Shopping (Including Food Sales)
Office With Public Access	General Merchandise – Retail/Wholesale	Manufacturing – Machine Shops
Car Wash	Retail Trade – Mis. (Except Food/Drink)	Manufacturing – Metal Industry
Veterinarian	Storage, Warehouse & Outdoor	Manufacturing – Lumber & Wood Products
Business Equipment Rental	Studio/Recording Sound	Manufacturing – Stone, Clay, Glass Products
Business Services – Other	Stage	Reproduction/Mailing Service
Office (Finance, Insurance, etc.)	Theater/Auditorium (No Food)	Hotel (With Restaurant)
Office (No Public Access)	Convalescent Homes	Manufacturing – Paper/Containers
Office (Medical Services)	Hospital	Manufacturing – Printing & Publishing
Personal Services (Other)	Other Health Services	Laundry (Industrial)
Photo & Portrait Studios	Transp. & Utilities (SIC 400 through 489)	<u>High Strength</u>
Manufacturing – Textile Mill Products	Agricultural Production	Agricultural Production – Livestock
Schools	Agricultural Services – Other	Mortuary
Laundromat – Public	Bar Without Restaurant	Grocery (w/ Butcher or Baker)
Landscaping Services	Restaurant – Prepped Only	Manufacturing – Baked Foods
Amusement & Recreation:	Social Services	Restaurant/Bar (w/ Food Preparation)
Indoor & Out	<u>Medium Strength</u>	Manufacturing – Beverages
Auto Parking	Hotel (No Restaurant)	Manufacturing – Paint
Barber Shop	Prison with Food Service	Manufacturing – Other Chemical Products
Beauty Shop	Auto Repair (No Steam Cleaning)	Manufacturing – Dairy Products
Church (No Kitchen)	Auto Service Station (No Steam Cleaning)	Steam Cleaning – Auto
Grocery Market (No Butcher or Baker)	Agricultural Services – Animal	Manufacturing – Other Food Products
Health Spa	Auto/Vehicle Sales	Septage
Kennel	Repair Services – Misc.	
Malls/ Dept. Stores (No Food Svcs)	Manufacturing – Rubber/Plastic Products	
Manufacturing (Other)	Manufacturing – Instruments	
Manufacturing (Apparel & Other Textiles)	Manufacturing – Fabricated Metal Products	
Membership Organizations	Manufacturing – Transport Equipment	
Museum/Art Gallery		
Nursery/Greenhouse		
Office (Construction)		
Massage Parlor		
Retail Apparel and Accessory Store		
Retail Bldg. (Materials & Gardening)		

Compilation of Published Data on Sewer User Strength Classifications

User Classification Description	SIC Code	Proposed Strength (mg/l)			Percent of Single Family	Data Source
		BOD	SS	Weighted Average		
Strength Weighting Factor		50%	50%			
Residential Single Family	881	200	200	200	100%	SWRCB
LOW STRENGTH CLASSIFICATION						
Low I Strength:						
Soft Water Service	494	3	55	29	15%	SWRCB
Office With Public Access	738	80	80	80	40%	SWRCB
Car Wash	550	20	150	85	43%	SWRCB
Veterinarian	74	130	80	105	53%	Los Angeles
Business Equipment Rental	735	130	80	105	53%	Los Angeles
Business Services -- Other	730	130	80	105	53%	Los Angeles
Office (Finance, Insurance, etc.)	600	130	80	105	53%	Los Angeles
Office (No Public Access)	871	130	80	105	53%	SWRCB
Office (Medical Services)	807	130	80	105	53%	Los Angeles
Personal Services (Other)	720	130	80	105	53%	Los Angeles
Photo & Portrait Studios	722	130	80	105	53%	Los Angeles
Manufacturing - Textile Mill Products	220	115	115	115	58%	Metcalf & Eddy
Schools	821	130	100	115	58%	SWRCB
Low II Strength:						
Laundromat-Public	721	150	110	130	65%	SWRCB
Landscaping Services	70	150	150	150	75%	Los Angeles
Amusement & Recreation: Indoor & Out	790	150	150	150	75%	Los Angeles
Auto-Parking	752	150	150	150	75%	Los Angeles
Barber Shop	724	150	150	150	75%	Los Angeles
Beauty Shop	723	150	150	150	75%	Los Angeles
Church (No Kitchen)	866	150	150	150	75%	Los Angeles
Community Center (No Kitchen)	864	150	150	150	75%	Los Angeles
Grocery Market (No Butcher or Baker)	541	150	150	150	75%	Los Angeles
Health Spa	805	150	150	150	75%	Los Angeles
Kennel	75	150	150	150	75%	Los Angeles
Malls/Dept. Stores (No Food Svcs)	531	150	150	150	75%	SWRCB
Manufacturing (Other)	200	150	150	150	75%	Los Angeles
Manufacturing (Apparel & Other Textiles)	230	150	150	150	75%	Los Angeles
Manufacturing (Furniture)	250	150	150	150	75%	Los Angeles
Membership Organizations	860	150	150	150	75%	Los Angeles
Museum/ Art Gallery	840	150	150	150	75%	Los Angeles
Nursery/ Greenhouse	526	150	150	150	75%	Los Angeles
Office (Construction)	150	150	150	150	75%	Los Angeles
Massage Parlor	805	150	150	150	75%	Los Angeles
Retail Apparel and Accessory Store	560	150	150	150	75%	Los Angeles
Retail Bldg. (Materials & Gardening)	520	150	150	150	75%	Los Angeles
Retail (Packaged) Food (No Sewer Disposal)	540	150	150	150	75%	Los Angeles
Retail Furniture & Home Furnishings	570	150	150	150	75%	LACSD
General Merchandise -- Retail/Wholesale	530	150	150	150	75%	SWRCB

Compilation of Published Data on Sewer User Strength Classifications

User Classification Description	SIC Code	Proposed Strength (mg/l)			Percent of Single Family	Data Source
		BOD	SS	Weighted Average		
Retail Trade -- Misc. (Except Food/Drink)	590	150	150	150	75%	SWRCB
Storage, Warehouse & Outdoor	422	150	150	150	75%	Los Angeles
Studio/Recording Sound Stage	781	150	150	150	75%	Los Angeles
Theater/Auditorium (No Food)	780	150	150	150	75%	Los Angeles
Low III (Residential) Strength:						
Convalescent Homes	836	250	100	175	88%	SWRCB
Hospital	806	250	100	175	88%	SWRCB
Other Health Services	800	250	100	175	88%	SWRCB
Transp. & Utilities (SIC 400 through 489)	400	200	150	175	88%	Metcalf & Eddy
Agricultural Production	10	150	250	200	100%	Metcalf & Eddy
Agricultural Services - Other	70	250	150	200	100%	Metcalf & Eddy
Bar Without Restaurant	581	200	200	200	100%	SWRCB
Restaurant -- Preprocessed Only	581	200	200	200	100%	Los Angeles
Social Services	830	200	200	200	100%	SWRCB
MEDIUM STRENGTH CLASSIFICATION						
Medium I Strength:						
Hotel (No Restaurant)	700	310	120	215	108%	SWRCB
Prison With Food Service	704	310	120	215	108%	Los Angeles
Auto Repair (No Steam Cleaning)	753	180	280	230	115%	SWRCB
Auto Service Station (No Steam Cleaning)	554	180	280	230	115%	SWRCB
Agricultural Services -- Animal	75	350	150	250	125%	Metcalf & Eddy
Auto/Vehicle Sales	550	300	200	250	125%	Metcalf & Eddy
Repair Services -- Misc.	760	250	250	250	125%	Metcalf & Eddy
Manufacturing -- Rubber/Plastic Products	300	200	350	275	138%	Metcalf & Eddy
Medium II Strength:						
Manufacturing -- Electric/Electronic Equipm	360	300	350	325	163%	Metcalf & Eddy
Manufacturing -- Instruments	380	300	350	325	163%	Metcalf & Eddy
Manufacturing -- Fabricated Metal Products	340	300	350	325	163%	Metcalf & Eddy
Manufacturing -- Transport Equipment	370	400	250	325	163%	Metcalf & Eddy
Laundromat, Commercial	721	450	240	345	173%	SWRCB
Transportation -- Bus/ Air Terminal	417	350	350	350	175%	Metcalf & Eddy
Medium III Strength:						
Malls/Shopping (Including Food Sales)	541	400	400	400	200%	Los Angeles
Manufacturing -- Machine Shops	350	290	550	420	210%	Los Angeles
Manufacturing -- Metal Industry	330	290	550	420	210%	Los Angeles
Manufacturing -- Lumber & Wood Products	240	431	431	431	216%	Los Angeles
Manufacturing -- Stone, Clay, Glass Produc	320	200	700	450	225%	Metcalf & Eddy
Reproduction/Mailing Service	733	500	400	450	225%	Metcalf & Eddy
Hotel (With Restaurant)	701	500	600	550	275%	SWRCB
Manufacturing -- Paper/Containers	260	700	500	600	300%	Metcalf & Eddy
Manufacturing -- Printing & Publishing	270	700	500	600	300%	Metcalf & Eddy
Laundry (Industrial)	721	670	680	675	338%	SWRCB

Compilation of Published Data on Sewer User Strength Classifications

User Classification Description	SIC Code	Proposed Strength (mg/l)			Percent of Single Family	Data Source
		BOD	SS	Weighted Average		
HIGH STRENGTH CLASSIFICATION						
High I Strength:						
Agricultural Production - Livestock	20	1,200	350	775	388%	Metcalfe & Eddy
Mortuary	726	800	800	800	400%	SWRCB
Grocery (W/Butcher or Baker)	542	800	800	800	400%	SWRCB
Manufacturing -- Baked Foods	205	1,000	600	800	400%	SWRCB
Restaurant/Bar (W/Food Preparation)	581	1,000	600	800	400%	SWRCB
Manufacturing -- Beverages	208	1,500	300	900	450%	Metcalfe & Eddy
Manufacturing -- Paint	285	1,300	1,100	1,200	600%	Metcalfe & Eddy
Manufacturing -- Other Chemical Products	280	1,300	1,100	1,200	600%	Metcalfe & Eddy
High II Strength:						
Manufacturing -- Dairy Products	202	2,369	922	1,646	823%	Los Angeles
Steam Cleaning -- Auto	754	1,150	2,150	1,650	825%	SWRCB
Manufacturing -- Other Food Products	209	2,213	1,453	1,833	917%	Los Angeles
High III Strength:						
Septage	495	5,400	12,000	8,700	4350%	SWRCB

Article 22. **Easements.**

Sec. 22.1 **Requirement for Easements.**

Whenever a pipeline is constructed, a meter is installed, an extension of a line is made, or a fire hydrant installed, the District requires an easement in order to go on the property.

Sec. 22.2 **Acceptance of Easements.**

The District accepts easements for right-of-way for District pipelines and facilities, together with right of ingress and egress for the purpose of construction, repairing, relaying, enlarging and operating same.

On January 26, 1987, the Board of Directors authorized the General Manager to approve all easements received and the President and Secretary to sign them and prepare them for recordation upon the necessary information provided by the legal owner.

Sec. 22.3 **Granting of Easements.**

Granting of easements must be approved by the Board of Directors. Staff will determine whether the District will grant an easement over District property or over easements the District has that allows for reconveyance to others.

ARTICLE 22
Sec. 22.3 – Rev. 6/93
Sec. 22.1 – Rev. 11/94
Sec. 22.3 – Rev. 6/95
Sec. 22.1-22.3 – Rev. 9/96

Article 23.

Construction, Regulations Governing.

Sec. 23.1 Water Line Extensions and Replacements by the District.

As finances permit, the system of mains, storage, pumps and controls that are provided, maintained, and operated by the District will be expanded to afford adequate service of water within the District. Storage reservoirs connected by these mains will be located at convenient high points within the District so that reasonable pressures under gravity flow can be provided to the consumers around them. Pressures higher than those available under gravity flow will not be provided by the District except as may be considered under a special rate Ordinance.

As adequate funds become available, the District will, at its discretion, provide, maintain and operate mains to serve water to, but not within, each forty acre parcel or larger single ownership parcel within the District.

Extensions desired beyond the system in service, which the District either does not plan to provide, or does not have the necessary funds to provide within the desired time, shall be provided by others desiring the extensions.

When a District share for pipeline system looping occurs in a subdivision or other development project, the project plans of improvement must include all District pipeline improvements, both private and District funded portions, prior to being approved by the District.

Ordinance No. 226.

Sec. 23.2 Water Line Extensions, privately financed.

The following terms and conditions shall apply to extensions and others who provide them:

- a) An extension, at the expense of others, may be required as a condition of service where the property to be served does not abut a District pipeline.
- b) An extension, at the expense of others, shall be required as a condition of service where the property to be served does not abut a District pipeline and where the land is to be part of a subdivision or a similar development.
- c) The District will accept, maintain and operate those extensions constructed to its standards and requirements by others. Whenever an extension is to be provided by others, it shall conform to the then current Standard Specifications for Distribution System Construction, as approved by the Board of Directors.
- d) The location of all extensions and service connections shall be at the discretion of the District.
- e) Whenever it is not possible for an extension provided by others to lie within a County Road, the District shall require that an easement, normally thirty (30) feet in width, be provided, which will enable the District to maintain and replace the pipeline.

- f) An extension to serve a subdivision or other property being similarly developed may be required to the far edge of the last lot served.
- g) All extensions shall be constructed with pipe of a size adequate in the judgment of the Chief Engineer of the District to serve the area and the minimum size shall be six (6) inches.
- h) Fire hydrant installations as required by the North County Fire Protection District and then existing ordinances of San Diego County shall be provided as an integral part of all extensions.

Sec. 23.3 Repayment Agreements - Water and Sewer Line Improvements.

Improvements provided by others which benefit owners fronting upon but not contributing toward the cost at the time of construction may be subject to a privately financed extension agreement for the collection and refunding of part of the cost. The Agreement consists of the following:

- a) The District will have title to the improvements and will operate and maintain them as a part of the District's system.
- b) The District agrees to collect a proportionate contribution for the cost of the improvements to provide service to those adjoining lands benefiting from them for a period of 10 years or until all proportionate charges have been collected and refunded, whichever period is less.
- c) The District agrees to refund to the financing owners the proportionate contribution funds that are collected.
- d) The District will have the sole authority to permit connections to or extensions from and service connections to said privately financed improvements.
- e) The basis upon which proportions of the cost of the improvement(s) shall be computed for each privately financed extension agreement shall be negotiated by the Board of Directors with the financing owners and shall generally consist of practicable front footage, acreage, number of service connections, or such other basis as may be determined by the Board of Directors to be equitable to the financing owners and other benefiting property owners.
- f) The improvement(s) will be installed in an easement granted to the District free of liens and encumbrances.

23.3.1 Administrative Costs. The administrative cost to the financing owners shall be one hundred dollars (\$100) and shall be collected by District at the time such privately financed extension agreement is entered into.

Payment for District service(s) that has been used on any parcel of land shall have been made in full before the parcel is to be eligible to receive service from a new extension or service connection.

Sec. 23.4 Pipeline Extensions - Sewer.

23.4.1 Process. If an Applicant seeks an application for sewer service for property which is not adjacent to a District sewer system pipeline, the Applicant shall be required to enter into a written agreement with the District to construct additional facilities determined necessary by the District at the time the application is submitted.

23.4.2 Agreement. No pipeline extension shall be allowed unless the Applicant executes the agreement entitled " Agreement for Construction of Sewer Facilities to be Dedicated to the Fallbrook Public Utility District " .

23.4.3 Fees. For line extensions, the Applicant shall pay the District a cash deposit computed as follows:

- (a) Inspection fees of \$5 per lineal foot;
- (b) One hundred fifty percent (150%) of the District's estimate of the total construction costs for the line extension, or one hundred fifty percent (150%) of the actual bid secured by the applicant for the work, if lower.

Sec. 23.5 Construction Ownership and Maintenance of Sewer Lateral Pipelines.

The sewer lateral pipeline is that portion of the service lateral between the connection to the common sewer main and the service cleanout, located typically at the edge of the right-of-way where it connects with the owner lateral.

The installation of sewer lateral pipelines and connection of sewer lateral pipelines to the sewer main transmission lines of the District shall be done only by personnel of the District. The District is authorized to contract for such installation and connection when personnel of the District are not available to install and connect the lateral pipeline. The contract work shall be inspected and approved by the District before acceptance of the work by the District.

The entire sewer lateral pipeline and owner lateral from the connection to the common sewer main to the house connection shall belong to and be the property of the Owner. The common sewer main, including all manholes and appurtenances, shall belong and be the property of the District. The District may maintain that portion of the Owner's lateral between the common sewer main and the service cleanout upon the request of the Owner. The District may repair that portion of the Owner's lateral between the common sewer main and the service cleanout upon the request of, and at the expense of, the Owner.

Sec. 23.6 Temporary Sewer Service Connections.

A Temporary Sewer Service Agreement is a recorded agreement between the District and a consumer that a connection will be placed temporarily at a location which must be pumped to serve the property, where the District intends, at some future date, to extend the District collection system to abut, or cross, the property described in the agreement, and that the consumer is responsible for extending his own temporary private lateral from the main to his property, obtaining whatever temporary easements are required for such extension, and maintaining private pump stations in a sanitary fashion, free of odors. Such agreements shall establish the financial obligations of the consumer related to the future installation costs of the District's collection system and the cost of connection to the gravity main, and shall be binding upon the signatory and all successor owners of said property.

Failure to comply with the terms of the agreement shall be cause for termination of sewer service to said property and the basis for establishing a lien against the property for collection of any amounts due the District. Upon change of ownership, any parcel receiving sewer service under a Temporary Sewer Service Agreement will be required, as a condition of continued service, for the new owner to enter into a new Temporary Sewer Service Agreement with the District.

ARTICLE 23
Sec. 23.1 – Rev. 7/94
Sec. 23.4 – Rev. 6/95
Sec. 23.5.2 – Rev. 9/96
Sec. 23.3 - Rev. 1/99
Sec. 23.5, Sec. 23.5.1- Rev. 6/99
Sec. 23.6 – Added 11/99
Sec. 23.5 – Rev. 1/01
Sec. 23.5 – Rev. 6/07

Article 24. **Standby or Availability Charges**

Sec. 24.1 Definition.

In accordance with Division 7, Chapter 4, Article 3, Sec. 16475 and 16477 of the Public Utility District Act, the Board of Directors has the authority to establish standby or water availability charges, not to exceed \$30.00 an acre.

Sec. 24.2 Water Availability Charges.

Water availability charges are hereby fixed and established on all land within the District boundaries, whether the water is actually used or not, as follows:

The term "parcel" as used herein shall mean a parcel of land as shown upon the assessment rolls of the County Assessor of San Diego County; provided that where a legal final subdivision map has been approved, "parcel" shall mean each separate lot within the subdivision.

24.2.1 Fallbrook Service Area.

(a) \$10 (ten) per acre for all parcels one (1) acre or more prorated out to one hundredth of an acre, as set forth in the San Diego County Tax Assessor's maps, EXCEPTING lands permanently dedicated exclusively to transportation of persons or property, hereafter referred to as the transportation dedication exclusion. For purposes of this Administrative Code, it is assumed that 5% of all parcels have been permanently dedicated exclusively to transportation of persons and property; therefore, the actual assessment will be \$9.50 per gross acre, as set forth in the San Diego County Tax Assessor's maps.

(b) \$5 (five) for parcels of less than one acre. For purposes of this Administrative Code, all parcels with gross acreage of 1.05 acres are considered to have a net acreage of less than one acre for purposes of the transportation dedication exclusion.

24.2.2 DeLuz Improvement District.

(a) Acreage adjacent to or lying within 1320 feet of water distribution line \$10.00 per acre.

(b) Acreage between 1320 and 2640 feet of a water distribution line – \$ 9.00 per acre.

(c) Acreage between 2640 and 3960 feet of a water distribution line – \$ 8.00 per acre.

(d) Acreage between 3960 and 5280 feet of a water distribution line – \$ 7.00 per acre.

(e) Acreage over 5280 feet from water distribution line -\$ 6.00 per acre.

(f) All parcels of less than one acre - \$ 5.00.

Sec. 24.3 Exemptions.

Lands not using District water and obtaining water primarily from rainfall, springs, streams, lakes, rivers, or wells, and where the primary economic activity on the land is the commercial extraction of minerals, are exempt.

Sec. 24.4 Collection of Standby/Availability Charges.

On or before August 10 of each year, the Secretary of the District shall furnish in writing to the Board of Supervisors of San Diego County and to the County Auditor a description of the land within the District upon which standby or availability charges are to be levied and collected, together with the amount of the charges. At the time and in the manner required by law for the levying of taxes for County purposes, the Board of Supervisors shall collect, in addition to taxes it levies, water availability charges in the amounts fixed by this Administrative Code for the respective parcels of land described in Sec. 23.2.1 and Sec. 23.2.2 of this Code. All County officers charged with the duty of collecting taxes will collect the charges with the regular tax payments in the same form and manner as County taxes are collected. Such availability charges are a lien on the property with respect to which they are fixed. Collection of the charges may be enforced by the same means as provided for the enforcement of liens for State and County taxes.

Sec. 24.5 Deferral of Charge.

Situations may arise when an owner of a parcel of land does not use and has no present intention of using water provided by the District, a member agency of the San Diego County Water Authority. The purpose of this section is to permit an evaluation by the District, on a case-by-case basis, of the circumstances which pertain to such situations to determine whether a deferral of charges should be approved according to the terms and conditions herein provided.

24.5.1 Application. Any owner of a parcel of land who believes that the amount of the Water Standby Availability Charge fixed against such parcel should be deferred may file an application with the District for deferral of the charge, as follows:

- a) The application shall include a statement describing the circumstances and factual elements which support the request for deferral.
- b) The General Manager shall consider the request within sixty (60) days after the filing of a completed application. If the application for deferral meets the established criteria, the General Manager may decide whether to approve the request and order the charge deferred accordingly. If the request is denied, the applicant shall be notified in writing stating the reasons for the denial.
- c) An application shall be deemed timely as to a charge established for any year if it is filed within three (3) years after the date the ordinance fixing the charge is adopted.

24.5.2 Appeal to Board of Directors. If the General Manager denies a request, the owner may file an appeal with the Board of Directors within sixty (60) days after such denial. No new application for deferral need be considered by the General Manager until expiration of twelve (12) months from the date of a denial unless differently directed by the Board of Directors.

24.5.3 Deferred Charges on Restricted Parcels. The levy of the charge may be deferred annually as to any parcel of land which meets each of the following criteria:

a) The owner of such parcel makes a timely application requesting deferral of the charge as defined in subsection 24.5.1.

b) The parcel, which is the subject of the request, will become subject to enforceable restrictions which prohibit the use of water on the parcel, except by means of natural precipitation or runoff; provided however, if considered appropriate by the General Manager local water may be used for limited domestic, stock watering and irrigation uses.

c) The owner executes a recordable agreement which includes provisions that:

set forth the enforceable restrictions pertinent to the subject parcel;

the agreement may be terminated upon written request by the owner and payment of all deferred Water Standby Availability Charges, plus interest thereon, compounded annually, and accruing at the legal rate from the date such charges would have been otherwise due and payable;

no water service from District sources shall be provided to such parcel for a period of ten (10) years after the total amount due for the charges deferred, plus annually compounded interest, is paid in full to the District;

during the ten (10) year period, while water service is not available to the subject land, the owner pays all annual Water Standby Availability charges as fixed; and

contains such other provisions considered by the General Manager to be appropriate.

24.5.4 Deferred Charges on Partial Parcels. The District does not allow partial deferments of the Water Availability/Standby charge on a single parcel. Landowners within the District's service area wishing to defer these charges on a portion of their property will need to obtain a separate Assessor Parcel Number (APN) for that property that cannot be developed or planted.

A property owner must submit a map to the San Diego County Assessor's Office, Mapping Division, depicting the owners property and the area(s) to be considered separately, and a request that the Water Availability/ Standby charge be deferred. This will create a new APN and an Owner's Map which is for assessment purposes only.

- 24.5.5 Surcharge. Upon termination of the deferral agreement, an owner may elect to receive water prior to the expiration of the ten (10) year period upon payment of a surcharge. The surcharge shall be equal to the amount of the annual water Standby Availability Charge fixed for the parcel(s) of land in the year of election to receive water service multiplied by the number of years remaining of the ten (10) year period.
- 24.5.6 Refunds. If it is determined that a refund of any previously fixed Water Standby Availability Charge is appropriate because the subject parcel qualifies for deferral of charges, the amount refunded shall be added to the amount of deferred charges due under section 24.5.3, c, para. 2, and will be subject to the legal interest rate compounded annually.
- 24.5.7 Enforcement Procedures. In order to insure that terms and conditions of the recordable agreement are being met, the General Manager shall:
- a) maintain a record of all parcels approved for deferral of the Water Standby Availability Charge;
 - b) make a written report to the Board of Directors in August of each calendar year showing all parcels with deferred annual Water Standby Availability Charges and the amount of the deferred charges and accrued interest;
 - c) cause each such parcel to be physically inspected every three (3) years from the date of deferment;
 - d) report to the Board of Directors any instances where the terms of the agreement are being violated; and
 - e) take such other actions or procedures considered appropriate.

Sec. 24.6 Certified Copies.

The Secretary of the District shall deliver certified copies of this Ordinance to the Board of Supervisors and to the Auditor of San Diego County with the list of charges described above.

Sec. 24.7 Correction of Errors.

The General Manager of the District is hereby authorized to correct any clerical error made in any assessment or charge pursuant to this Administrative Code to make an appropriate adjustment in any assessment or charge made in error.
Ord. No. 218, 225, 232, 246, 256, 261, 285, and 295.

ARTICLE 24
Sec. 24.5.4 – Rev. 9/97

Article 25.

Tax Levy

Sec. 25.1 Definitions.

Annually, during the Budget process, the Board of Directors makes a determination whether or not budgeted revenues are adequate to pay both the District's budgeted expenditures of the Utility Fund, and the annual principal and interest available on the bonded debt. The District's taxpayers have agreed to pay by taxation any principal and interest on general obligation bonded indebtedness at the time of the bond authorization election. If the Board determines that other revenues are insufficient to meet the debt obligation, then it is necessary for the District to raise money by taxation for the purposes of paying the principal of and interest on the bonded debt of the District as they become due.

Sec. 25.2 General Bonded Indebtedness.

The Fallbrook Public Utility District will have no principal and interest due on general obligation bonded indebtedness during the current fiscal year. *Ordinance No. 257, 262, 267, 270, 275, 277, 282, 286, 289, 292, 296, 310, 314, 317.*

Sec. 25.3 Money to be Raised By Taxation.

The Board of Directors has determined that it will not be necessary to raise by taxation during fiscal year 2007-08 any amount for payment of principal and interest on general obligation bonded indebtedness. *Ordinance No. 257, 262, 267, 270, 275, 277, 282, 286, 289, 292, 296, 310, 314, 317.*

Sec. 25.4 Full Valuation of Taxable Property.

It will not be necessary to set a tax levy for fiscal year 2007-08. *Ordinance No. 257, 262, 267, 270, 275, 277, 282, 286, 289, 292, 29, 310, and 314.*

Sec. 25.5 Certified Copies.

The Secretary of this Board is not required to immediately transmit to the County Auditor of San Diego County a certified copy of this Ordinance, as no principal and interest is due on general obligation bonded indebtedness for the Fallbrook Public Utility District for the fiscal year 2007-08.

ARTICLE 25

Sec. 25.1, 25.2, 25.3, 25.4 &
25.5 – Rev. 7/93

Sec. 25.2, 25.3, & 25.4 –
Rev. 7/94

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Article 26. **Water Shortage Response Program.**

Sec. 26.1 Declaration of Policy.

California Water Code Sections 375 et seq. permit public entities which supply water at retail to adopt and enforce a water conservation program to reduce the quantity of water used by the people therein for the purpose of conserving the water supplies of such public entity. The Board of Directors hereby establishes a comprehensive water conservation program pursuant to California Water Code Sections 375 et seq., based upon the need to conserve water supplies and to avoid or minimize the effects of any future shortage.

Sec. 26.1.1 TSAWR Reduction Program.

The San Diego County Water Authority Transitional Special Agricultural Water Program (TSAWR) provides discounted wholesale supply and treatment pricing for qualified agricultural users within its service area on the basis that participants receive non-firm, interruptible supply up to the maximum allowed under Article 162 of the SDCWA Administrative Code. During periods of water shortages imposed by the Metropolitan Water District (MWD), those customers who are participating in the TSAWR shall abide by the conditions set forth by SDCWA for implementation of the TSAWR Reduction Program. TSAWR customers shall be notified of impending drought restrictions within (14) days of the Board's declaration of a water shortage. Administration of the TSAWR Reduction Plan is incorporated by reference in Article 19 of this Administrative Code.

Sec. 26.1.2 TSAWR Reduction Compliance.

When SDCWA imposes a mandatory use reduction, TSAWR customers must be prepared to reduce consumption by complying with a water allocation, or water use target. Water consumed during each billing period will be compared to the assigned target. Any use below the target will be accumulated and carried forward. The customer's cumulative use will be compared with the cumulative target, and any total usage above the target will be billed at the "above average" rates. This cumulative comparison will continue for the duration of the fiscal year. Below target usage "credits" will be carried forward until the cumulative target is exceeded, at which time, all cumulative "over target" use will be billed at the "above target" rates. The cumulative comparison process will start over in the next fiscal year.

Upon written request, customers shall reserve the right to "group" accounts and adjust, or "smooth", allocations to facilitate compliance.

In accordance with the MWD Water Supply Allocation Plan (WSAP), any person that uses water in excess of the allocation shall be subject to a penalty, structured as an "Allocation Surcharge". Currently, the "Allocation Surcharge" for each unit of usage greater than the allocation but less than 115% of the allocation is \$1,480 per acre-foot, and the penalty for each unit of water in excess of 115% of the allocation is \$2,960 per acre-foot. The Penalty Rate is charged over and above the water rates for the use of water.

Sec. 26.2 Findings.

The Board of Directors finds and determines that a water shortage could exist as a result of a general regional water supply shortage due to increased demand or limited supplies.

The Board of Directors also finds and determines that the conditions prevailing in the coastal San Diego County area require that the water resources available be put to maximum beneficial use to the extent to which they are capable, and that the waste or unreasonable use, or unreasonable method of use, of water be prevented and that the conservation of such water encouraged with a view to the maximum reasonable and beneficial use thereof in the interests of the people of the Fallbrook Public Utility District and for the public welfare.

NORMAL CONDITIONS. The District's service area is in a semi-arid climate. Good water management practices dictate that water be used wisely and not wasted at any time. Customers are requested to follow the guidelines presented in Sec. 26.8.1. Under Normal Conditions, the District will provide public education and outreach efforts to emphasize public awareness of the need to always voluntarily use water wisely and practice water conservation measures.

Sec. 26.3 Application.

The provisions of this Administrative Code shall apply to all water served to persons, customers, and property by the Fallbrook Public Utility District.

Sec. 26.4 Determination and Declaration by General Manager of Water Supply Conditions.

Based on information provided by the District's wholesale water agency of water availability supplies, the Fallbrook Public Utility District General Manager (or in the General Manager's absence his designee) is hereby authorized and directed to implement the provisions of this Administrative Code. Additionally, the General Manager (or in the General Manager's absence, his designee) is hereby authorized to make minor and limited exceptions to prevent undue hardship or unreasonable restrictions, provided that water shall not be wasted or used unreasonably and the purpose of this Administrative Code can be accomplished. Any such exceptions shall be reported to the Board of Directors at the next meeting.

The General Manager (or in the General Manager's absence his designee) shall from time to time based upon all available data determine and declare whether the District's water supply is in the following condition and post a notice thereof in the District's lobby and publish said notice in the local newspaper:

WATER SHORTAGE RESPONSE LEVEL 1 – WATER SHORTAGE WATCH CONDITION. This level applies when the San Diego County Water Authority notifies its member agencies that due to water shortage or other supply reductions, there is a reasonable probability there will be supply shortages and that a consumer demand reduction of up to 10 percent is required in order to ensure that sufficient supplies will be available to meet anticipated demands. The General Manager shall declare the existence of a Water Shortage Response Level 1 condition and take action to implement the Level 1 conservation practices identified in Sec. 26.8.2. The District will suspend consideration of annexations to its service area.

The Board of Directors shall from time to time based upon all available data determine and declare whether the District's water supply is in one of the following conditions and post a notice thereof in the District's lobby and publish said notice in the local newspaper:

WATER SHORTAGE RESPONSE LEVEL 2 – WATER SHORTAGE ALERT CONDITION. This level applies when the San Diego County Water Authority notifies its member agencies that due to cutbacks caused by water shortages or other reduction in supplies, a consumer demand reduction of up to 20 percent is required in order to have sufficient supplies available to meet anticipated demands. The Board of Directors shall declare the existence of a Water Shortage Response Level 2 condition and implement the mandatory Level 2 conservation measures identified in Sec. 26.8.3. The District will suspend consideration of annexations to its service.

WATER SHORTAGE RESPONSE LEVEL 3 – WATER SHORTAGE CRITICAL CONDITION. This level applies when the San Diego County Water Authority notifies its member agencies that due to increasing cutbacks caused by water shortages or other reduction of supplies, a consumer demand reduction of up to 40 percent is required in order to have sufficient supplies available to meet anticipated demands. The Board of Directors shall declare the existence of a Water Shortage Response Level 3 condition and implement the Level 3 conservation measures identified in Sec. 26.8.4. The District will suspend consideration of annexations to its service area and no new potable water service shall be provided and no statements of immediate ability to serve or provide potable water service shall be issued.

WATER SHORTAGE RESPONSE LEVEL 4 – DROUGHT EMERGENCY CONDITION. This level applies when the San Diego County Water Authority Board of Directors declares a water shortage emergency pursuant to California Water Code Section 350 and notifies its member agencies that Level 4 requires a demand reduction of more than 40% in order for the District to have maximum supplies available to meet anticipated demands. The District shall declare a Water Shortage Emergency in the manner and on the grounds provided in California Water Code Section 350.

The General Manager is authorized to require submission of water use curtailment plans from those users having the largest effect on overall District consumption in order to protect the minimum supplies necessary to provide for public health, sanitation, and fire protection. Failure to provide curtailment plans in a timely manner or plans that do not meet the required cutbacks shall authorize the District to install flow restrictors at the meter or termination of service.

Sec. 26.5 **Implementation of Emergency Water Management Program.**

California Water Code Sections 375 et seq. permit public entities which supply water at retail to adopt and enforce a water conservation program to reduce the quantity of water used by the people therein for the purpose of conserving the water supplies of such public entity.

At such time when the Board of Directors of the District finds and determines that by reason of an anticipated general water supply shortage, inadequate San Diego County Water Authority distribution facilities, or the prospect of a major failure of the supply and distribution facilities of the Metropolitan Water District of Southern California exists, the Board may adopt and enforce a water conservation program to reduce the quantity of water used by the people therein for the purpose of conserving the water supplies of such public entity. Upon adoption of a water conservation program, the district shall provide

notice to customers within (14) days of the Board's declaration of a water shortage. In addition, the Board may also find and determine that the conditions prevailing in the coastal San Diego county area require that the water resources available be put to maximum beneficial use to the extent to which they are capable, and that the waste or unreasonable use, or unreasonable method of use, of water be prevented and that the conservation of such water encouraged with a view to the maximum reasonable and beneficial use thereof in the interests of the people within the Fallbrook Public Utility District service area and for the public welfare.

The General Manager shall determine the extent of the emergency conservation required in order for the District to prudently plan for and supply water to its customers. Thereafter, the General Manager may order that the Emergency Water Management Program be implemented or terminated in accordance with the applicable provisions of this Article of the Administrative Code. The declaration of a water emergency shall be made by public announcement and notice shall be published a minimum of three (3) consecutive times in a newspaper of general circulation and shall become effective immediately upon announcement.

The declaration shall be reported to the Board of Directors at its next regular meeting. The Board of Directors shall thereupon ratify the declaration or rescind the declaration, and may adopt such additional rules and regulations to limit water use during the emergency as it deems appropriate.

Sec. 26.6 Duration of Declaration.

As soon as a particular condition is declared to exist, the water conservation measures provided for herein for that condition shall apply to all District water service until a different condition is declared.

Sec. 26.7 Mandatory and Discretionary Use of Recycled Water.

Nothing in this Administrative Code shall prohibit or limit the use of recycled water for any purposes listed herein. No customer of the District shall make, cause, use or permit the use of potable water supplied by the District for construction grading on major subdivisions, paved surface cleaning, or greenbelt uses, including, but not limited to, cemeteries, playing fields, parks, and highway landscaped areas, when, following notice and a hearing, the District finds that recycled water is available under the following conditions:

1. The recycled water is of adequate quality and is available for use.
2. The recycled water may be furnished to such areas at a reasonable cost, equal to or less than the cost of supplying potable domestic water.
3. The State Department of Health Services has determined that such use would not be detrimental to public health.
4. The use of recycled water will not adversely affect downstream water rights, and will not degrade water quality.

Sec. 26.8 Water Conservation Stages.

Sec. 26.8.1 NORMAL CONDITIONS.

During Normal Conditions, customers are asked to use water wisely and to practice water conservation measures so that water is not wasted.

No water furnished by the District will be wasted. All water withdrawn from District facilities shall be put to reasonable beneficial use. District water users shall comply with the following water use prohibitions and conservation measures at all times:

1. Do not wash down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
2. Eliminate water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, or overspray, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
3. Irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
4. Use a hand-held hose equipped with a positive shut-off nozzle or bucket to water landscaped areas, including trees and shrubs located on residential and commercial properties that are not irrigated by a landscape irrigation system.
5. Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
6. Use re-circulated water to operate ornamental fountains.
7. Wash vehicles using a bucket and a hand-held hose with positive shut-off nozzle, mobile high pressure/low volume wash system, or at a commercial site that re-circulates (reclaims) water on-site. Avoid washing during hot conditions when additional water is required due to evaporation.
8. The irrigation with potable water of ornamental turf on public street medians is prohibited.
9. The application of potable water to outdoor landscapes during or within 48 hours of measurable rainfall is prohibited

10. The irrigation with potable water of landscapes outside of newly constructed homes and buildings in a manner inconsistent with regulations or other requirements established by the County of San Diego's Landscape Ordinance.
11. Serve and refill water in restaurants and other food service establishments only upon request.
12. Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily.
13. Repair all water leaks within five (5) days of notification by the Fallbrook Public Utility District unless other arrangements are made with the General Manager.
14. Use recycled or non-potable water for construction purposes when available.

Sec. 26.8.2 WATER SHORTAGE RESPONSE LEVEL 1 – WATER SHORTAGE WATCH CONDITION.

During a Level 1 Water Shortage Watch condition, the District will increase its public education and outreach efforts to emphasize increased public awareness of the need to implement water conservation practices.

All persons using District water shall comply with Normal Conditions water conservation practices during a Level 1 Water Shortage Watch, as identified in Sec. 26.8.1.

Upon declaration of a Level 1 Water Shortage Watch condition, the District will suspend consideration of annexations to its service area except under the following circumstances:

1. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of Fallbrook Public Utility District.

Sec. 26.8.3 WATER SHORTAGE RESPONSE LEVEL 2 – WATER SHORTAGE ALERT CONDITION.

During a Level 2 Water Shortage Alert condition, all persons using District water shall comply with Normal and Level 1 Water Shortage Watch water conservation practices during a Level 2 Water Shortage Alert, as identified in Sec. 26.8.1 and 26.8.2, and shall also comply with the following additional conservation measures:

1. During the months of June through October, limit residential and commercial landscape irrigation to no more than two (2) days per week on a schedule established by the General Manager and posted by the Fallbrook Public Utility District. During the months of November through May, landscape irrigation is limited to no more than once per week on a schedule established by the General Manager and posted by the Fallbrook Public Utility District. During extreme Santa Ana conditions (temperature > 80 and easterly winds > 20 mph), one additional day per week of watering is allowed. This section shall not apply to commercial growers or nurseries. This provision does not apply to landscape irrigation systems using water efficient devices, including but not limited

to: weather based controllers, drip/micro-irrigation systems and stream rotor sprinklers.

2. Limit lawn watering and landscape irrigation using sprinklers to no more than ten (10) minutes per watering station per assigned day. This provision does not apply to landscape irrigation systems using water efficient devices, including but not limited to: weather based controllers, drip/micro-irrigation systems and stream rotor sprinklers.
3. Water landscaped areas, including trees and shrubs located on residential and commercial properties, and not irrigated by a landscape irrigation system governed by section 5 (b) (1), on the same schedule set forth in section 5 (b) (1) by using a bucket, hand-held hose with a positive shut-off nozzle, or low-volume non-spray irrigation.
4. Repair all leaks within seventy-two (72) hours of notification by the Fallbrook Public Utility District unless other arrangements are made with the General Manager.

For Levels 2 and above, the District may establish a water allocation for property served by the Fallbrook Public Utility District using a method that does not penalize persons for the implementation of conservation methods or the installation of water saving devices and allows for the banking and subsequent use of unused allocations.

If the District establishes a water allocation it shall provide notice of the allocation within (14) days of its establishment by including it in the regular billing statement for the fee or charge or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for ongoing water service. The following customer classes are subject to allocations: Commercial Agriculture (CA), Commercial Agriculture Domestic (CB), Commercial (C), Government (G), and Irrigation (I). Following the effective date of the water allocation as established by the District, any person that uses water in excess of the allocation shall be subject to a penalty in the amount of 1.5 times the Base Rate, for each unit of usage greater than the allocation. The penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of this ordinance.

This provision shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

Sec. 26.8.4 WATER SHORTAGE RESPONSE LEVEL 3 – WATER SHORTAGE CRITICAL CONDITION.

During a Level 3 Water Shortage Critical condition, all persons using District water shall comply with Normal, Level 1 Water Shortage Watch and Level 2 Water Shortage Alert water conservation practices during a Level 3 Water Shortage Critical condition and shall also comply with the following additional mandatory conservation measures:

1. During the months of June through October, limit residential and commercial landscape irrigation to no more than two (2) assigned days per week on a schedule established by the General Manager and posted by the Fallbrook Public Utility District. This section shall not apply to commercial growers or nurseries.
2. Water landscaped areas, including trees and shrubs located on residential and commercial properties, and not irrigated by a landscape irrigation system governed by section 6 (b) (1), on the same schedule set forth in section 6 (b) (1) by using a bucket, hand-held hose with a positive shut-off nozzle, or low-volume non-spray irrigation.
3. Stop filling or re-filling ornamental lakes or ponds, except to the extent needed to sustain aquatic life, provided that such animals are of significant value and have been actively managed within the water feature prior to declaration of a drought response level under this ordinance.
4. Stop washing vehicles except at commercial carwashes that recirculate water, or by high pressure/low volume wash systems.
5. Repair all leaks within forty-eight (48) hours of notification by the Fallbrook Public Utility District unless other arrangements are made with the General Manager.

Sec. 26.8.5 WATER SHORTAGE RESPONSE LEVEL 4 – WATER SHORTAGE EMERGENCY CONDITION.

During a Level 4 Water Shortage Emergency condition, all persons using District water shall comply with Normal, Level 1 Water Shortage Watch, Level 2 Water Shortage Alert, and Level 3 Water Shortage Critical water conservation practices during a Level 4 Water Shortage Emergency and shall also comply with the following additional mandatory conservation measures:

1. Stop all landscape irrigation, except crops and landscape products of commercial growers and nurseries. This restriction shall not apply to the following categories of use unless the Fallbrook Public Utility District has determined that recycled water is available and may be lawfully applied to the use.
 - A. Maintenance of trees and shrubs that are watered on the same schedule set forth in section 6 (b) (1) by using a bucket, hand-held hose with a positive shut-off nozzle, or low-volume non-spray irrigation;
 - B. Maintenance of existing landscaping necessary for fire protection as specified by the Fire Marshal of the local fire protection Fallbrook Public Utility District having jurisdiction over the property to be irrigated;
 - C. Maintenance of existing landscaping for erosion control;

- D. Maintenance of plant materials identified to be rare or essential to the well being of rare animals;
 - E. Maintenance of landscaping within active public parks and playing fields, day care centers, school grounds, cemeteries, and golf course greens, provided that such irrigation does not exceed two (2) days per week according to the schedule established under section 6 (b) (1);
 - F. Watering of livestock; and
 - G. Public works projects and actively irrigated environmental mitigation projects.
2. Repair all water leaks within twenty-four (24) hours of notification by the Fallbrook Public Utility District unless other arrangements are made with the General Manager.

The District may establish a water allocation for property served by the District. If the District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for the fee or charge or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for ongoing water service. Following the effective date of the water allocation as established by the District, any person that uses water in excess of the allocation shall be subject to a penalty in the amount 1.5 times the Base Rate, for each unit of usage greater than the allocation. The penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of this ordinance.

3. (TSAWR) customers as defined in the San Diego County Water Authority (SDCWA) Administrative Code must abide by any TSAWR restrictions that may be in place.

Water consumed during each billing period will be compared to the assigned target. Any use below the target will be accumulated and carried forward. The customer's cumulative use will be compared with the cumulative target, and any total usage above the target will be billed at the "above target" rates. This cumulative comparison will continue for the duration of the fiscal year. Below target usage "credits" will be carried forward until the cumulative target is exceeded, at which time, all cumulative "over target" use will be billed at the "above target" rates and the cumulative comparison process will start over in the next fiscal year.

Sec. 26.8.6 Drought Rates

Drought Rates would be implemented during declaration of Levels 1, 2, 3 and 4 described above. Drought Rates would only be in effect during declared drought Levels 1-4. The effective January 1, 2018, the Drought Rates during drought Levels 1-4 are set forth in the tables below:

2018 Monthly Drought Rates by Drought Levels (\$/kgal)			
Customer Class (See Article 21 for class definitions)	Level 1	Level 2	Level 3 and 4
Residential (D, LD,M)			
Tier 1	\$5.91	\$6.16	\$6.92
Tier 2	\$6.00	\$6.26	\$7.03
Tier 3	\$7.30	\$7.62	\$8.56
Ag. Domestic (AT)			
Tier 1	\$5.91	\$6.16	\$6.92
Tier 2*	\$4.83	\$4.83	\$4.83
Tier 3*	\$4.17	\$4.17	\$4.17
Commercial Domestic Ag. (CB)			
Tier 1	\$5.91	\$6.16	\$6.92
Tier 2	\$5.08	\$5.30	\$5.95
Agriculture TSAWR (AS)*	\$4.17	\$4.17	\$4.17
Commercial Ag (CB)	\$5.08	\$5.30	\$5.95
Commercial (C)	\$6.08	\$6.35	\$7.13
Irrigation Only (I)	\$6.07	\$6.34	\$7.12
Government (G)	\$5.99	\$6.25	\$7.02

*TSAWR customers must implement cuts to water use during drought restrictions or face penalties. Program compliance is discussed above in Section 26.1.2.

Sec. 26.9 Implementation of Conservation Levels.

The General Manager shall monitor the projected supply and demand for water by its customers on a daily basis. The General Manager shall determine the extent of the conservation required through the implementation and/or termination of particular conservation stages in order for the District to prudently plan for and supply water to its customers. Thereafter, the General Manager may order or recommend to the Board of Directors that the appropriate level of water conservation be implemented or terminated in accordance with the applicable provision of this Administrative Code. The declaration of any level beyond Water Shortage Response Level 1 shall be made by public announcement and notice shall be published a minimum of three (3) consecutive times in a newspaper of general circulation. The level designated shall become effective immediately upon announcement. The declaration of any level beyond Water Shortage Response Level 1 shall be by action of the Board of Directors.

Sec. 26.10 Variances.

If, due to unique circumstances, a specific requirement of this Article of the Administrative Code would result in undue hardship to a person using District water or to property upon which the District water is used, that is disproportionate to the impacts to the District water users generally or to similar property or classes of water uses, then the person may apply for a variance to the requirements as provided in this section.

The variance may be granted or conditionally granted, only upon a written finding of the existence of facts demonstrating an undue hardship to a person using

District water or to property upon with the District water is used, that is disproportionate to the impacts to the District water users generally or to similar property or classes of water use due to specific and unique circumstances of the user or the user's property.

A completed appeal shall describe the specific reason(s) the allocation is causing undue hardship, including the following:

1. Commercial buildings that were empty or partially occupied during base period but are now occupied to a greater degree and require more water.
2. A grove with new trees planted a year before the base period began that, in the third year of growth, would need additional water.
3. Agricultural land used for annual crops that had abnormally low irrigation application during the base year.
4. An unexpected emergency line break, or equipment malfunction that has since been fixed.
5. Loss or reduction of an alternative water source, such as a well or pond.
6. Other, with a detailed description.

Sec. 26.10.1 Application.

Application for a variance shall be a form prescribed by Fallbrook Public Utility District.

Sec. 26.10.2 Supporting Documentation.

The application shall be accompanied by photographs, maps, drawings, and other information, including a written statement of the applicant.

Sec. 26.10.3 Required Findings for Variance.

An application for a variance shall be denied unless the approving authority finds, based on the information provided in the application, supporting documents, or such additional information as may be requested, and on water use information for the property as shown by the records of the Fallbrook Public Utility District, all of the following:

- A. That the variance does not constitute a grant of special privilege inconsistent with the limitations upon other Fallbrook Public Utility District customers.
- B. That because of special circumstances applicable to the property or its use, the strict application of this ordinance would have a disproportionate impact on the property or use that exceeds the impacts to customers generally.

- C. That the authorizing of such variance will not be of substantial detriment to adjacent properties, and will not materially affect the ability of the Fallbrook Public Utility District to effectuate the purpose of this chapter and will not be detrimental to the public interest.
- D. That the condition or situation of the subject property or the intended use of the property for which the variance is sought is not common, recurrent or general in nature.

Sec. 26.10.4. Approval Authority.

The General Manager or his/her designee shall exercise approval authority and act upon any completed application no later than 20 days after submittal and may approve, conditionally approve, or deny the variance. The applicant requesting the variance shall be promptly notified in writing of any action taken. Unless specified otherwise at the time a variance is approved, the variance applies to the subject property during the term of the mandatory drought response.

Sec. 26.10.5 Appeals to Fallbrook Public Utility District Board of Directors.

An applicant may appeal a decision or condition of the General Manager on a variance application to the Fallbrook Public Utility District Board of Directors within 10 days of the written decision upon written request for a hearing. The request shall state the grounds for the appeal. Any determination not appealed within ten (10) days is final. At a public meeting, the Fallbrook Public Utility District Board of Directors shall act as the approval authority and review the appeal de novo by following the regular variance procedure. The decision of the Fallbrook Public Utility District Board of Directors is final.

ARTICLE 26

Sec. 26.6 – Rev.
7/97

Sec. 26.4, Sec.
26.5, Sec.
26.8.2 – Rev.
10/07

Article 26
revised in its
entirety – 6/08

Sec. 26.8.3,
26.9, 26.10 ,
26.10.1,
26.10.2,
26.10.3,
26.10.4,
26.10.5, and
addition of
Domestic Class
and Multi-Unit
Class rates–
Rev. 6/09

Sec. 26.8.3 –
Rev. 10/09

Sec. 26.8.3 –
Rev. 5/11

Sec. 26.8.3 –
Rev. 8/14

Sec. 26.11 –
Rev 6/15

Secs. 26.1.1,
26.1.2, 26.4,
26.5, 26.8.3,
26.8.5, 26.10,
26.10.1,
26.10.4,
26.10.5, 26.11 –
Rev. 3/16

Secs. 26.8.1,
26.8.3 – Rev.
6/16

Secs. 26.8.2,
26.8.3, 26.8.6 –
Rev. 12/17

Article 27. Investment Policy

Sec. 27.1 General.

The District's Investment Policy and practices of the District Treasurer are based on prudent money management principles and California Government Code, specifically Sections 53600 and 53630 et. seq.

27.1.1 **Delegation of Authority.** The Board of Directors delegates the investment authority of the District to the Treasurer under the supervision of the General Manager. The Treasurer shall deposit money under the Treasurer's supervision and control in such institutions and upon such terms as the laws of the State of California and the Board of Directors may permit.

The Treasurer may delegate day-to-day investment decision making and execution authority to an investment advisor. Eligible investment advisors must be registered with the Securities and Exchange Commission (SEC) under the Investment Advisors Act of 1940. The advisor will follow the Policy and such other written instructions as are provided by the District.

27.1.2 **Investment Objectives.** The practices of this District will always comply with the legal authority and limitations placed on it by the governing legislative bodies. The implementation of these laws, allowing for the dynamics of the money markets, will be the focus of this Investment Policy. When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the objectives of this District shall be:

1. The primary objective shall be to safeguard the principal of the funds under the Treasurer's control.
2. The secondary objective shall be to meet the liquidity needs of the District.
3. The third objective shall be to achieve a return on the funds under control of the Treasurer within the parameters of prudent risk management.

27.1.3 **Prudent Investor Standard.** The Board of Directors, General Manager, and Treasurer adhere to the guidance provided by the "prudent investor standard," California Government Code (Section 53600.3), which obligates a fiduciary to insure that "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual

investments as part of an overall strategy, investments may be acquired as authorized by law.”

Sec. 27.2 Treasurer’s Annual Statement of Investment Policy.

The following is the District’s annual statement of investment policy rendered pursuant to Section 53646 (a) of the Government Code:

27.2.1 Security of Principal Policy. The policy issues directed to protecting the District are:

- a) Limiting exposure to each type of security.
- b) Limiting exposure to each issue and issuer of debt.
- c) Determining the minimum credit requirement for each type of security at the time of purchase.

27.2.2 Liquidity Policy. The policy issues directed to provide necessary liquidity are:

- a) Limiting the length of maturity for securities in the portfolio.
- b) Limiting exposure to illiquid securities.

27.2.3 Return Policy. The policy issues directed to achieving a return are:

- a) Attaining a market rate of return taking into account the investment risk constraints and liquidity needs.
- b) Return is of least importance compared to the safety and liquidity policies described above.
- c) Majority of the investments shall be limited to low risk securities in anticipation of earning a fair return relative to the risk being taken.
- d) The performance of the portfolio shall be compared to an industry benchmark established by the Fiscal Policy and Insurance Committee and shall be reported quarterly. The Fiscal Policy and Insurance Committee shall review the performance benchmark on an annual basis to ensure that it remains appropriate for the District’s investment objectives. The Fiscal Policy and Insurance Committee will bring any recommended changes to the industry benchmark to the Board for approval.

27.2.4 Maturity Policy. The maximum maturity allowed by the California Government Code is five (5) years with shorter limitations specified for specific types of securities. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five-year maturity limit. Such approval must be issued no less than three (3) months prior to the purchase of any security exceeding the five-year maturity limit.

27.2.5 Prohibited Securities. The California Government Code does not authorize a local agency to invest in any of the following derivative notes:

- a) Inverse Floater
- b) Range Notes
- c) Interest-only strips derived from a pool of mortgages
- d) Any security that could result in zero interest accrual

Sec. 27.3 Internal Controls.

The Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed benefits likely to be derived; and, 2) the valuation of costs and benefits requires estimates and judgments by management. Accordingly, the Treasurer shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

Control of Collusion: Collusion is a situation where two or more employees are working in conjunction to defraud their employer.

Separation of Transaction Authority from Accounting and Record Keeping: By separating the person who authorizes or performs the transaction from the person who records or otherwise accounts for the transaction, a separation of duties is achieved.

Custodial Safekeeping: Securities purchased from any bank or dealer including appropriate collateral (as defined by Government Code) shall be placed with an independent third party for custodial safekeeping.

Avoidance of Physical Delivery Securities: Book entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.

Clear Delegation of Authority to Subordinate Staff Members: Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.

Written Confirmation of Telephone Transactions for Investments and/or Wire Transfers: Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and the safekeeping institution has a list of authorized signatures.

Development of a Wire Transfer Agreement with the Lead Bank or Third Party Custodian: This agreement should outline the various controls, security provisions, and delineate responsibilities of each party making and receiving wire transfers.

Sec. 27.4 Permissible Investments.

Where this Policy specifies a percentage limitation for a particular security type, that percentage is applicable only on the date of purchase. Credit criteria listed in this Policy refers to the credit rating at the time the security is purchased. If an investment advisor is used and an investment's credit rating falls below the minimum rating required at the time of purchase, the investment advisor will immediately notify the Treasurer. The securities shall be reviewed and a plan of action shall be recommended by the Treasurer or investment advisor. The course of action to be followed will be decided on a case-by-case basis, considering such factors as the reason for the rate drop, prognosis for recovery or further drop, and market price of the security. The Fiscal Policy and Insurance Committee will be advised of the situation and intended course of action by e-mail or fax.

The District will limit investments in any one non-government issuer, except investment pools and money market funds, to no more than 5% regardless of security type.

Government Code 53601 addresses permissible investments. These investment categories are:

27.4.1 Government Obligations. Two categories of Government Obligations, U.S. Treasury and Agency obligations may be invested. Both are issued at the federal level. U.S. Treasury obligations are United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest. Agency obligations are federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises..

Maximum Maturity: The maximum maturity of an issue shall be the current 5 year issue or an issue which at the time of the investment has a term remaining to maturity not in excess of five (5) years.

Maximum Exposure of Portfolio: The maximum exposure to the portfolio for this category is unlimited.

- 1) Treasury: Unlimited.
- 2) Agencies: Unlimited. No more than 75% of the portfolio value shall be invested in any single issuer.

Minimum Credit Requirement: None.

27.4.2 Banker's Acceptance. This is a draft or bill of exchange, accepted by a bank or trust company and brokered to investors in a secondary market. The purpose of the banker's acceptance (BA) is to facilitate trade and provide liquidity to the import-export markets. Acceptances are collateralized by the pledge of documents such as invoices, trust receipts, and other documents evidencing ownership and insurance of the goods financed.

Maximum Maturity: The maximum maturity of an issue shall be 180 days.

Maximum Exposure of Portfolio: The maximum exposure to the portfolio for this category shall be 25%.

Minimum Credit Requirement: "A-1" or equivalent by a nationally recognized statistical rating organization (NRSRO)

27.4.3 Commercial Paper. These are short-term, unsecured, promissory notes issued by firms in the open market. Commercial paper (CP) is generally backed by a bank credit facility, guarantee/bond of indemnity, or some other support agreement. The entity that issues the commercial paper must meet all of the following conditions in either paragraph a or paragraph b:

- a. The entity meets the following criteria: (i) is organized and operating in the United States as a general corporation, (ii) has total assets in excess of five hundred million dollars (\$500,000,000), and (iii) has debt other than commercial paper, if any, that is rated in a rating category of "A", the equivalent or higher by a NRSRO.
- b. The entity meets the following criteria: (i) is organized within the United States as a special purpose corporation, trust, or limited liability company, (ii) has program-wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond, and (iii) has commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO.

Maximum Maturity: The maximum maturity of an issue shall be 270 days.

Maximum Exposure of Portfolio: The maximum exposure to the portfolio for this category shall be 25%. The District may purchase no more than 10% of the outstanding commercial paper of any single issuer.

Minimum Credit Requirements: "A-1", the equivalent or higher by a NRSRO.

27.4.4 Medium-Term Notes. Corporate and depository institution debt securities issued by corporations organized and operating within the United States, or by depository institutions licensed by the U.S. (or any state) and operating within the U.S.

Maximum Maturity: The maximum maturity of an issue shall be 5 years.

Maximum Exposure of Portfolio: The maximum exposure to the portfolio for this category shall be 30%.

Minimum Credit Requirements: Rated in a rating category of “A”, the equivalent or higher by a NRSRO

27.4.5 Repurchase Agreements. A repurchase agreement (RP) consists of two simultaneous transactions. One is the purchase of securities by an investor (i.e., the District), the other is the commitment by the seller (i.e., a broker/dealer) to repurchase the securities at the same price, plus interest, at some mutually agreed future date.

Maximum Maturity: The maximum maturity of repurchase agreements shall be up to one year.

Maximum Exposure of Portfolio: The maximum exposure to the portfolio for this category shall be 10%.

Minimum Credit Requirements: None

27.4.6 Negotiable Certificates of Deposit. Certificates of deposit must be issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial code), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank.

Maximum Maturity: The maximum maturity of an issue shall be five (5) years.

Maximum Exposure to Portfolio: The maximum exposure to the portfolio for this category shall be 30%.

Minimum Credit Requirements: Rated in a rating category of “A”, the equivalent or higher for CDs issued with a long-term rating and “A-1” or higher for CDs issued with a short-term rating or their equivalents by a NRSRO.

27.4.7 State Local Agency Investment Fund (LAIF). There is no limit by law on the amount of funds that can be placed in this account. Interest is paid directly into the account by the State Local Agency Investment Fund.

27.4.8 San Diego County Treasurer’s Fund. There is no limit by law on the amount of funds that can be placed in this account. Interest is paid directly into the account by the County Treasurer.

27.4.9 Passbook and Money Market Savings Accounts. Savings accounts and/or money market accounts shall be maintained for monies that are needed on a day-to-day basis.

27.4.10 State Obligations / State of California and Other States. Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the state or by a department, board, agency or authority of the state.

Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California.

Maximum Maturity: The maximum maturity of an issue shall be the current 5 year issue or an issue which at the time of the investment has a term remaining to maturity not in excess of five (5) years.

Maximum Exposure of Portfolio: The maximum exposure to the portfolio for 27.4.10 and 27.4.11-California Local Agency Obligations, category shall be a combined 25% of the book value of the investment portfolio. No more than 5% of the book value of the portfolio at the time of purchase may be invested in bonds issued by any one agency.

Minimum Credit Requirements: Rated in a rating category of “A”, the equivalent or higher for obligations issued with a long-term rating and “A-1” for obligations issued with a short-term rating or their equivalents by a NRSRO .

27.4.11 California Local Agency Obligations. Bonds, notes warrants or other evidences of indebtedness of any local agency within California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

Maximum Maturity: The maximum maturity of an issue shall be the current 5 year issue or an issue which at the time of the investment has a term remaining to maturity not in excess of five (5) years.

Maximum Exposure of Portfolio: The maximum exposure to the portfolio for 27.4.10 and 27.4.11-California Local Agency Obligations, category shall be a combined 25% of the book value of the investment portfolio. No more than 5% of the book value of the portfolio at the time of purchase may be invested in bonds issued by any one agency.

Minimum Credit Requirements: Rated in a rating category of “A”, the equivalent or higher for obligations issued with a long-term rating and “A-1” for obligations issued with a short-term rating or their equivalents by a NRSRO.

27.4.12 Joint Powers Authority Pool. The investment with a Joint Powers Authority Pool is mandated by that pool. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria: (1) The adviser is registered or exempt from registration with

the Securities and Exchange Commission; (2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive; and (3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

Maximum Exposure of Portfolio: The maximum exposure to the portfolio for this category is unlimited.

Minimum Credit Requirement: None.

27.4.13 Money Market Mutual Funds.

Maximum Exposure of Portfolio: The maximum exposure to the portfolio for this category is 20%.

Minimum Credit Requirements: A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years experience investing in instruments authorized by Sections 53601 and 53635.

A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years experience investing in money market instruments with assets under management in excess of \$500 million.

27.4.14 Mortgage Pass-Through Securities and Asset-Backed Securities. A mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond.

Maximum Maturity: The maximum maturity of an issue shall be the current 5 year issue or an issue which at the time of the investment has a term remaining to maturity not in excess of five (5) years.

Maximum Exposure of Portfolio: The maximum exposure to the portfolio for this category is 20%.

Minimum Credit Requirements: Rated in a rating category of “AA”, the equivalent or higher by a NRSRO.

27.4.15 Supranationals. United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.

Maximum Maturity: The maximum maturity of an issue shall be the current 5 year issue or an issue which at the time of the investment has a term remaining to maturity not in excess of five (5) years.

Maximum Exposure of Portfolio: The maximum exposure to the portfolio for this category is 30%.

Minimum Credit Requirements: Rated in a rating category of “AA”, the equivalent or higher by a NRSRO.

Approval: Investments in supranational securities may only be made with prior approval of the Fiscal Policy and Insurance Committee.

Sec. 27.5 Maturity/Limit of Investments.

With the exception of U.S. Treasury and Federal Agency securities, the maturity of a give investment will not exceed five (5) years, without prior board approval per Section 27.2.4.

Sec. 27.6 Reporting Requirements.

The Treasurer shall prepare a quarterly investment report to the Board of Directors that provides an overview of the District’s investments and lists the investment transactions for the period. The report shall also (1) state the compliance of the portfolio with the statement of investment policy, or the manner in which the portfolio is not in compliance, and (2) the report shall include a statement denoting the ability of the District to meet its expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may, not be available. The Treasurer shall also provide the Board a summary report of investments on a monthly basis.

A subsidiary ledger of investments may be used in the report in accordance with accepted accounting practices.

In the event that an investment originally purchased within policy guidelines is downgraded by any one of the credit rating agencies, the Treasurer shall report it at the next regular scheduled meeting of the Board.

ARTICLE 27

Revised in its entirety: 2/94

Adopted in current form: 1/96,
1/97, 1/98, 1/99

Sec. 27.2.4 – Rev. 1/00

Adopted in current form: 1/01

Sec. 27.4.7 – Rev. 10/01

Sec. 27.6 – Rev. 1/03

Sec. 27.2.4 – Rev. 1/07

Sec. 27.4.4 – Rev. 3/07

Secs. 27.2.3, 27.4.1(2), 27.4.2,
27.4.3, 27.4.4, & 27.4.6 – Rev.
9/07

Sec. 27.2.1 – Rev. 1/10

Secs. 27.4.10-12 – Rev. 1/12

Secs. 27.2.4, 27.2.5, 27.4.5, 27.4.6,
27.4.7, 27.4.10, 27.4.11, 27.4.13,
27.4.14, 27.5 – Rev. 2/13

Secs. 27.4.6, 27.4.11 – Rev. 1/14

Secs. 27.1, 27.1.1, Attachment A –
Rev. 3/15

Secs. 27.1, 27.1.1, 27.1.2, 27.1.3,
27.2, 27.2.3, 27.2.4, 27.3, 27.4,
27.4.1, 27.4.2, 27.4.3, 27.4.4,
27.4.6, 27.4.10, 27.4.11, 27.4.12,
27.4.13, 27.4.14, 27.4.15, 27.5 –
Rev. 2/16

Secs. 27.2.4, 27.4, 27.4.3, 27.4.4,
27.4.6, 27.4.10, 27.4.11, 27.4.14,
27.4.15 – Rev. 3/17

Sec. 27.2.3 – Rev. 6/18

Sec. 27.6 – Rev. 7/18

Sec. 27.4.14 – Rev. 2/19

ATTACHMENT A

Fallbrook Public Utility District
State and Federal Credit Union Deposit Restrictions
Acknowledgement

Sections 53637 and 53648 of the California Government Code do not permit the deposit or investment of monies in a state of federal Credit Union by members of a legislative body of a local agency or by individuals of a local agency with investment decision making authority if those individuals are members of the board of directors, or any committee appointed by the board of directors or the credit committee or supervisory committee, of the state of federal credit union.

I hereby attest by my signature below that I am in compliance with the California Government Code sections 53637 and 53648. I will promptly notify the Secretary of the Fallbrook Public Utility District's Board of Directors when I am no longer in compliance with these California Government Code sections.

PRINT NAME: _____

POSITION: _____

SIGN: _____

DATE: _____

Article 28. Recycled Water Program

Sec. 28.1 Declaration of Policy.

- a. The Fallbrook Public Utility District (FPUD) operates and maintains a recycled water distribution system within its service area enabling it to provide disinfected tertiary treated recycled water for a variety of beneficial uses. The use of potable water for irrigation or other non-potable uses is prohibited where recycled water is suitable and available.
- b. The beneficial use of recycled water is regulated by the California State Water Resources Control Board (SWRCB). California Water Code Section 13551 establishes a State policy to encourage the use of recycled water. Permission to use recycled water is based on the ability to adequately treat wastewater to the point that the recycled water (effluent) meets or exceeds the requirements of existing Title 22, Division 4, of the California Code of Regulations. Title 22 was promulgated by the State Water Resources Control Board—Division of Drinking Water to ensure proper health protection and specify the treatment degree to match the intended applications.
- c. FPUD shall determine whether a potential service will be furnished with recycled water and/or potable water. This determination shall be in accordance with standards of treatment and water quality requirements set for in Title 22 and with the intent of FPUD to protect the public health. The availability and/or feasibility of making recycled water service available will be considered on a case-by-case basis.

Sec. 28.2 Statutory Requirements.

- a. All onsite and public recycled water facilities must be consistent with and adhere to the requirements described in the following documents:
 1. FPUD Backflow and Cross-Connection Control Ordinance, Article 19.22
 2. FPUD Recycled Water Program, Article 28
 3. Engineering Report for the Installation of Hauled Recycled Water Fill Stations and Use of Hauled Recycled Water in the San Diego Region, San Diego County Water Authority, July 8, 2015
 4. California Code of Regulations, Department of Public Health (Title 22, Division 4)
 5. Department of Public Health “Guidance Manual for Cross-Connection Control”, latest edition
 6. California Code of Regulations, Title 17, Division 1, Chapter 5, Group 4, Article 1
 7. California-Nevada Section American Water Works Association “Guidelines for Distribution of Non-Potable Water”

8. California-Nevada Section American Water Works Association “Guidelines for the On-Site Retrofit of Facilities Using Disinfected Tertiary Recycled Water”
9. Department of Public Health “Guidelines for Use of Recycled Water for Construction Purposes”
10. Department of Public Health “Guidelines for the Preparation of an Engineering Report for the Production, Distribution and Use of Recycled Water”
11. San Diego County Department of Environmental Health “Recycled Water Plan Check and Inspection Manual”
12. All applicable Federal, State or local statutes, regulations and ordinances

Sec. 28.3 General.

It is the responsibility of the user of these documents to make reference to and utilize industry standards not otherwise directly referenced within this document. The Engineer or Landscape Architect of Work may not deviate from the criteria presented in these standards and specifications without prior written authority of the District’s engineer.

Sec. 28.4 Approved Use.

- a. These rules and regulations pertain to recycled water service to lands and/or improvements lying within the legal boundaries of the District unless otherwise stated. It is the intent of the District to provide recycled water service in accordance with these rules and regulations to all areas identified in the District’s Recycled Water Master Plan, including all subsequent revisions. Recycled water service shall be provided to the service area when related transmission and distribution facilities are completed and service becomes available.
- b. The uses of recycled water include only those uses approved by the District, local and State regulatory authorities and which Title 22, California Code of Regulations provides treatment requirements. All potential applications of recycled water shall be reviewed and approved by the District prior to installation of facilities. Prior to approval and at its discretion, the District may set forth specific requirements as conditions for providing service and/or require specific prior approval from the appropriate regulatory agencies.
- c. The facilities shall be constructed in accordance with the procedures and requirements of the District. No recycled water mains or connections to the recycled water mains shall be installed unless shown on approved drawings and approved by the District.

Sec. 28.5 Definitions.

a. Agricultural Uses.

Agricultural Uses include: Annual Agricultural Products, field and row crops grown for seed or other annual plants; Perennial Agricultural Products, field and nursery

crops, trees, vines and other perennial plants. Watering livestock is only allowed in drought emergencies.

b. Approved Backflow Prevention Assemblies.

A device/assembly approved by the State of California, the USC Foundation for Cross-Connection Control and Hydraulic Research and the District which is installed to protect the potable water supply from contamination through backflow of a non-potable substance.

c. Artificial Lake.

A man-made lake, pond, lagoon, or other body of water that is used wholly or partly for landscape, scenic or non-contact recreational purposes.

d. Board.

The duly elected and constituted Board of Directors of the Fallbrook Public Utility District.

e. Cross-Connection.

Any unprotected actual or potential connection between any part of a water system used or intended to supply potable water and any source or system containing recycled or other water or substance that is not potable and not acceptable for human consumption.

f. Cross-Connection Control Specialist.

An individual who has a current American Water Works Association and/or American Backflow Prevention Association Specialist Certificate on file with the District

g. Designated User.

A recipient of recycled water service from the District.

h. District.

The Fallbrook Public Utility District, a duly constituted Public Agency of the State of California and located in San Diego County, California.

i. Greenbelt Areas.

Greenbelt areas include, but are not limited to, golf courses, playing fields, cemeteries, parks, and landscaping.

j. Hauled Recycled Water.

Recycled water use that complies with the San Diego County Water Authority publication “Engineering Report for the Installation of Hauled Recycled Water Fill Stations and Use of Hauled Recycled Water in the San Diego Region.”

k. Industrial Process Water.

Water used by any industrial facility with process water requirements which includes, but is not limited to, rinsing, washing, cooling and construction.

l. Manager.

The duly appointed General Manager of the Fallbrook Public Utility District or their designee.

m. Non-Potable Water.

Water which does not conform to federal, state and local standards for human consumption.

n. Non-Potable Water Distribution System.

A piping system intended for the delivery of non-potable water only, and which is maintained separate from any potable water distribution system.

o. Non-Potable Water Transmission Mains.

A piping system intended for the delivery of non-potable water only and which is maintained separate from any potable water distribution system and which is owned by the District.

p. Non-Potable Water Use Area.

The property of portion of property which has been approved by the District for non-potable or recycled water service.

q. Notice of Determination.

The notice provided to a designated user by the District.

r. Off-Site Facilities.

Those facilities located off the user’s site and under the control of the District, including the service meter and any backflow prevention assembly (ies) installed with the meter.

s. On-Site Facilities.

Facilities under the control of the customer beginning at the water meter and backflow prevention assembly if installed.

t. Potable Water.

Water furnished to the customer that is approved for human consumption and conforms to all federal, state and local requirements.

u. Recycled Water.

Water which as a result of filtration and disinfection of domestic wastewater is suitable for a direct beneficial use or a controlled use that otherwise would not occur.

v. Recycled Water Facilities.

Facilities used in the storage, pumping and conveyance of recycled water.

w. Recycled Water Service Connection.

The point of connection of the customer's recycled water line with the recycled water service main of the District which shall normally be the downstream end of the recycled water meter tailpiece.

x. User's Recycled Water Supervisor.

An individual who has taken a training course, normally four hours in length, that has been approved by State and local authorities and the District for the on-site use of recycled water.

Sec. 28.6 Administration.

a. Manager.

The District General Manager shall administer, implement, and enforce the provisions of this Article of the Administrative Code. Any duties imposed upon the General Manager may be delegated by him to persons in the employ of the District.

b. Regulations.

The General Manager shall make and enforce regulations necessary to the administration of this Article of the Administrative Code.

c. Recycled Water Master Plan.

The General Manager shall prepare and update a Recycled Water Master Plan. The Plan shall include, but not be limited to, actual and future planning for recycled water use. Approvals of developments shall be consistent with the Plan in all respects including developer piping for recycled and non-potable water uses.

d. Public Awareness Program.

The District shall establish and update comprehensive Recycled Water Public Awareness and Assistance Program.

e. Coordination among Agencies.

The District shall examine the potential for initiating a coordinated effort between the District and other public agencies. The purpose of this effort shall be to share in the production and utilization of recycled water.

f. Fees and Charges.

All fees and charges for the use of recycled water shall be established separately by the Board in Article 21 of the Administrative Code.

g. Payment for On-Site Facilities.

The Designated User shall pay for all on-site facilities, including backflow prevention assemblies that may be necessary to protect the health and safety of on-site residents or employees. The Designated User of recycled water shall comply with all requirements of applicable federal, state, and local statutes, ordinances and regulations. The cost of any investigations by District staff and/or regulatory authorities resulting from the misuse of recycled water shall be the responsibility of the Designated User.

Sec. 28.7 Suspension or Termination of Service.

28.7.1 Recycled water service may be suspended or terminated at any time by the Manager. Reasons for suspension or termination shall include, but not be limited to, the following:

1. Failure by a Designated User to adhere to the provisions of this Ordinance.
2. The protection of health, safety and welfare.
3. The discovery of a cross-connection between the on-site potable and non-potable water distribution system.
4. Changes in the use and/or footprint of the non-potable distribution system without District approval.
5. Failure of any designated User to pay all of the fees and charges outlined in Article 21 of the Administrative Code.

28.7.2 Procedure.

The suspension or termination procedure shall be as follows: Where the District determines that service should be suspended or terminated, a written notice shall be mailed by regular mail to the customer at least ten (10) calendar days prior to the date of proposed suspension or termination of services. This notice shall set forth the reasons for the suspension or termination of services. In the event the District determines an emergency condition prevails at the time the written notice of proposed suspension or termination is mailed to the customer, the District may immediately suspend recycled water service pending a determination of any appeal. If an emergency condition does not exist, the user shall have ten (10)

calendar days to come into compliance with the written notice. Thereafter the District may commence suspension or termination procedures.

28.7.3 Appeals of the Suspension or Termination Notice.

The customer may appeal the determination of the District as follows:

Not later than ten (10) calendar days following the date upon which the District Manager forwards to the customer a Notice of Suspension or Termination the customer may appeal to the Board of Directors.

The Board of Directors shall conduct a hearing concerning the proposed determination within thirty (30) calendar days of receipt of this written appeal. Within a reasonable time thereafter the Board of Directors shall render a decision which shall be final.

28.7.4 Prohibited Connections.

No person shall make any connection to the recycled water facilities of the District unless the District has executed a written Agreement with said person as Designated User of recycled water service in accordance with the provisions of the Article of the Administrative Code.

28.8 Implementation.

28.8.1 Designation of Users.

A Notice of Determination that a specific water user shall be a Designated User of recycled water shall be mailed to the potential Designated User by certified mail. A general description of the obligations of the potential Designated User shall accompany this notification. A proposed schedule for implementation of the use of recycled water shall be included in this Notice.

28.8.2 Appeal.

The potential Designated User may file a Notice of Appeal with the District within thirty (30) calendar days after the "Notice of Determination" has been sent. Upon receipt of the Notice of Appeal the District Manager shall schedule a hearing of the appeal before the Board of Directors and provide notice in accordance with the rules of the District.

Following this hearing, the determination of the Board shall be final and binding.

28.8.3 Design and Construction of On-Site Facilities.

The Designated User shall provide and install, at no cost to the District, all on-site recycled water facilities. Recycled water facilities shall conform to State and local statutes, ordinances, regulations and District requirements. The Designated User shall make, at no cost to the District, any modifications to the potable water system on the premises which are required by the District in order to permit the

safe use of recycled water service. Such facilities shall include, but not be limited to, installation of approved backflow prevention assemblies. Specifications and record drawings of on-site recycled facilities shall be prepared and be available for inspection or use on the premises of the Designated User and at the District office.

28.8.4 Recycled Water Supervisor.

The Designated User shall designate a User Water Supervisor and shall keep the District informed of the Site Supervisor's identity. The Site Supervisor shall have attended a Site Supervisor training class, be knowledgeable in the construction and operation of the recycled water system and any on-site uses of recycled water. The Site Supervisor should be familiar with federal, State and local guidelines, criteria, standards, rules and regulations governing the use of recycled water. The Site Supervisor shall be responsible for overseeing the recycled water service and maintaining the on-site facilities in conformance with the District's guidelines and regulations.. The Site Supervisor shall be responsible for the prevention of any cross-connections between the recycled water system and the on-site potable system. Any actual or suspected cross-connections shall immediately be reported to the District.

28.8.5 Conversion of Existing Facilities.

Where a Designated User proposes a conversion of any existing potable water system to a recycled water system, a comprehensive investigation of the system including conversion plans shall be performed at the expense of the Designated User. The District shall review and approve the conversion plans before the potable system is converted to recycled water use.

28.8.6 User Agreement Form.

Upon the final determination by the District that a property, or a portion of the property, shall be served with recycled water the Designated User shall execute a User Agreement with the District to implement the provisions of this Article of the Administrative Code. The District shall provide a general form of the agreement.

28.9 Water Meter Requirement.

All recycled water used on any premises approved for recycled water service must be metered. The District shall be responsible for the enforcement of this requirement.

28.10 Future Extension.

When a parcel is developed, if the parcel has the potential for future recycled use or is along a planned recycled line extension, the development must provide for facilities to utilize recycled water when available or pipeline extensions through the parcel at the time of project construction.

28.11 Public Safety Requirements.

28.11.1 Cross-Connections.

No Designated User of other parties shall install or create a cross-connection between the on-site potable water system and the on-site recycled water system.

28.11.2 Drinking Fountains.

Any and all drinking fountains located within an area approved for the use of recycled water shall be protected by siting or shielding from contact with recycled water, whether by windblown spray or by direct application through irrigation or other approved uses.

28.11.3 Hose Bibs.

The portions of the non-potable water piping system that are in areas subject to access by the general public shall not include any hose bibs. Only quick couplers that differ from those used on the potable water system shall be used on the portions of the non-potable water piping system in areas subject to public access.

28.11.4 Fire Hydrants.

No Designated User or other party shall use or install fire hydrants on any on-site system that is designed to operate with recycled water regardless of the fire hydrant construction or identification.

28.11.5 Marking.

All above-ground recycled water piping and appurtenances shall be color coded or painted the color purple or banded with non-potable marking tape to identify it as using recycled water. In-ground new piping shall be color coded purple and identified as recycled water piping. Existing non-potable piping shall be tagged at all valves as non-potable (recycled) water.

Exposed portions of potable water piping and appurtenances shall be color coded or painted the color blue or banded with potable water marking tape to identify it as using potable water. All non-potable outlets shall be signed or tagged with the words "Recycled water - Do not drink" in English and Spanish. Where appropriate, the international symbol for "Do not drink" should be posted. All potable water outlets intended for drinking purposes shall be plainly marked. Main shutoff valves shall be clearly identified to distinguish between potable and non-potable water. Methods of identifying potable and non-potable water systems shall be called out on the use site plans and approved by the District before installation.

28.11.6 Backflow Protection at the Service Meter.

If a recycled water customer requires potable water service on the same property a reduced pressure principle backflow prevention assembly must be installed on the potable water service at the potable meter. The installation and maintenance cost will be a District expense.

28.12 Truck Load Delivery of Recycled Water.

The San Diego County Water Authority publication “Engineering Report for the Installation of Hauled Recycled Water Fill Stations and Use of Hauled Recycled Water in the San Diego Region” shall be complied with by any user that has been certified by the District for hauling of recycled water.

28.13 Miscellaneous.

If any section, subsection, sentence, clause or phrase of the Article of the Administrative Code is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this Article of the Administrative Code. The Board of Directors hereby declares that it would have passed each section, subsection, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, or sentences, clauses or phrases may be unconstitutional or invalid.

28.14 Non-Liability.

The District will not be responsible or liable for any suspension in service of, or failure to supply, recycled water, or for any damage or injury to person or property relating to the provision of recycled water.

ARTICLE 28
Program Adopted 2/94
Sec. 28.9 – Rev. 6/95
Sec. 28.1-28.4, 28.6, 28.9,
28.10 – Rev. 7/97
All Sections – Rev. 1/16

Article 29. Emergency Response Plan (ERP)

The Fallbrook Public Utility District has adopted an Emergency Response Plan for internal use by its officers, employees and Directors. The plan sets guidelines to use when an emergency arises.

The District's Emergency Response Plan (ERP) is made a part of this Administrative Code and incorporated into the District's Injury/Illness Prevention Program (IIPP).

ARTICLE 29
Program Adopted 6/94

FALLBROOK PUBLIC UTILITY DISTRICT EMERGENCY RESPONSE PLAN (ERP)

All employees will follow the guidelines below when an emergency arises. All employees will be required to participate in all "drills."

1. The Superintendent (or his designate) will be the individual responsible for coordinating the Emergency Response Plan. His responsibilities include, but are not limited to:
 - A. Assessing the situation to determine if an emergency exists that requires activating the ERP.
 - B. Directing all efforts in the area, including evacuating personnel and minimizing property loss.
 - C. Ensuring that outside agencies are called when necessary
 - D. Directing shut-down of operations, when necessary.
 - E. Direct the Emergency Response Team.

2. If a major emergency involving fire or threat of an explosion occurs, and evacuation of the building and/or yard is necessary, the following will be done:
 - A. The Receptionist will alert all employees by way of the intercom system that there is an emergency and that all employees will evacuate to the north east corner of the parking lot.
 - B. The Superintendent will establish his "command post" next to where the employees are to evacuated to.
 - C. Alternate communications can be the District's cellular phone, radio system (high band and low band), and coordination with the Sanitary District's base station with our radio system.
 - D. Regular updating of off-duty emergency on-call personnel will help keep the answering service current on who to notify during off hour.

3. The Superintendent or whoever he designates, will be responsible to account for all personnel and notify authorities if anyone is believed missing. No personnel shall leave the scene until a total head count is made (unless it is not safe to remain). **Do Not** leave this area until the superintendent or your supervisor knows you are leaving.

4. The emergency response team (ERT) has to be able to distinguish between an emergency that they can handle and one that needs professional emergency help. The emergency response team will be trained in the following:
 - A. Use of various types of fire extinguishers
 - B. First aid and CPR
 - C. Shutdown procedures including the locations of all electric panels and gas mains and where to shut off.
 - D. Evacuation procedures
 - E. Use of breathing apparatus (when applicable)
 - F. Search and rescue procedures (if there is a major disaster).

5. The Emergency Response Team members are:

- A. Superintendent - Frank McMillan
- B. Engineering Tech
- C. Department 5 Foreman
- D. Mechanic
- E. Warehouse/Stores Worker

BUILDING EVACUATION:

IN THE OFFICE OR YARD:

- 1) Each employee is to be aware of all marked exits from the area and building.
- 2) When evacuating the building, collect your personal belongings (purse, brief case, etc.) and leave by walking quickly to the nearest marked exit and ask others to do the same. **DO NOT RUN.**
- 3) Assist all customers and the handicapped in exiting the building.
- 4) When outside, proceed to the designated meeting area, the north east corner of the parking lot. Keep well away from the building and keep clear of emergency vehicles. **Do Not** leave this area until the superintendent or your supervisor knows you are leaving.
- 5) Supervisors, to the best of their ability, and without re-entering the building will report to the Superintendent if everyone has evacuated the area safely.
- 6) Do not return to the building until being told it is OK to do so by the Fire Dept or Police.

FIRE

IN THE OFFICE OR YARD:

- 1) Know the location of fire extinguishers in your area and know how to use them.
- 2) In case of fire, immediately call 911. Give your name and describe the location and size of the fire.
- 3) On a minor fire that appears to be controllable, promptly direct the charge of a fire extinguisher toward the base of the flame. Get help if necessary.
- 4) On large fires that are not immediately controllable, promptly or after using the extinguisher, close all doors to confine the fire and reduce the oxygen - but do not lock them.
- 5) Notify the receptionist to alert employees and instruct them evacuate the building by quickly walking to the nearest exit, (being sure to collect your personal belongings, purse, brief case, etc.) and alerting people as you go.
- 6) Once outside, move to the designated meeting area, the north east corner of the parking lot, well away from the building. **Do Not** leave this area until the superintendent or your supervisor knows you are leaving. Keep clear of emergency vehicles.
- 7) Do not return to the building until being told it is OK to do so by the Fire Dept or Police..

IN THE FIELD:

- 1) Notify the office, by radio, to report the fire to the fire department. Be sure to describe the location, type of fire and the area involved.
- 2) On a minor fire that appears to be controllable, promptly direct the charge of a fire extinguisher toward the base of the flame.
- 3) If in a remote area coordinate to meet the Fire Dept. at a predetermined location to direct them to the area.

VIOLENCE OR CRIMINAL BEHAVIOR:

IN THE OFFICE OR DISTRICT YARD: Assist in making the Facility a safe place by being alert to suspicious situations.

- 1) If you witness any suspicious situations do not hesitate, CALL 911 and then, if safe, alert your supervisor or superintendent of the situation.
- 2) If you are the victim; or are involved in any on property violation of the law; or witness an on-property violation of the law, such as assault, robbery, theft, overt sexual behavior, etc., DO NOT TAKE ANY UNNECESSARY CHANCES. Notify your supervisor and call 911 and report the following:
 - a) Nature of incident.
 - b) Building location of incident.
 - c) Description of person(s) involved.
 - d) Description of property involved.
- 3) Assist the sheriff when they arrive by supplying them with additional information and ask others to do the same.
- 4) Report to your supervisor, the existence of any one loitering or soliciting on District property. These people may be asked to leave if they do not have permission or a proper reason for being on the property. The Sheriff's Dept is to be called if they refuse to leave when asked.

IN THE FIELD:

- 1) Do not confront any trespasser(s) on District property.
- 2) If trespassers are observed stay at a safe distance and;
 - a) Report to the Superintendent, by radio, the area and what activity is going on.
 - b) The Superintendent will notify the Sheriff's Office who will respond to the area.

EXPLOSION - AIRPLANE CRASH OR SIMILAR

IN THE OFFICE OR YARD:

- 1) Immediately take cover under tables, desks and any other such objects which will give you protection against glass or debris.
- 2) After the affects of the explosion have subsided, call 911. Give your name, describe the location and nature of the emergency.
- 3) Evacuate the building being sure to collect your personal belongings (purse, brief case, etc.) and:
 - a) Be aware of any structural damage.
 - b) Stay away from glass doors and windows.
 - c) Do not touch or move any suspicious objects.
- 4) Assist others, especially the injured and handicapped in the evacuation of the building.
- 5) Once outside, move to the north east corner of the parking lot, away from the affected area. Keep clear of emergency vehicles. **Do Not** leave this area until the superintendent or your supervisor knows you are leaving.
- 6) To the best of your ability and without re-entering the building, determine if everyone has evacuated safely.
- 7) Do not return to the building until being told it is OK to do so by the Fire Dept or Police.

IN THE FIELD

- 1) Notify the office by radio, the location, the extent of the incident, and what assistance you need.
- 2) Do not touch or move any suspicious objects.
- 3) Keep a safe distance until emergency help arrives.

EARTHQUAKE

IN THE OFFICE OR YARD:

- 1) During an earthquake, remain calm and quickly follow the steps outlined below.
- 2) If indoors, seek refuge in a doorway or under a desk or table. Stay away from glass windows shelves and anything else that might fall.
- 3) If outdoors, move quickly away from buildings, utility poles and other structures.
- 4) After the initial shock, evaluate the situation and if emergency help is necessary, call 911. Protect yourself at all times and be prepared for after shocks.
- 5) Coordinate with management and begin turning off all potentially hazardous equipment such as gas and electric appliances. Damaged facilities should be reported.
- 6) Evacuate the building by quickly walking to the nearest exit, alerting people as you go, Be aware of structural damage and assist both the handicapped and injured. **DO NOT RUN**
- 7) Once outside, move to the designated area, the north east corner of the parking lot, away from the building. Keep clear of emergency vehicles. **Do Not** leave this area until the superintendent or your supervisor knows you are leaving.
- 8) Supervisors, to the best of their ability and without reentering the building, determine if everyone has evacuated safely.
- 9) Do not return to the building until told to do so by police and fire personnel.

IN THE FIELD:

- 1) Pull over to the side of the road, away from possible falling objects, like power lines and poles, telephone poles, trees, buildings, etc. and stay in your vehicle.
- 2) Report to the main Office as soon as it is safe to travel. If it is not safe to travel, contact the office or another unit by radio informing them of your location and situation.

**SUBJECT: EMERGENCY NOTIFICATION PROCEDURE OF CHLORINE GAS LEAK,
WATER DEPARTMENT**

All active chlorine stations are equipped with a Telemetry Alarm System that, when activated will page the "on-call" System Operator. If there is no response within 30-minutes, the Chief System Operator will then be called.

REGULAR WORKING HOURS (8:00 AM TO 4:30 PM):

Fallbrook Area:	Radio Unit		Cellular
	High Band	Low Band	
Sunday to Wednesday – Vita Loftus	4	4	760-497-4096
Wednesday to Saturday – Ruben Ramos	6	6	760-497-4096

De Luz Area:	Radio Unit		Cellular
	High Band	Low Band	
Monday to Friday – Bob Maghan	5	5	760-497-1390

Chief System Operator	Radio Unit		Cellular
	High Band	Low Band	
Jason Cavendar, CSO	3	3	760-497-5777

AFTER HOURS, WEEKENDS AND HOLIDAYS: Incoming calls to the District's answering service (760 728-1125) will be given to the water department on-call duty person, who will be responsible for notifying the following personnel.

Name	Home Phone	Cellular Phone #
On Call Systems Operator		760-497-4103
Jason Cavendar, Chief Systems Operator	619-296-2633	760-497-5777
Joe Jackson, Asst. General Manager	760-728-0386	

Article 30. Prohibited Use of District Facilities.

Sec. 30.1 Unpolluted Waters.

No person shall discharge or cause to be discharged any stormwater, surface, groundwater, roof runoff, subsurface drainage, uncontaminated cooling water, or unpolluted industrial process waters to any sanitary sewer.

Sec. 30.2 Polluted Waters and Other Wastes.

No person shall discharge or cause to be discharged any of the following described waters or wastes to any public sewers:

- (a) Any gasoline, benzene, naphtha, fuel oil, or other flammable or explosive liquid, solid, or gas.
- (b) Any waters or wastes containing toxic or poisonous solids, liquids, or gases in sufficient quantity, either singly or by interaction with other wastes, to injure or interfere with any sewage treatment process, constitute a hazard to humans or animals, create a public nuisance, or create any hazard in the receiving waters of the sewage treatment plant, including but not limited to cyanides in excess of two (2) mg/L as CN in the wastes as discharged to the public sewer.
- (c) Any waters or wastes having a pH lower than 6.0, or having any other corrosive property capable of causing damage or hazard to structures, equipment, and personnel of the sewage works.
- (d) Solid or viscous substances in quantities or of such size capable of causing obstruction to the flow in sewers, or other interference with the proper operation of the sewage works such as, but not limited to, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, ashes, unground garbage, whole blood, paunch manure, hair and fleshings, entrails and paper dishes, cups, milk containers, etc., either whole or ground by garbage grinders.
- (e) Brine from on-site regenerated ion exchange water treating devices.
- (f) Water softener waste or any other salt water brine wastes.
(former FSD Ordinance No. 78)
- (g) Fats, oils and grease (FOG) from food service establishments which are specifically regulated by Ordinance No. 307.

30.2.1 Nuisance Wastes.

No person shall discharge or cause to be discharged the following described substances, materials, waters, or wastes if it appears likely in the opinion of the District that such wastes can harm either the sewers, sewage treatment process, or equipment, have an adverse effect on the receiving stream, or can otherwise endanger life, limb, public property, or constitute a nuisance. In forming his opinion as to the acceptability of these wastes, the District will give consideration to such factors as the quantities of subject wastes in relation to flows and velocities in the sewers, materials of construction of the sewers, nature of the sewage treatment process, capacity of the sewage treatment plant, degree of treatability of wastes in the sewage treatment plant, and other pertinent factors. The substances prohibited are:

- (a) Any liquid or vapor having a temperature higher than one hundred fifty (150) °F (65°C).
- (b) Any water or waste containing fats, wax, grease, or oils, whether emulsified or not, in excess of four hundred (400) mg/L or containing substances which may solidify or become viscous at temperatures between thirty-two (32) and one hundred fifty (150) °F (0 and 65° C).
- (c) Any garbage that has not been properly shredded. The installation and operation of any garbage grinder equipped with a motor of three-fourths (3/4) horsepower (0.76 hp metric) or greater shall be subject to the review and approval of the District.
- (d) Any waters or wastes containing strong acid iron picking wastes, or concentrated plating solutions whether neutralized or not.
- (e) Any water or wastes containing boron, cadmium, chromium, copper, iron, lead, manganese, mercury, selenium, tin, zinc and similar objectionable or toxic substances, or wastes exerting an excessive chlorine requirement, to such degree that any such material received in the composite sewage at the sewage treatment works exceeds the limits established by the District for such materials. And, any water or wastes containing constituents in excess of those required by the District's current CRWQCB permits.
- (f) Any water or wastes containing phenols or other taste odor producing substances, in such concentrations exceeding limits which may be established by the District as necessary, after treatment of the composite sewage, to meet the requirements of the State, Federal, or other public agencies of jurisdiction for such discharge to the receiving waters.

- (g) Any radioactive wastes or isotopes of such half-life or concentration as may exceed limits established by the District in compliance with applicable State or Federal regulations.
- (h) Any waters or wastes having a pH in excess of (9.0).
- (i) Materials which exert or cause:
 - (1) Any waters or wastes containing more than 350 parts per million by weight of suspended solids or have a 5 day B.O.D. greater than 300 parts per million by weight, or a C.O.D. greater than 600 parts per million by weight.
 - (2) Excessive discoloration (such as, but not limited to, dye wastes and vegetable tanning solutions).
 - (3) Unusual B.O.D. chemical oxygen demand, or chlorine requirements in such quantities as to constitute a significant load on the sewage treatment works.
 - (4) Unusual volume of flow or concentration of wastes constituting "slugs" as defined herein.
 - (j) Waters or wastes containing substances which are not amenable to treatment or reduction by the sewage treatment processes employed, or are amenable to treatment only to such degree that the sewage treatment plant effluent cannot meet the requirements of other agencies having jurisdiction over discharge to the receiving waters.

30.2.2 District's Authority Over Nuisance Wastes.

If any wastes or waters are discharged, or are proposed to be discharged to the public sewers, which waters contain the substances or possess the characteristics enumerated in Sec. 30.2.1 of this Article, and which in the judgement of the District, may have a deleterious effect upon the sewage works, processes, equipment, or receiving waters, or which otherwise create a hazard to life or constitute a public nuisance, the District may:

- (a) Reject the wastes,
- (b) Require pretreatment to an acceptable condition for discharge to the public sewers,
- (c) Require control over the quantities and rates of discharge, and/or
- (d) Require discharger to obtain and comply with an Individual District User Permit, as per Sec. 30.9 of this Administrative Code, and/or

- (e) Require payment to cover the added cost of handling and treating the wastes not covered by the sewer charges levied by the District.

Charges as described in this section shall be designated as Facility Charges and may also be required when the waste flow consists entirely of domestic sewage but its volume is in excess of one equivalent family dwelling unit waste flow as described in Sec. 30.3 of this Article.

If the strength of the waste flow as described in Sec. 30.3 of this Article is shown to be consistently below that of average domestic waste, this may also be considered in determining the Facility Charges.

When estimating the volume of a proposed or existing waste flow for the above determinations, average flow figures for that particular type of discharge, as then generally accepted in the sanitary engineering profession, may be used, at the discretion of the District.

If the District permits the pretreatment or equalization of waste flows, the design and installation of the plants and equipment shall be subject to the review and approval of the District, and subject to the requirements of all applicable codes, ordinances, and laws.

Sec. 30.3 Charges for Industrial Wastes.

Charges pursuant to Article 20 will be determined by the following formula:

Formula for Volumetric Analysis of Industrial Wastes

<u>Proposed Discharge</u> <u>in gallons per day multiplied by</u>	<u>Existing Single Family</u> <u>Dwelling permit fee</u> <u>or service charge</u>
300	

Formula for Analysis of Industrial Wastes

The term "Industrial Wastes" as used herein means waste in excess of the volume and/or strength described below as an "Equivalent family dwelling unit", or wastes that contain substances as described in Article 19, or any combination thereof.

One equivalent family dwelling unit waste flow is based on 3 persons per residence at 100 gpd, which equals 300 gpd or 9000 gallons per month or 1200 cu. ft. per month. Strength of sewage accepted for the Fallbrook Public Utility District without attaching a strength factor is as follows:

B.O.D. 300 ppm Suspended Solids 350 ppm Grease 100 ppm

Treatability weight factors:	Treatability Weight Factor
B.O.D.	.35
Susp. Solids	.25
Grease	.40

The treatability weight factor is applied to the strength factor because one component -- for example, grease -- is more difficult to cope with than suspended solids or B.O.D.

Sec. 30.4 Grease, Oil and Grit Interceptors.

Grease, oil, and sand interceptors shall be provided when, in the opinion of the Superintendent, they are necessary for the proper handling of liquid wastes containing grease in excessive amounts, or any flammable wastes, grit, or other harmful ingredients; except that such interceptors shall not be required for private living quarters or dwelling units. All interceptors shall be of a type and capacity approved by the District, and shall be located as to be readily and easily accessible for cleaning and inspection.

Sec. 30.5 Preliminary Treatment or Flow Equalization Facilities.

Where preliminary treatment or flow equalizing facilities are provided for any waters or wastes, they shall be maintained continuously in satisfactory and effective operation by the owner at his expense.

Sec. 30.6 Industrial Discharge Control Costs.

When required by the District, the owner of any property serviced by a building sewer carrying industrial wastes shall install a suitable control manhole together with such necessary meters and other appurtenances in the building sewer to facilitate observation, sampling, and measurement of the wastes. Such manhole, when required, shall be accessibly and safely located, and shall be constructed in accordance with plans approved by the District. The manhole shall be installed by the owner at his expense, and shall be maintained by him so as to be safe and accessible at all times.

Sec. 30.7 Measurements, Tests and Analysis.

All measurements, tests, and analyses of the characteristics of waters and wastes to which reference is made in this Administrative Code shall be determined in accordance with the latest edition of "Standard Methods for the Examination of Water and Wastewater", published by the American Public Health Association, and shall be determined at the control manhole provided, or upon suitable samples taken at said control manhole. In the event that no special manhole has been required, the control manhole shall be considered

to be the nearest downstream manhole in the public sewer to the point at which the building sewer is connected. Sampling shall be carried out by customarily accepted methods to reflect the effect of constituents upon the sewage works and to determine the existence of hazards to life, limb, and property. (The particular analyses involved will determine whether a twenty-four (24) hour composite of all outfalls of a premises is appropriate or whether a grab sample or samples should be taken. Normally, but not always, BOD and suspended solids analyses are obtained from 24-hour composites of all outfalls whereas pHs are determined from periodic grab samples.)

Sec. 30.8 Agreements.

No statement contained in this Article shall be construed as preventing any special agreement or arrangement between Fallbrook Public Utility District and any industrial discharger whereby an industrial waste of unusual strength or character may be accepted by the Fallbrook Public Utility District for treatment, subject to payment as agreed thereof by the industrial discharger.

Sec. 30.9 Permitted Discharges, Right to Permit and Inspect.

The officers, employees, and agents of the District shall have the right to enter upon any premises within the District to inspect and verify compliance with the Administrative Code. In the event that the user demonstrates non-compliance or potential non-compliance with the limitations set forth in this Code, the District may require the user to apply for and maintain a Fallbrook Public Utility District Industrial User Permit. The Permit shall outline specific requirements for the Industrial User. Additionally, the Permitted Discharger shall be responsible for all costs associated with operating and maintaining the permitting program for the Permitted Discharger. The cost for initial application and annual renewals will be the actual costs incurred during site inspections, sampling, and analysis. The District has the right to conduct routine inspections and sampling throughout the year. If it is determined, upon routine sampling, or an average of the routine sampling, the Permitted Discharger exceeds those limitations specified in the Permit, the Permitted Discharger shall be responsible to pay all costs associated with follow-up sampling, cost of analysis, and inspections needed to assist the Permitted Discharger in permit compliance. The Permitted Discharger may be required to install and maintain pre-treatment, monitoring, and sampling facilities to insure compliance with this Code.

Sec. 30.10 Enforcement Proceedings.

The enforcement of requirements for pre-treatment of industrial wastes or prevention of their discharge into the District sewer system by administrative complaints shall be accomplished in accordance with the procedure provided in Government Code Section 54740.5 or any amendments thereto by the District as set forth in this Administrative Code.

An administrative complaint may be issued to any person who violates any requirement adopted by the Fallbrook Public Utility District necessary to meet standards established by the federal or California state government or other regulatory agencies or which the Fallbrook Public Utility District determines is necessary in order to protect its treatment works or the proper and efficient operation thereof or the health or safety of its employees or the environment or to prevent the entry of such industrial waste into the District's collection system.

The administrative complaint shall allege the act or failure to act that constitutes the violation of the local agency's requirements, the provisions of law authorizing civil liability to be imposed, and the proposed civil penalty.

The administrative complaint shall be served by personal delivery or certified mail on the person subject to the local agency's discharge requirements, and shall inform the person served that a hearing shall be conducted within sixty (60) days after the person has been served. The hearing shall be before a hearing officer designated by the Board of Directors. The person who has been issued an administrative complaint may waive the right to a hearing. A person dissatisfied with the decision of the hearing officer may appeal to the Board of Directors within thirty (30) days of notice of the hearing officer's decision.

The hearing officer may assess a civil penalty against the person, if after the hearing, or appeal, if any, it is found that the person has violated reporting or discharge requirements. In determining the amount of the civil penalty, the hearing officer or Board may take into consideration all relevant circumstances, including, but not limited to, the extent of harm caused by the violation, the economic benefit derived through any non-compliance, the nature and persistence of the violation, the length of time over which the violation occurs and corrective action, if any, attempted or taken by the discharger.

30.10.1 Civil Penalties.

Civil penalties may be imposed as follows:

- 1) In an amount which shall not exceed Two Thousand Dollars (\$2,000) for each day for failing or refusing to furnish technical or monitoring reports.
- 2) In an amount which shall not exceed Three Thousand Dollars (\$3,000) for each day for failing or refusing to comply timely with any compliance schedule established by the District.
- 3) In an amount which shall not exceed Five Thousand Dollars (\$5,000) per violation for each day for discharges in violation of any waste discharge limitation, permit condition, or requirement issued, reissued, or adopted by the local agency.

- 4) In an amount which does not exceed Ten Dollars (\$10) per gallon for discharges in violation of any suspension, cease and desist order or other orders, or prohibition issued, reissued, or adopted by a local agency.
- 5) The amount of any civil penalties imposed under this section which have remained delinquent for a period of sixty (60) days shall constitute a lien against the real property of the discharger from which the discharge originated resulting in the imposition of the civil penalty. The lien shall have no force and effect until recorded with the County Recorder.
- 6) All moneys collected under this section shall be deposited in a special account of the District and shall be made available for the monitoring, treatment, and control of discharges into the local agency's sanitary or sewer system or for other mitigation measures.
- 7) Orders setting administrative civil penalties shall become effective and final upon issuance thereof, and payment shall be made within thirty (30) days unless appealed. If appealed, an order setting administrative civil penalties shall become effective upon issuance of a determination of the Board of Directors that the appeal is denied. In that event, the order shall become effective upon issuance of the determination denying the appeal by the Board of Directors. Copies of these orders shall be served by personal service or by registered mail upon the party served with the administrative complaint and upon other persons who appeared at the hearing and requested a copy.
- 8) The District may petition the superior court to confirm any order establishing civil penalties and enter judgment in conformity therewith in accordance with the provisions of Sections 1285 to 1287.6, inclusive of the Code of Civil Procedure.
- 9) No penalties shall be recoverable under this section for any violation for which civil liability is recovered under Section 54740 of the Government Code.
- 10) Prior to issuance of an administrative order, the hearing officer may issue a cease and desist order or order requiring compliance with the industrial waste discharge or pre-treatment requirements of the District.

ARTICLE 30

New Article – 6/95
 Sec. 30.2, 30.4, 30.6,
 30.8, 30.9 & 30.10 -
 Rev. 5/98
 Sec. 30.2(g) &
 30.2.1(b) – Rev. 1/04

Article 31. Fats, Oils & Grease (FOG) Program

Sec. 31.1 Purpose.

The purpose of this policy is to aid in the prevention of sanitary sewer blockages and obstructions from contributions and accumulation of fats, oils, and greases into the sanitary sewer system from industrial or commercial establishments, particularly food preparation and serving establishments.

Sec. 31.2 Incorporation by Ordinance.

The Fats, Oils & Grease Program (FOG) is made a part of this Administrative Code and incorporated herein in accordance with attached Ordinance Nos. 307, 308, and 312; Resolution No. 4539.

ARTICLE 31

New policy added 1/26/04
Amendments to Ord. 307
(Ord. 308) – added 2/23/04
Amendments to Ord. 308
(Ord. 312) – added
11/22/04

RESOLUTION NO. 4539

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE FALLBROOK PUBLIC UTILITY DISTRICT AMENDING THE ADMINISTRATIVE CODE - ARTICLE 31, SECTION 31.2 (ORDINANCE NO. 307) ESTABLISHING A FAT, GREASE AND OIL CONTROL PROGRAM

* * * * *

SCOPE AND PURPOSE: To establish a standard for Grease Interceptors.

Subparagraph e is deleted from Paragraph C.4. of Ordinance 307; and a new subparagraph e is added as follows:

1. "e. Interceptor Sizing: The required size of a grease interceptor shall be determined by using the 2006 Uniform Plumbing Code requirements".
2. Appendix B is deleted.

VALIDITY: The Board of FPUD hereby declares that should any section, paragraph, sentence or word of this Resolution hereby adopted be declared for any reason to be invalid, it is the intent of the Board of Directors of FPUD that it would have passed all other portions of this Resolution independently of the elimination of any such portion as may be declared invalid.

DATE OF EFFECT: This Resolution shall take effect and be in force thirty (30) days after publication as provided by law.


PASSED AND ADOPTED by the Board of Directors of the Fallbrook Public Utility District at a regular meeting of the Board held on the 26th day of June, 2006, by the following vote:

AYES: Battle, Davies, Gunnarsson, Hayden, McDougal
NOES: None
ABSENT: None



President, Board of Directors

ATTEST:



Secretary, Board of Directors

ORDINANCE NO. 312

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE FALLBROOK
PUBLIC UTILITY DISTRICT AMENDING ORDINANCE NO. 307, ESTABLISHING
A FAT, OILS AND GREASE CONTROL PROGRAM

* * * * *

An Ordinance amending Ordinance No. 307 (Fat, Oils and Grease Control Program Ordinance):

BE IT ENACTED BY the Board of Directors of the Fallbrook Public Utility District ("FPUD") as follows:

SCOPE AND PURPOSE: To establish maintenance fee schedules and incorporate Ordinances 307, 308 and this Ordinance 312 into the Fallbrook Public Utility District Administrative Code, Article 30.

Subparagraph (g) is added to Paragraph G.3 of Ordinance 307; and Paragraph M is added at the end of Ordinance 307 as follows:

1. (g). Fee Schedules for FOG testing and interceptor cleaning are established as follows:

- 1) Initial FOG Test: No Fee
- 2) FOG Retest: \$200 (no fee if results are "pass")
- 3) Interceptor Cleaning; documentation: \$400.00.
- 4) Quarterly Interceptor Retests: \$200.00.

2. M. Administrative Code Incorporation : Ordinances 307, 308 and 312 are incorporated into and shall become part of the Fallbrook Public Utility District Administrative Code and may be further amended as provided in the Administrative Code.

VALIDITY: The Board of Directors of FPUD hereby declares that should any section, paragraph, sentence or word of this ordinance or of the ordinance hereby adopted by declared for any reason to be invalid, it is the intent of the Board of Directors of FPUD that it would have passed all other portions of this

ordinance independently of the elimination of any such portion as may be declared invalid.

DATE OF EFFECT: This ordinance shall take effect and be in force thirty (30) days after publication as provided by law.

The foregoing Ordinance was duly and regularly adopted at a regular meeting of the Board of Directors held on the 22nd day of November, 2004, by the following vote:

AYES:

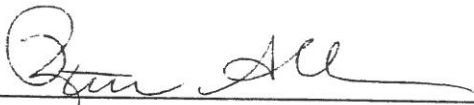
NOES:

ABSENT:



President, Board of Directors

ATTEST:



Secretary, Board of Directors

FALLBROOK PUBLIC UTILITY DISTRICT
ORDINANCE NO. 308 OF THE
FALLBROOK PUBLIC UTILITY DISTRICT
AMENDING ORDINANCE NO. 307
ESTABLISHING A
FAT, GREASE AND OIL CONTROL PROGRAM

An Ordinance Amending Ordinance No. 307 (Fat, Grease and Oil Control Program Ordinance):

BE IT ENACTED BY THE FALLBROOK PUBLIC UTILITY DISTRICT ("FPUD") THAT:

SCOPE AND PURPOSE: To relieve Food Service Establishments (FSE's) from the requirement of applying for variances.

Paragraph C, Subparagraphs 1, 2 and 3 of Ordinance No. 307 are repealed and the following substituted therefore:

- C. FOOD SERVICE ESTABLISHMENT REQUIREMENTS: All food service establishments regulated by FPUD and discharging wastewater to the FPUD sanitary sewer collection system are subject to the following requirements:
1. Grease Interceptor Requirements: All existing and new permitted food service establishments are required to install, operate, and maintain an approved type and adequately sized grease interceptor necessary to maintain compliance with the objectives of this Ordinance.
 2. Variance from Grease Interceptor Requirements:
 - a. Grease interceptors required under this Ordinance shall be installed unless the food service establishment applies for and FPUD's Engineer grants a variance.
 - b. Variances will be granted by FPUD's Engineer if one of the following are met: (i) the food service establishment demonstrates that it already complies with the Wastewater Discharge Limitation set forth in Section D of this Ordinance or (ii) the installation of a grease interceptor is physically impracticable or (iii) the Chief Engineer determines that the FSE is not within a grease problem area as defined in Paragraph C5 and poses no threat of being a potential contributor to grease buildup. The food service establishment bears the burden of demonstrating either compliance with the Wastewater Discharge Limitation or that the installation of a grease interceptor is physically impracticable.

- c. If an establishment believes the installation of a grease interceptor is physically impracticable because of documented space constraints, the request for an alternate grease removal device shall contain the following information: (i) location of sewer main and easement in relation to available exterior space outside building, and (ii) existing plumbing at or in a site that uses common plumbing for all services at that site.
 - d. If the basis for the variance is that the installation of a grease interceptor is physically impracticable, the food service establishment may be required by FPUD to install an indoor grease trap or other alternative pretreatment technology. Alternative pretreatment technology includes, but is not limited to, devices that are used to trap, separate and hold grease from wastewater and prevent it from being discharged into the sanitary sewer collection system. All alternative pretreatment technology must be appropriately sized and approved by FPUD's Engineer.
 - e. If FPUD's Engineer grants a variance, the food service establishment must inform FPUD prior to changes to the food service operation that may affect the condition(s) of the variance.
3. Deadline for Compliance:
- a. If no variance is granted, the food service establishment must install the requisite grease interceptor no later than one year from the effective date of this Ordinance.
 - b. If a variance is denied by FPUD, the food service establishment must install the requisite grease interceptor no later than one year from the date of FPUD's denial of the variance.
 - c. If a food service establishment is required to obtain approval from any private or public agency in order to install a grease interceptor (i.e., a building permit), and the private or public agency does not timely issue an approval after the food service establishment's timely submittal of an approvable application for such permit, the time for compliance with a deadline for installing a grease interceptor will be extended by the amount of time caused by the private or public agency's delay. Food service establishments that encounter delay in obtaining approval must promptly notify FPUD of such delay.

ENFORCEMENT: Whenever FPUD finds that any user has violated or is violating this program, or any prohibition, limitation, or requirement contained herein, FPUD will

initiate corrective action in accordance with FPUD's Administrative Code Enforcement Provisions. For purposes of enforcement under the Administrative Code Provisions, a violation of this program, or any prohibition, limitation, or requirement contained herein shall constitute a "reporting or discharge requirement."

CONFLICT: Wherever a conflict exists in this code, the more restrictive requirement shall apply.

PENALTIES: Any person who shall violate any of the provisions of this code or standards hereby adopted or fail to comply therewith, or who shall violate or fail to comply with any order made hereunder, or who shall fail to comply with an order within the time fixed herein, shall severally for each and every violation and noncompliance respectively, be guilty of a misdemeanor, punishable by a fine not exceeding \$1,000.00 or by imprisonment in County Jail not exceeding six (6) months, or both. The imposition of one penalty of any violation shall not excuse the violation or permit it to continue; and all such persons shall be required to correct or remedy such violations or defects within a reasonable time; and when not otherwise specified, each thirty (30) days that prohibited condition are maintained shall constitute a separate offense. Other enforcement provisions are referenced herein.

VALIDITY: The Board of Directors of FPUD hereby declares that should any section, paragraph, sentence or word of this ordinance or of the ordinance hereby adopted be declared for any reason to be invalid, it is the intent of the Board of Directors of FPUD that it would have passed all other portions of this ordinance independently of the elimination of any such portion as may be declared invalid.

DATE OF EFFECT: This ordinance shall take effect and be in force thirty (30) days after publication as provided by law.

The foregoing Ordinance was duly and regularly adopted at a regular meeting of the Board of Directors held on the 23rd day of February, 2004, by the following vote:

AYES: BATTLE, DAVIES, GUNNARSSON, HAYDEN
NOES: NONE
ABSENT: FRANCIS


President, Board of Directors

ATTEST:


Secretary, Board of Directors

FALLBROOK PUBLIC UTILITY DISTRICT
ORDINANCE NO. 307 OF THE
FALLBROOK PUBLIC UTILITY DISTRICT
ESTABLISHING A
FAT, GREASE AND OIL CONTROL PROGRAM

An Ordinance to regulate animal and vegetable fats, oils and grease and interceptors.

BE IT ENACTED BY THE FALLBROOK PUBLIC UTILITY DISTRICT
("FPUD") THAT:

- A. SCOPE AND PURPOSE: To aid in the prevention of sanitary sewer blockages and obstructions from contributions and accumulation of fats, oils, and greases into the sanitary sewer system from industrial or commercial establishments, particularly food preparation and serving establishments.
1. Preventative Maintenance Program: FPUD's "field control" program, through which identified grease problem areas" are routinely cleaned and inspected, is responsible for the "field control" of grease, through its normal collection system operations.
 2. Grease Control Program: FPUD's "source control" program, through which Food Service Establishments ("FSE's") are required to capture and properly dispose of the grease generated by their operation. The focus of this document is the Grease Control Program, including the proper sizing, installation and maintenance of grease traps and interceptors. The administrative and inspection requirements are established as well. Through the cooperative efforts of FSE's with FPUD, the goal of improved sewer service through proper grease control can be achieved.
- B. DEFINITIONS:
1. Black Water: Waste water from sanitary fixtures such as toilets and urinals.
 2. Customer: A user of the sanitary sewer system who produces wastes from their process operations. The customer is responsible for assuring that the produced waste is disposed of in accordance with all Federal, State and local disposal regulations.

3. Fats, Oils and Greases: Organic polar compounds derived from animal and/or plant sources that contain multiple carbon chain triglyceride molecules. These substances are detectable and measurable using analytical test procedures established in the United States Code of Federal Regulations 40 CFR 136, as may be amended from time to time. All are sometimes referred to herein as "grease" or "greases".
4. Food Service Establishment ("FSE"): Any facility or establishment, which prepares or serves food for consumption by the general public, or which disposes of food related wastes generated as a result of such preparation or service.
5. Garbage Grinder: A device which shreds or grinds up solid or semisolid waste materials into smaller portions for discharge into the sanitary sewer collection system.
6. Grease Interceptor: A large tank or device so constructed as to separate and trap or hold fats, oil, and grease substances from the sewage discharged from a food service establishment in order to keep fats, oil, and grease substances from entering the sanitary sewer collection system. Grease Interceptors are located outside of food service establishments.
7. Grease Trap: A device placed under or in close proximity to sinks or other facilities likely to discharge grease in an attempt to separate, trap or hold, oil and grease substances to prevent their entry into the sanitary sewer collection system. Grease Traps are commonly referred to based on their grease retention capacity, (i.e., 20#, 30#, 40#, etc.)
8. Hauler: One who transfers waste from the site of a customer to an approved site for disposal or treatment. The hauler is responsible for assuring that all Federal, State and local regulations are followed regarding waste transport.
9. Impact on the Environment: An alteration of the quality of the waters of the state to a degree which unreasonably affects beneficial uses of the waters.
10. POTW: Stands for Publicly-Owned Treatment Works or "Treatment Works" as defined by Section 212 of the Clean Water Act (33 U.S.C. §1292) which is owned or operated in this instance by FPUD. This definition includes any sewers that convey wastewater to FPUD's sewage treatment plants.

11. Sewage: The liquid and water-carried domestic or industrial wastes from dwellings, commercial establishments, industrial facilities, and institutions, whether treated or untreated. The terms "waste" and "wastewater" shall be deemed as Sewage by definition.
12. User: Shall mean a FPUD customer operating a "food service establishment" inside FPUD's wastewater service area.
13. Waste: The liquid and water-carried domestic or industrial wastes from dwellings, commercial establishments, industrial facilities, and institutions, whether treated or untreated. Wastes may include but not be limited to, discharges from scullery sinks, pot and pan sinks, dishwashing machines, soup kettles, and floor drains located in areas where grease-containing materials may exist. The terms "sewage" and "wastewater" shall be deemed as Waste by definition.

C. FOOD SERVICE ESTABLISHMENT REQUIREMENTS: All food service establishments regulated by FPUD and discharging wastewater to the FPUD sanitary sewer collection system are subject to the following requirements:

1. Grease Interceptor Requirements: All existing and new permitted food service establishments are required to install, operate, and maintain an approved type and adequately sized grease interceptor necessary to maintain compliance with the objectives of this Ordinance.
2. Variance from Grease Interceptor Requirements:
 - a. Grease interceptors required under this Ordinance shall be installed unless the food service establishment applies for and FPUD's Engineer grants a variance.
 - b. Within three (3) months from the effective date of this Ordinance, or before a new food service establishment commences operation, any food service establishment subject to the requirements of this Ordinance may apply for a variance from the requirement to install, operate, and maintain an approved type and adequately sized grease interceptor. Variances will be granted by FPUD's Engineer if one of the following are met: (i) the food service establishment demonstrates that it already complies with the Wastewater Discharge Limitation set forth in Section D of this Ordinance or (ii) the installation of a grease interceptor is physically impracticable or (iii) the Chief Engineer determines that the FSE is not within a grease problem area as defined in Paragraph C5 and poses no threat of being a potential contributor to grease buildup. The food service establishment bears the burden of demonstrating either compliance with the Wastewater Discharge Limitation or

that the installation of a grease interceptor is physically impracticable.

- c. If an establishment believes the installation of a grease interceptor is physically impracticable because of documented space constraints, the request for an alternate grease removal device shall contain the following information: (i) location of sewer main and easement in relation to available exterior space outside building, and (ii) existing plumbing at or in a site that uses common plumbing for all services at that site.
 - d. If the basis for the variance is that the installation of a grease interceptor is physically impracticable, the food service establishment will still be required by FPUD to install an indoor grease trap or other alternative pretreatment technology. Alternative pretreatment technology includes, but is not limited to, devices that are used to trap, separate and hold grease from wastewater and prevent it from being discharged into the sanitary sewer collection system. All alternative pretreatment technology must be appropriately sized and approved by FPUD's Engineer.
 - e. Within two (2) months from the submission of an application for a variance, FPUD's Engineer must approve or disapprove such application.
 - f. If FPUD's Engineer grants a variance request, the food service establishment must inform FPUD prior to changes to the food service operation that may affect the condition(s) of the variance.
3. Deadline for Compliance:
- a. If a food service establishment does not apply to FPUD for a variance, the food service establishment must install the requisite grease interceptor no later than one year from the effective date of this Ordinance.
 - b. If a variance request is denied by FPUD, the food service establishment must install the requisite grease interceptor no later than one year from the date of FPUD's denial of the requested variance.
 - c. If a food service establishment is required to obtain approval from any private or public agency in order to install a grease interceptor (i.e., a building permit), and the private or public agency does not timely issue an approval after the food service establishment's timely submittal of an approvable application for such permit, the time for compliance with a deadline for installing a grease

interceptor will be extended by the amount of time caused by the private or public agency's delay. Food service establishments that encounter delay in obtaining approval must promptly notify FPUD of such delay.

4. Grease Interceptor Requirements – Design Criteria:

- a. Construction of Interceptors: Grease interceptors shall be constructed in accordance with FPUD's standards and shall have a minimum of two compartments with fittings designed for grease retention. All grease removal devices or technologies shall be subject to the written approval of FPUD. Such approval shall be based on demonstrated removal efficiencies of the proposed technology. FPUD's standard drawing for grease interceptors is shown in Appendix A.
- b. Access: All grease interceptors shall be readily and easily accessible for cleaning and inspection. Access to grease traps and grease interceptors shall be available at all times, to allow for their maintenance and inspection. Access to grease interceptors shall be provided by two (2) manholes terminating 1-inch above finished grade with cast iron frame and cover.
- c. Load-Bearing Capacity: In areas where additional weight loads may exist, the grease interceptor shall be designed to have adequate load-bearing capacity (example: vehicular traffic in parking or driving areas).
- d. Inlet and Outlet Piping: Wastewater discharging to a grease trap or grease shall enter only through the inlet pipe of the interceptor. Each grease interceptor shall have only one inlet and one outlet pipe.
- e. Interceptor Sizing: The required size of a grease interceptor shall be approximated by using the FPUD Grease Interceptor Sizing formula shown in Appendix B. Most grease interceptors will have a capacity of not less than 1,000 gallons nor exceed a capacity of 3,000 gallons. If the calculated capacity using the FPUD Grease Interceptor sizing formula exceeds 3,000 gallons, multiple units in series shall be installed.

See Appendix B for example of formula: Grease interceptor designs represent minimum standards for normal usage. Installations with heavier usage require more stringent measures for which the user is responsible and shall pay the costs to provide additional measures if required by FPUD. FPUD reserves the right to evaluate interceptor sizing on an individual basis for FSE's with

special conditions, such as highly variable flows, high levels of grease discharge, or other unusual situations that are not adequately addressed by the formula.

- f. Except as provided herein, for a period of one year following adoption of this Ordinance, in order to accommodate the timeframe provided for installation of grease interceptors, no enforcement actions will be taken under this Ordinance for a food service establishment's failure to achieve limits on grease discharges. If, during this one year period an obstruction of a sewer main(s) occurs that causes a sewer overflow to the extent that an impact on the environment is realized and that said overflow or failure of the sanitary sewer collection system to convey sewage can be attributed in part or in whole to an accumulation of grease in the sewer main(s), the District will take appropriate enforcement actions.
- g. Access manholes, with a minimum diameter of 24 inches, shall be provided over each grease interceptor chamber and sanitary tee. The access manholes shall extend at least to finished grade and be designed and maintained to prevent water inflow or infiltration. The manholes shall also have readily removable covers to facilitate inspection, grease removal, and wastewater sampling activities.

5. Grease Problem Areas:

- a. Through preventive maintenance records or emergency calls related to grease, FPUD will identify and target "grease problem areas" in the waste water collection system. FSE's located upstream of these problem areas that discharge their waste water into the "problem" lines will be identified as potential contributors to the grease build-up. FPUD will inspect the grease interceptors of all food service establishments in the vicinity of the "problem area," making note of maintenance records, sizing and condition.
- b. Each Food Service Establishment in the vicinity of the "problem area" will be inspected. The establishment's grease control practices and the adequacy of their grease control interceptor/equipment will be assessed. Maintenance records will also be reviewed.
- c. Following the inspections, FPUD will send written notice to the inspected food service establishment, containing an educational brochure on grease in the sewer system, a summary of the policy requirements, and the results of the inspection. The inspections will typically result in one of the following actions:

- (1) FSE's equipped with an appropriately and adequately-sized grease interceptor who are meeting the intent of the Grease Control Program through effective grease control practices will be commended for their compliance.
 - (2) FSE's may be required to develop and submit to FPUD a proposed plan designed to achieve compliance through improved housekeeping and increased maintenance and pumping on the existing grease interceptor/equipment.
 - (3) If a FSE is not in compliance with FPUD's Grease Control Program, FPUD may institute enforcement action in accordance with the Enforcement provisions set forth in Section H.
6. Prohibited Discharges: Black water shall not be discharged to the grease interceptor unless specifically approved, in writing, by FPUD.
 7. Floor Drains: Only floor drains which discharge or have the potential to discharge grease shall be connected to a grease interceptor.
 8. Garbage Grinders and Dishwashers: FPUD recommends that solid food waste products be disposed of through normal solid waste/garbage disposal procedures. The use of garbage grinders which discharge to the sanitary sewer is discouraged within the FPUD wastewater service area but in the event that the device is used in a commercial or industrial facility, it must be connected to the grease interceptor. The disposal of waste other than food waste through a garbage grinder is prohibited. The use of a garbage grinder decreases the operational capacity of the grease interceptor and will require an increased pumping frequency to ensure continuous and effective operation.

Commercial dishwasher connections must be connected to the grease interceptor. Food particles from dishwashers take up storage capacity in the grease interceptor and will require that the interceptor be pumped more frequently. Dishwashers discharge hot water and soap, which can melt grease stored in an overburdened interceptor. Melted grease may then pass through the interceptor into the customer's service line and the public sewer system, where the grease hardens and causes line clogs.

- a. Although not recommended, existing food service facilities may allow any fixture to remain connected to a grease interceptor, except fixtures which may discharge black water.
- b. Proposed and remodeled food service facilities may not connect black water fixtures to a grease interceptor.

D. WASTEWATER DISCHARGE LIMITATIONS: No user shall allow wastewater discharge concentration from a food service establishment to exceed 400 milligrams per liter (filterable) of fats, oil and grease, as defined by EPA test method 1664 and at a sampling point to be determined by FPUD.

E. GREASE TRAP REQUIREMENTS:

1. Upon direction by FPUD's Engineer, a grease trap complying with the provisions of this section must be installed in the waste line leading from sinks, drains, and other fixtures or equipment in food service establishments where grease may be introduced into the drainage or sewage system in quantities that can affect line stoppage or hinder sewage treatment or private sewage disposal.
2. Grease trap sizing and installation shall conform to FPUD's standards.
3. No grease trap shall be installed which has a stated rate flow of more than fifty-five (55) gallons per minute, nor less than twenty (20) gallons per minute, except when specially approved by FPUD's Engineer.
4. Grease traps shall be maintained in efficient operating conditions by periodic removal of the accumulated grease. No such collected grease shall be introduced into any drainage piping, or public or private sewer.
5. No food waste disposal unit or dishwasher shall be connected to or discharge into any grease trap.
6. Wastewater in excess of one hundred-forty degrees (140°F/60°C) shall not be discharged into a grease trap.
7. Except as provided herein, for a period of one year following adoption of this Ordinance, although installation of grease traps will be required to be installed, no enforcement actions will be taken under this Ordinance for failure to achieve limits on grease discharges from a FSE. If, during this one year period an obstruction of a sewer main(s) occurs that causes a sewer overflow to the extent that an impact on the environment is realized and that said overflow or failure of the sanitary sewer collection system to convey sewage can be attributed in part or in whole to an accumulation of grease in the sewer main(s), the District will take appropriate enforcement actions.

F. GREASE TRAP AND INTERCEPTOR MAINTENANCE:

1. Cleaning/Pumping: The user at the user's expense shall maintain all grease traps and interceptors. Maintenance of "under the sink" grease traps shall include the removal of all fats, oil, and grease from the detention

compartment of the trap. Removal is usually accomplished by hand-dipping or scooping the collected grease from the trap. Maintenance of grease interceptors shall include the complete removal of all contents, including floating materials, wastewater, and bottom sludges and solids. Decanting or discharging of removed waste back into the interceptor from which the waste was removed or any other grease interceptor, for the purpose of reducing the volume to be disposed, is prohibited.

2. Cleaning/Pumping Frequency: Grease traps must be cleaned no less than weekly, unless it can be demonstrated to FPUD that it is reasonable to expand the cleaning frequency. If grease traps are more than fifty percent (50%) full when cleaned weekly, the frequency shall be increased. Grease interceptors must be pumped out completely a minimum of once every three months, or more frequently as needed to prevent carry over of grease into the sanitary sewer collection system, unless it can be demonstrated to FPUD that the pumping frequency can be extended past the three month period.
3. Disposal of Grease Interceptor Waste: All waste removed from each grease interceptor must be disposed of at a facility approved for such disposal. In no way shall the pumpage be returned to any private or public portion of FPUD's sanitary sewer collection system.
4. Service: All grease interceptors shall be serviced and emptied of accumulated waste content as required in order to maintain Minimum Design Capability or effective volume. These devices should be inspected at least monthly. Users who are required to maintain a grease interceptor shall:
 - (a) provide for a minimum hydraulic retention time in accordance with the Uniform Plumbing Code (or other applicable plumbing code used by FPUD).
 - (b) remove any accumulated grease cap and sludge pocket as required. Grease interceptors shall be kept free of inorganic solid materials such as grit, rocks, gravel, sand, eating utensils, cigarettes, shells, towels, rags, etc., which could settle into this pocket and thereby reduce the effective volume of the device.
5. Additives: Any additive(s) placed into the grease interceptor or building discharge line system on a constant, regular, or scheduled basis shall be reported to FPUD. Such additives shall include, but not be limited to, enzymes, commercially available bacteria, or other additives designed to absorb, purge, consume, treat, or otherwise eliminate fats, oils, and grease. The use of additives shall in no way be considered as a substitution to the maintenance procedures required herein.

6. Chemical Treatment: Chemical treatments such as drain cleaners, acid and other chemicals designed to dissolve or remove grease shall not be allowed to enter the grease interceptor.
7. Manifest: All pumpage from grease interceptors must be tracked by a manifest, which confirms pumping, hauling, and disposal of waste. The customer must obtain a copy of the original manifest from the hauler. The original manifest with original signatures must be left at the disposal facility. The customer is required to utilize only permitted haulers for the disposal of grease. Manifests shall be retained for a period of three years.
8. Maintenance Log: A Grease Trap or Grease Interceptor Cleaning Record Maintenance Log indicating each pumping for the previous 24 months shall be maintained by each FSE. This log shall include the date, time, amount pumped, and hauler and disposal site and shall be kept in a conspicuous location for inspection. Said log shall be made immediately available to the FPUD representative upon request.

G. ADMINISTRATIVE REQUIREMENTS:

1. Data Acquisition/Sampling:
 - (a) Sampling at each food service establishment that is required to install a grease interceptor or grease trap or has a variance pursuant to paragraph C2bi will be conducted annually either by FPUD at an appropriate, site-specific sampling point determined by FPUD to demonstrate compliance with the Grease Control Program. FPUD will provide timely notice to food service establishments whether FPUD intends to conduct the required sampling.
 - (b) FSE's with Variances pursuant to paragraph C2bi that fail annual inspections will lose the variance unless they pass two (2) subsequent inspections: the first within thirty (30) days of the failure and the second within the following thirty (30) days. A grease interceptor installation shall be required pursuant to paragraph 3(b) above.
2. Routine Inspections: FPUD will bi-annually inspect each FSE to assure that each FSE is complying with the Grease Control Program. Upon inspection of each food service establishment, FPUD's inspector shall collect any necessary Grease Control data to facilitate the population of FPUD's Grease Control Program database. The database will be updated with additional or modified information after each inspection.

3. Initial Inspection: Initial Inspections will identify businesses and schedule same for the inspection process, including, but not limited to:

- ▶ Establishments that have recently changed name or ownership.
- ▶ Establishments that have been plan checked by Initial Inspection Programs and are now in business.

These inspections are done without notice and typically, during normal business operating hours. Every effort is made not to disrupt business activities during peak serving hours. This is a courtesy to businesses and is particularly appreciated by them due to the odor created when grease removal equipment is opened for inspection. A typical inspection consists of four to six stages:

a. 1) **The Interview** is used primarily to obtain the administrative information required to issue a permit and for future communication with the establishment:

- ▶ Establishment name and address
- ▶ Precise ownership
- ▶ Mailing information
- ▶ Telephone information
- ▶ Name(s) of responsible contact(s)

The interview is also used to elicit general information regarding the establishments operations and procedures:

- ▶ Grease disposal procedures
- ▶ Grease removal equipment maintenance procedure
- ▶ Examination of grease removal equipment maintenance records
- ▶ Hoods, floor and mat cleaning procedures

2) Best Management Practices: The operator of the FSE shall be provided and discuss Best Management Practices (See Appendix C).

b. **Inspection and Evaluation**

(1) Establishments Without Grease Removal Equipment:

This stage of the inspection is used to determine whether or not grease removal equipment may in fact be required. Factors taken into consideration are:

- ▶ Whether or not any cooking (particularly the cooking of meat) takes place at the establishment.
- ▶ The presence of a deep fryer
- ▶ Whether or not the establishment is 100% single service

And for those establishments that had a plan check:

- ▶ Whether or not the establishment conforms to the description that was provided in the county permit application
- ▶ Whether or not grease removal equipment was required during the plan check

If it is determined that grease removal equipment is not required pursuant to paragraph C2b above, it will typically be under the condition that those (few) greasy-oily items that need cleaning, be thoroughly wiped prior to washing. Determination of "no grease removal equipment required" will be changed if the establishment changes its operation, or undergoes extensive remodeling, or discharges into a sewer main that experiences sewer spills.

If an Inspector determines that grease removal equipment is required, the onsite owner or owner's representative is notified. An explanation of the requirement is given and they are advised that formal requirements will be issued in writing.

The inspection is concluded by making an inventory and a diagram of all plumbed fixtures used in food preparation and the clean-up process.

(2) Establishments with Grease Removal Equipment:

The focus of this inspection stage is to insure that all plumbed fixtures are connected to grease removal equipment. The Inspector asks as to the use of all the fixtures and their specific use. Applicable Initial Inspection Program standards are used to determine which fixtures need to be intercepted.

The installation of grease removal equipment may be waived if it is only infrequently or secondarily used in a way that produces grease/oil in its wastewater and if the establishment commits to stop using the fixture for such a

use. An example would be a vegetable prep sink, occasionally used to handle overflows from the pot sink.

Other fixtures such as kettles and/or tilt skillets may also be allowed to operate without grease removal equipment, provided the management commits to manually discharge the wastewater into a fixture that is connected to grease removal equipment.

The next step is to determine whether or not the fixtures identified above are actually connected to the grease removal equipment. This can be done by visually inspecting the piping, examining "as built" drawings or by performing dye tests.

If an establishment is found not to be in compliance with Initial Inspection Program standards, the inspection contact is informed as in (1) above. This stage of the inspection concludes with an inventory of the cooking equipment.

(3) Grease Disposal:

Every establishment is required to state how they dispose of waste grease. The Initial Inspection Program requires that any establishment that uses frying oil have a practicable method of disposing of such oil (typically a grease recycling barrel) to ensure that grease is not disposed of into the sewer or storm drain.

Every establishment that has a deep fryer is required to subscribe to an approved cleaning method in the event of a grease/oil spill.

c. **Grease Removal Equipment Inspection:** All outside grease removal devices are opened at time of inspection to evaluate their functional integrity and the adequacy of the maintenance methods and frequency.

(1) Integrity: Factors taken into consideration are:

(a) For Interceptors:

- ▶ Integrity of Tee's, crossover pipes and stand pipes
- ▶ Proper venting
- ▶ Integrity of the concrete structure
- ▶ Integrity of the lids and seals

(b) For Grease Traps:

- ▶ Proper installation of a vested flow control device
- ▶ Presence and proper installation of internal baffle(s)
- ▶ Internal vents are free of grease and debris
- ▶ Integrity of lids and seals

Any deficiency in the integrity of an interceptor or trap (unless fixed during the inspection) is made the object of a written requirement with a due date.

(2) Adequacy of Maintenance:

(a) For Interceptors:

The approximate depth of the grease/oil layer in each of the interceptor's chambers is measured. All internal pipes are inspected for grease build up and the baffle(s) are examined for signs of past overflows. In the typical 2-chamber interceptor, the maximum grease build up in the last chamber is one (1) foot. If maintenance records indicate that this figure will be reached prior to the next scheduled cleaning, a higher cleaning frequency is recommended or mandated. Other evidence of improper maintenance, such as grease build up at the outlet Tee is also grounds for more frequent pumping.

(b) For Grease Traps:

The approximate depth of the grease/oil build up at the top of the trap is measured. Given the date of the last cleaning and the cleaning frequency as provided by the maintenance records, it is possible to determine whether or not the grease retention capacity of the unit will be reached prior to the next scheduled cleaning. Where the cleaning frequency is found to be inadequate, a better frequency is recommended (and in some circumstances mandated) by the Inspector. If a Grease Trap is found to have already exceeded its stated grease retention capacity, immediate cleaning is required.

Immediate and/or more frequent cleaning may also be required if a trap is found to contain an unacceptable amount of food debris.

Table 1

TRAP CAPACITY	MAXIMUM DEPTH OF GREASE/OIL ALLOWED
25gpm/40lbs	Between 2" and 2 ½"
25gpm/50lbs	Between 2" and 2 ½"
35gpm/70lbs	Between 2 ½" and 3"
50gpm/100lbs	Between 3" and 3 ½"

Table 1 shows the correlation between trap capacity and allowable depth of grease/oil for some of the most current traps. However, it is important to note:

- ▶ The table figures are not applicable to all styles and makes of traps.
- ▶ Accumulation of debris is assumed to be minimal. If this is not the case, the actual thickness of the debris layer must be added to that of the grease layer to determine whether or not a trap has reached 100% of its capacity.

- d. **Inspection Reports:** Every inspection results in a written report. This report reflects every inspection element mentioned above as well as any other fact or event that may be relevant to the evaluation of the establishment or may otherwise need to be officially noted. If applicable, this report will contain an explanation of actions taken and requirements issued. If a re-inspection is required, a due date will be assigned.

Following each inspection, all necessary information is entered in the Grease Control Program database

- e. **Re-inspection:** Food establishments are subject to a re-inspection under the following conditions:

- ▶ The establishment was found not to be in compliance with Initial Inspection Program standards (most typically because of poor grease removal equipment maintenance).

- ▶ Special procedures or limitations were imposed during a previous inspection.
- ▶ Requirements were issued.
- ▶ Grease trap/interceptor could not be opened.
- ▶ Maintenance could not be usefully evaluated because the units were not functioning properly or were almost completely filled with grease.
- ▶ A flow/dye test could not be performed because of the condition of the grease removal unit.

f. **Additional Inspection:** Any establishment may be subjected to an additional inspection if:

- ▶ It is the object of a complaint to the Initial Inspection Program
- ▶ It discharges to a sewer main that has experienced a spill or blockage cause by grease.

The purpose of these inspections is multifaceted:

- ▶ To investigate and resolve the complaint (if applicable)
- ▶ To attempt to determine the cause(s) of the spill or blockage
- ▶ To ensure that all establishments on an affected main remain in full compliance with Initial Inspection Program requirements
- ▶ ~~To notify business operators of the fact that their~~ establishment discharges to a problem main
- ▶ To determine what remedial action(s) might be taken to prevent a recurrence of the problem. It is to be noted that establishments that discharge to a "problem" main will be subjected to more stringent retrofit standards than others.

These inspection will include every step of a regular inspection and, in addition:

- ▶ The interview stage will try to elicit information relating to any unusual event that may have taken place prior to the spill/blockage (i.e., fryer oil spill, jetting of internal lines or of the lateral, a sudden upsurge in business volume, problems related to the grease removal equipment, etc.)
- ▶ Each plumbed fixture is re-evaluated to determine its potential as a discharge point for grease.
- ▶ All business procedures (particularly: hood filter cleaning, floor and mat cleaning, fryer oil changing, used oil storage and disposal) are re-evaluated to determine their potential for causing grease to be introduced into the system.

- H. ENFORCEMENT: Whenever FPUD finds that any user has violated or is violating this program, or any prohibition, limitation, or requirement contained herein, FPUD will initiate corrective action in accordance with FPUD's Administrative Code Enforcement Provisions. For purposes of enforcement under the Administrative Code Provisions, a violation of this program, or any prohibition, limitation, or requirement contained herein shall constitute a "reporting or discharge requirement."
- I. CONFLICT: Wherever a conflict exists in this code, the more restrictive requirement shall apply.
- J. PENALTIES: Any person who shall violate any of the provisions of this code or standards hereby adopted or fail to comply therewith, or who shall violate or fail to comply with any order made hereunder, or who shall fail to comply with an order within the time fixed herein, shall severally for each and every violation and noncompliance respectively, be guilty of a misdemeanor, punishable by a fine not exceeding \$1,000.00 or by imprisonment in County Jail not exceeding six (6) months, or both. The imposition of one penalty of any violation shall not excuse the violation or permit it to continue; and all such persons shall be required to correct or remedy such violations or defects within a reasonable time; and when not otherwise specified, each thirty (30) days that prohibited condition are maintained shall constitute a separate offense. Other enforcement provisions are referenced herein.
- K. VALIDITY: The Board of Directors of FPUD hereby declares that should any section, paragraph, sentence or word of this ordinance or of the ordinance hereby adopted be declared for any reason to be invalid, it is the intent of the Board of Directors of FPUD that it would have passed all other portions of this ordinance independently of the elimination of any such portion as may be declared invalid.

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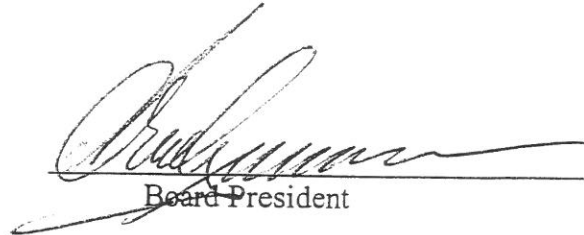
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L. DATE OF EFFECT: This ordinance shall take effect and be in force thirty (30) days after publication as provided by law.

AYES:

NOES:

ABSENT:

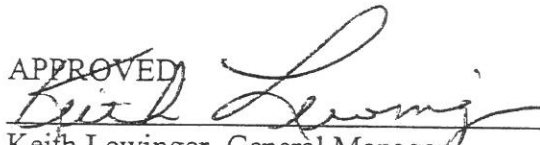


Board President


ATTEST:



Secretary to the Board

APPROVED 
Keith Lewinger, General Manager

APPROVED AS TO FORM:

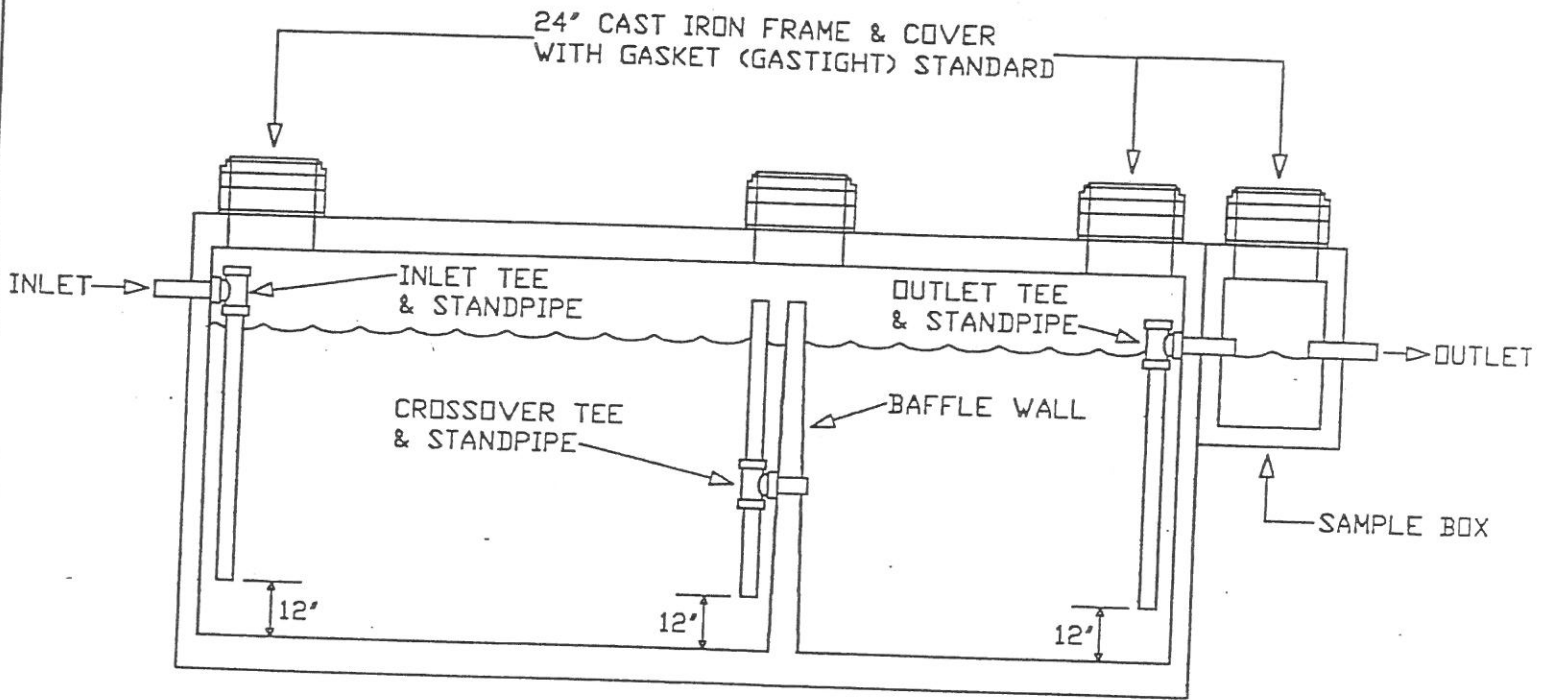


Robert H. James, District

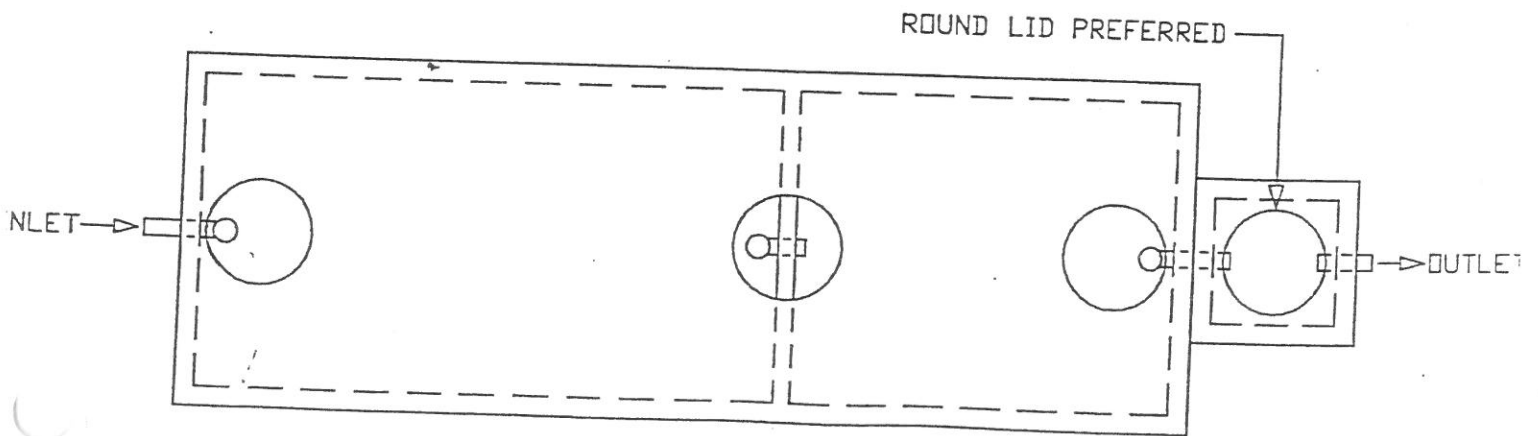
APPENDIX A

(FPUD's Standard Drawings
for Grease Interceptors)

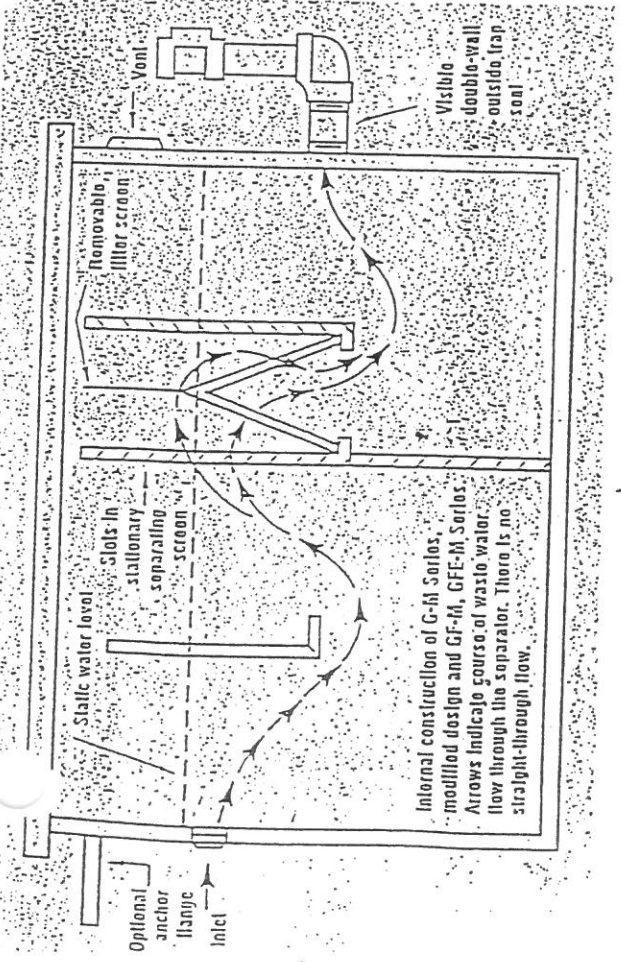
TYPICAL GREASE INTERCEPTOR
DRAWING NOT TO SCALE



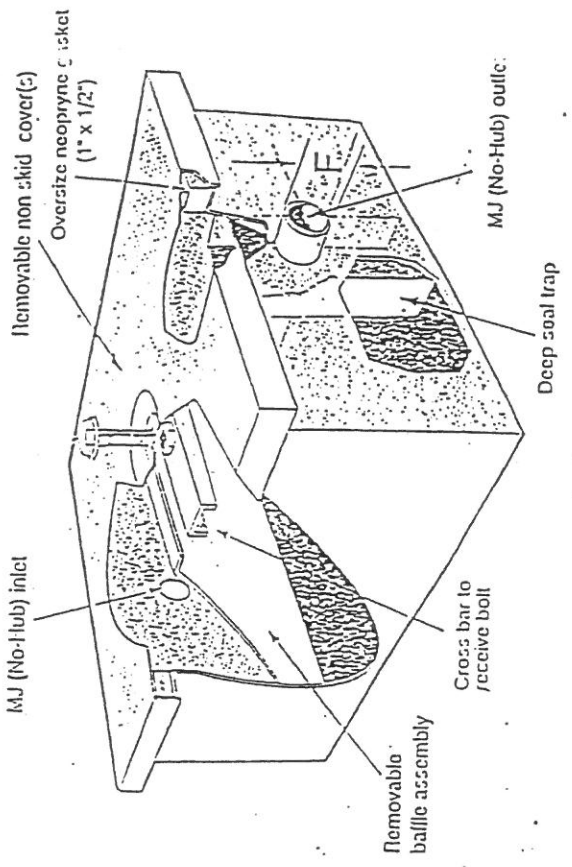
SIDE VIEW CUTAWAY



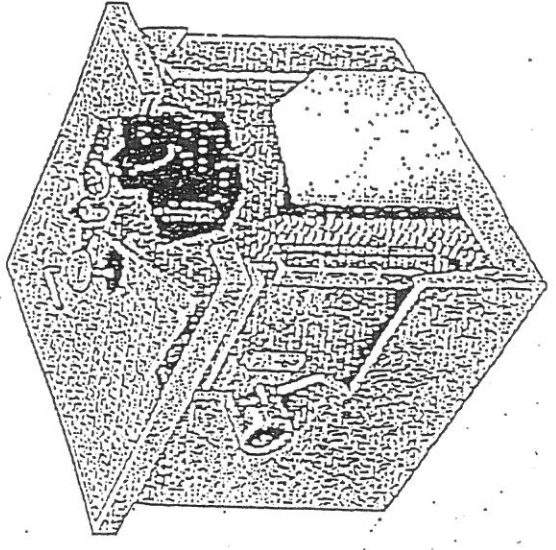
TOP VIEW (LIDS REMOVED)



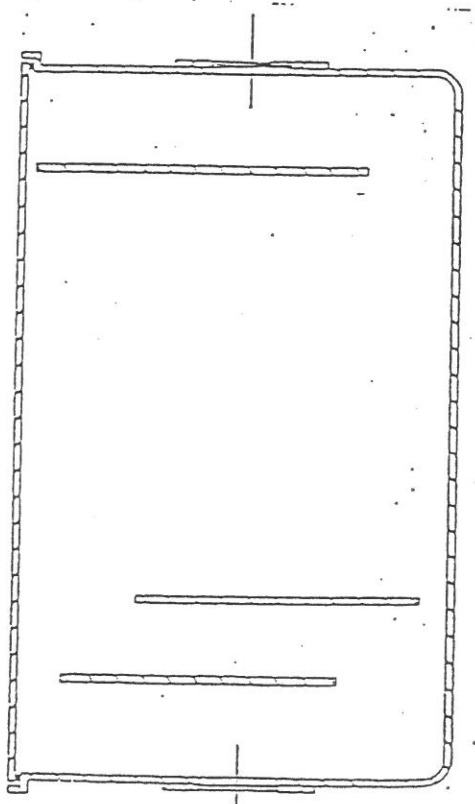
ROCKFORD



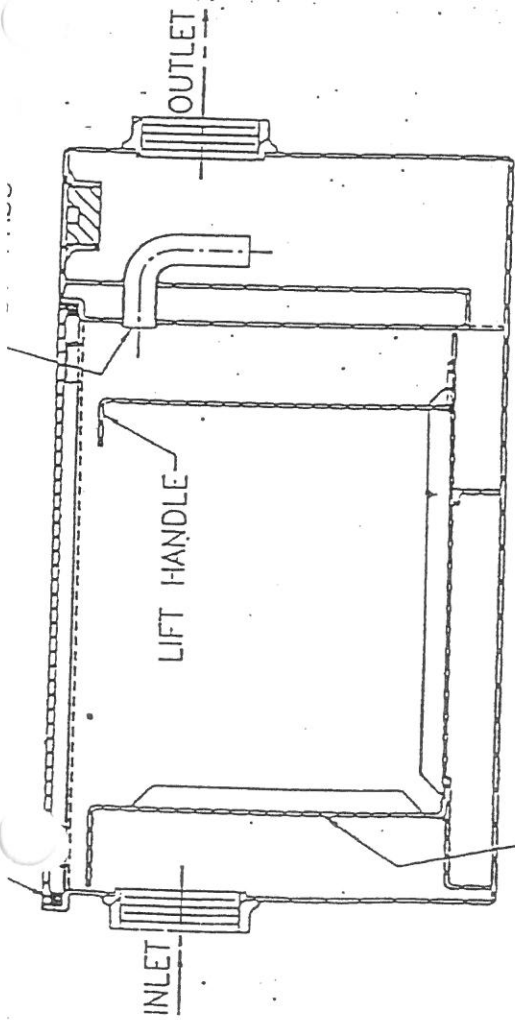
MIFAB



WATTS

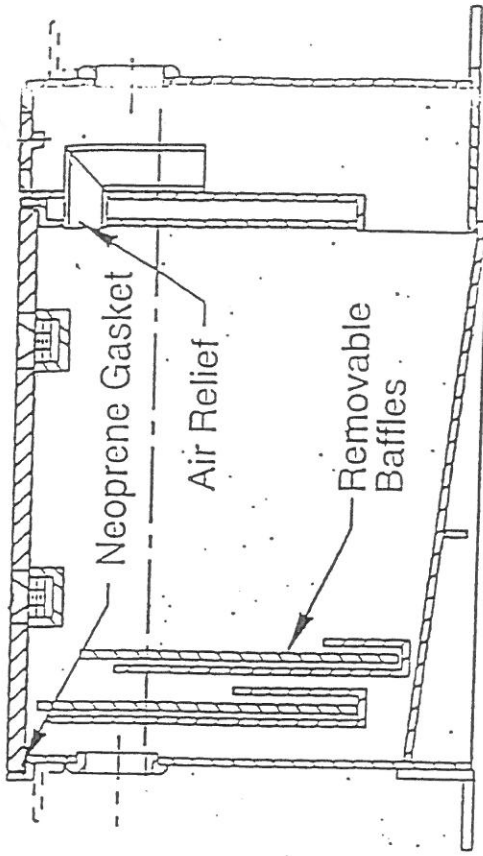


JONESPEC

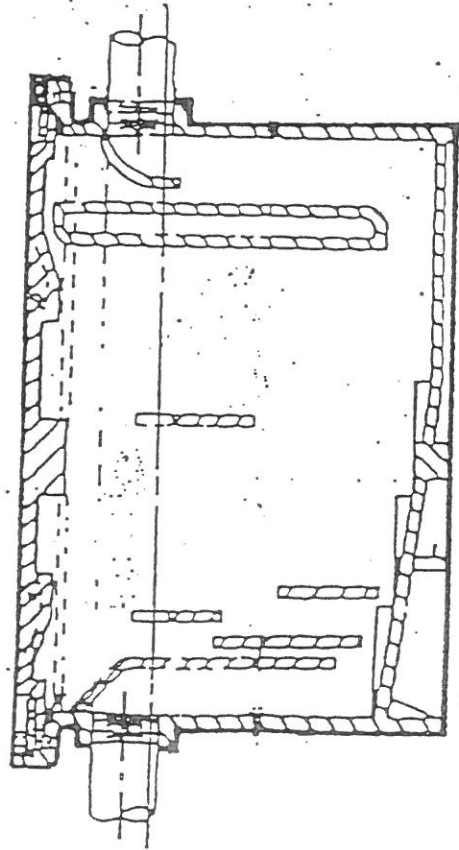


PRESSURE EQUALIZING &
FLOW DIFFUSING BAFFLE

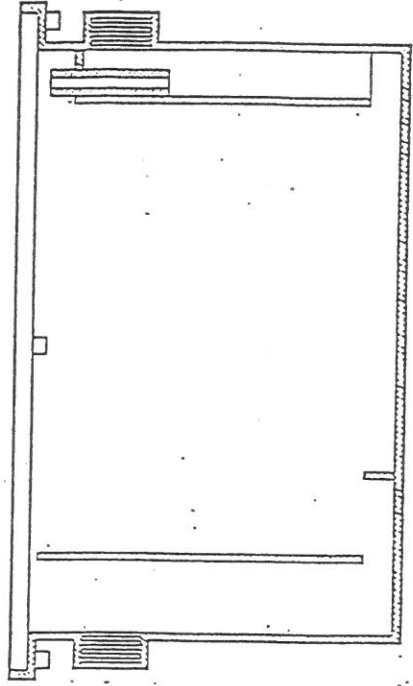
ZURN



SMITH



JOSAM



WADE

APPENDIX B

Recommended Grease Interceptor Sizing Formula Based on EPA-2 Model

Note: If no cooking/frying occurs and FSF engages in food prep only, then use adequately sized 20, 30 40 pound grease trap; based on flow per current adopted plumbing code.

Restaurant kitchen sink	15 gpm
Single compartment sink	20 gpm
Double compartment sink	25 gpm
2, single compartment sinks	25 gpm
2, double compartment sinks	35 gpm
Triple sink, 1 ½ or 2 in. Drain	35 gpm
Trash can washing station	35 gpm
30 gal. Dishwasher	15 gpm
50 gal. Dishwasher	25 gpm
50-100 gal. Dishwasher	40 gpm
Garbage disposal	40 gpm

Totals:

****Note**** *Calculate average flow rate per fixture*

A. Average Flow rate _____ gpm/Number of fixture _____ = _____ gpm

Restaurant Type and Sizing Factors:

Fast food (no dishes) =	.50
Dine-in (1-100 seats) =	.50
Dine-in (>100 seats) =	.60
Cafeteria/Bufferet =	.75
Food Production =	.85

B. Subtotal = A x Sizing Factor, _____ gpm x _____ Factor = _____ gpm

C. Subtotal = B x 60 min. = avg. flow for 1 hour = _____ x 60 = _____ gpm

D. Total = C x 2 hrs retention time = trap volume = x 2 = _____ gal.

APPENDIX C

Best Management Practice for Fats, Oils and Grease

Residual fats, oils and grease (FOG) are by-products that food service establishments must constantly manage. Typically, FOG enter a facility's plumbing system from washing, floor cleaning and equipment sanitation. Sanitary sewer systems are neither designed nor equipped to handle the FOG that can accumulate on the interior of the municipal sewer collection system pipes from improperly maintained discharges. The best way to manage FOG is to keep the material out of the plumbing systems. The following are suggestions for proper FOG management.

Dry Clean-Up

Practice dry cleanup. Remove food waste with "dry" methods such as scraping, wiping, or sweeping before using "wet" methods that use water. Wet methods typically wash the water and waste materials into the drains where it eventually collects on the interior walls of the drainage pipes. Do not pour grease, fats, or oils from cooking down the drain and do not use the sinks to dispose of food scraps. Likewise it is important to educate kitchen staff not to remove drain screens as this may allow paper or plastic caps, straws, and other utensils to enter the plumbing system during cleanup. The success of dry cleanup is dependent upon the behavior of the employee and availability of the tools for removal of food waste before washing. To practice dry cleanup:

- Use rubber scrapers to remove fats, oils and grease from cookware, utensils, chafing dishes, and serving ware.
- Use food grade paper to soak up oil and grease under fryer baskets.
- Use paper towels to wipe down work areas. Cloth towels will accumulate grease that will eventually end up in your drains from towel washing/rinsing.

Spill Prevention

Preventing spills reduces the amount of waste in food preparation and serving areas that will require cleanup. A dry workplace is safer for employees in avoiding slips, trips, and falls. For spill prevention:

- Empty containers before they are full to avoid spills.
- Use a cover to transport grease container contents to the rendering barrel.

- Provide employees with the proper tools (ladles, ample containers, etc.) to transport materials without spilling.

Maintenance

Maintenance is key to avoiding FOG blockages. Whatever method or technology is used to collect, filter and store FOG, ensure that equipment is regularly maintained. All staff should be aware of and trained to perform correct cleaning procedures, particularly for under-sink grease traps that are prone to break down due to improper maintenance. A daily and weekly maintenance schedule is highly recommended.

- Contract with a management company to professionally clean large hood filters. Small hoods can be hand-cleaned with spray detergents and wiped down with cloths for cleaning. Hood filters can be effectively cleaned by routinely spraying with hot water with little or no detergents over the mop sink that should be connected to a grease trap. After hot water rinse (separately trapped), filter panels can go into the dishwasher. For hoods to operate properly in the removal of grease-laden vapors, the ventilation system will also need to be balanced with sufficient make-up air.
- Skim/filter fryer grease daily and change oil when necessary. Use a test kit provided by your grocery distributor rather than simply "guess" to determine when to change oil. This extends the life of both the fryer and the oil. Build-up of carbon deposits on the bottom of the fryer acts as an insulator that forces the fryer to heat longer, thus causing the oil to break down sooner.
- Collect fryer oil in an oil rendering tank for disposal or transport it to a bulk oil rendering tank instead of discharging it into a grease trap or interceptor.
- Cleaning intervals depend upon the type of food establishment involved. Some facilities require monthly or once every two months cleaning of below ground interceptors. Establishments that operate a large number of fryers or handle a large amount of fried foods such as chicken, along with ethnic food establishments may need at least monthly cleanings. Full cleaning of interceptors (removing all liquids and solids and scraping the walls) is a worthwhile investment. Remember, sugars, starches and other organics accumulate from the bottom up. If sediment is allowed to accumulate in the interceptor, it will need to be pumped more frequently.
- Develop a rotation system if multiple fryers are in use. Designate a single fryer for products that are particularly high in deposits, and change that one more often.

Oil & Grease Collection/ Recycling & Food Donations

FOG are commodities that if handled properly can be treated as a valuable resource.

- Begin thinking of oil and grease as a valuable commodity. Some rendering companies will offer services free-of-charge and others will give a rebate on the materials collected.
- Use 25-gallon rendering barrels with covers for onsite collection of oil and grease other than from fryers. Educate kitchen staff on the importance of keeping outside barrels covered at all times. During storms, uncovered or partially covered barrels may allow water to enter the barrel resulting in oil running onto the ground and possibly into storm drains. Such water can "contaminate" an otherwise useful by-product.
- Use a 3-compartment sink for ware washing. Begin with a hot pre-wash, then a scouring sink with detergent, then a rinse sink.
- Make sure all drains screens are installed.
- Prior to washing and rinsing, use a hot water pre-rinse that is separately trapped to remove non-emulsified oils and greases from ware washing. Wash and rinse steps should also be trapped.
- Empty grill top scrap baskets or scrap boxes and hoods into the rendering barrel.
- Easy does it! Instruct staff to be conservative in their use of fats, oils, and grease in food preparation and serving.
- Ensure that edible food is not flushed down your drains. Edible food waste may be donated to a local food bank. Inedible food waste can be collected by a local garbage feeder who will use food discards for feeding livestock. Food donation can help restaurants reduce disposal costs and it puts the food in the hands of those who can use it.

Grease Traps

- For grease traps and interceptors to be effective, the units must be properly sized, constructed, and installed in a location to provide an adequate retention time for settling and accumulation of the FOG. If the units are too close to the FOG discharge and do not have enough volume to allow amassing of the FOG, the emulsified oils will pass through the unit without being captured. For information on properly locating, constructing, and sizing grease traps and

interceptors, contact your local city representatives and examine EPA guidance documents.

- Ensure all grease-bearing drains discharge to the grease interceptor. These include mop sinks, woks, wash sinks, prep sinks, utility sinks, pulpers, pre-rinse sinks, can washes, and floor drains in food preparation areas such as those near a fryer or tilt/ steam kettle. No toilet waste should be plumbed to the grease interceptor.

Consumer Tip

Buyer Beware! When choosing a method of managing your oil and grease, ensure that it does what the vendor says it will do. Some technologies or "miracle cures" don't eliminate the problem but result in grease accumulations further down the sewer line. "Out of sight" is not "out of mind". Check the vendor's references.

Restaurant Oil and Grease Rendering

Introduction

Improperly managed oil and grease from restaurants has become a significant problem for wastewater collection and treatment systems. Fats, oils and greases (FOG) can coat, congeal, and accumulate in pipes, pumps, and equipment, leading to the costly and hazardous flow of waste grease into drain lines, sewer lines, lift stations, drain fields, and Publicly Owned Treatment Works (POTWs). Improper disposal can result in high biological oxygen demand (BOD) and chemical oxygen demand (COD) levels, increased operating costs, and deposits which can clog collection systems.

Where Does Grease Go When It Leaves a Restaurant?

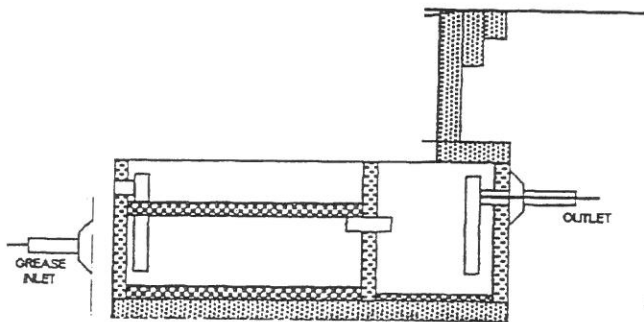
A grease trap is designed to prevent grease, oil, solids, and other debris from entering the wastestream, where it becomes a problem by clogging sewers and disrupting the water flow in the system. These units are typically attached to drain lines in kitchen areas and are often under sinks. The grease trap captures those wastes and contains them until a rendering company can properly dispose them.

A grease trap should be checked and frequently maintained to ensure it is working properly. Backups, odors, and drainage problems are signs that the grease trap is not functioning as it should.

Grease interceptors are larger than grease traps and are generally below-ground units located immediately outside of food preparation areas. Interceptors require less maintenance and are normally the preferred grease removal device.

Grease Recycling

While pretreating wastewater through the use of grease traps, interceptors, skimmers, separators, and process flow treatment systems such as coagulation unity can greatly reduce the problem, source reduction of oil and grease must be the first course of action. Through dry cleanup, the development of an efficient collection system and rendering program, wastewater problems can be avoided. Using these procedures, the grease, oils and animal byproducts are manually placed in a separate container and never become part of the wastewater flow. Rendering companies or "greaserecyclers" will accept oil, grease, and other animal by products, including deep fry fat and bones, thereby turning a nuisance material into beneficial products such as animal feeds.



Two-Stage Grease Interceptor

How is Waste Oil and Grease Recycled?

Waste oil and grease is first tested for contaminants. Material is placed in a settling tank to remove solids, heated in a vacuum to volatilize impurities and this is then sold to companies for use as animal feed additives, in soap production, oils, cosmetic and skin care products, and in composting.

Compliance

Many communities have sewer use ordinances that restrict the concentrations of oil and grease in wastewater. New federal and state policies are being enacted that will require more communities to develop effective sewer use ordinances and wastewater discharge limitations. Penalties may be incurred when overflows or other problems occur. Rendering prevents grease from reaching the sewer system thereby helps restaurants maintain in compliance.

Cost Avoidance

The charge for pumping out a grease trap or interceptor is considerably more than the service fee charged by a renderer of segregated material. Furthermore, with dry cleanup and other source reduction techniques, many restaurants are reducing their water consumption and grease-related plumbing problems. Rendering also helps restaurants avoid discharge penalty charges.

Economic Incentives

Renderers' service fees are low and sometimes provided at no charge. In some cases, rendering companies have been willing to pay for segregated restaurant oil and grease.

Environmental Savings

Natural resources and energy are conserved through source reduction and recycling. FOG recycling keeps these materials from clogging municipal sewer lines, as well as using valuable space and diverts it to a useful purpose.

Managing Food Materials

This factsheet is provided to encourage business such as food service providers, processors, distributors, and merchandisers to eliminate waste and recover/ recycle food materials. Food waste can produce several detrimental environmental impacts. For example, food materials discharged to a wastewater treatment plant will contribute to increased levels of BOD (biological oxygen demand), COD (chemical oxygen demand), TSS (total suspended solids), and O/G (oil and grease). Examples of these food materials include preparation wastes, uneaten portions, grease, batter waste, dairy products, beverages containing sugar, and dressings. Food wastes discharged to an on-site clarifier or interceptor can contribute to hydrogen sulfide problems if they are allowed to accumulate.

Food materials are excellent candidates for reduction, recovery, and reuse. Reducing materials at their source, coupled with recovery, reuse, and recycling prevents pollution and reduces, and in some cases, eliminates treatment and disposal costs. A successful waste reduction program can result in cost savings. These activities also contribute to a positive public image for the company, benefits for the community, and protection of the environment.

Segregate Food Wastes for Beneficial Uses

To increase their recyclable potential, food materials should be clean and free of trash such as paper, glass, and plastic. Also, depending upon the requirements of recyclers, solid food waste should be separated from liquid food wastes to enhance their recyclability.

Waste oils and grease:

- Free grease is that used for or generated by cooking and has not been mixed with water. It is generated from pots, pans, grills, and deep fat fryers and comes from butter, lard, vegetable fats and oils, meats, nuts, and cereals. Free grease should be kept out of drains and handled separately. Rendering facilities may purchase free grease and meat wastes and provide storage and collection containers. The market price depends upon factors such as volume, quality, and hauling distances. The rendering services will process free grease by sampling it for contaminants, filtering and volatilizing impurities before reselling it, where prices may range from one to three cents per pound. If the volume of the wastes generated from one restaurant or cafeteria is too small for the rendering facility, businesses should explore the feasibility of setting up a cooperative collection among similar businesses.
- Trap grease is that collected in a grease trap. Because fats coat, congeal, and accumulate on pipes and pumps and sometimes obstruct sewer lines, some food service establishments may be required by their local government to maintain grease traps and grease interceptors. Some rendering services and local septage haulers will service or pump out these traps for a fee, and some services may reduce the pumping fee if the restaurant is a free grease customer.

Dry Cleanup To Keep Wastes Out of the Drain

Food preparation facilities should develop dry clean up procedures to the greatest possible extent. Dry cleanup procedures will reduce the amount of food waste that enters the drains and thus, help reduce the possible surcharges.

- The "**first pass**" in equipment and utensil cleaning should be made with scrapers, squeegees, or absorbents to prevent the bulk of food materials from going down the drain. Studies have shown that for a fast food restaurant, 93% of the oil and grease discharged to the wastewater treatment plant is generated from ware washing. For a full service restaurant, 75% of the oil and grease discharged to the wastewater treatment plant is generated from the pot sink. Waste collected on this "first pass" could be set aside for rendering or, possibly composting.

- **Spills.** Dry cleanup can be applied to spills in the kitchen. Spills of dry ingredients should be swept up or vacuumed to prevent them from being washed down the drain.

Maintaining Grease Traps

Food preparation facilities that discharge to a municipal sewer should contact the local government agency for any requirements concerning the need for interceptors and grease trap management. The most important management procedure for grease interceptors is that a company representative be present during any cleaning, pumping, or skimming performed by a contractor. This safeguard permits management to respond appropriately to any questions about the service performed.

Pump out schedules should be properly established and strictly followed to prevent overflows, downstream blockages, excess oil and grease, and BOD loading to wastewater. It is important that these pump outs are complete, i.e., the grease caps removed, the sides scraped or hosed down, and the trap refilled with water. The contractor should indicate whether the trap is refilled with clean water or water from the trap.

- A food preparation facility should never "hotflush" (continuously run hot water) as liquified grease will be flushed down the sewer. While hot flushing may divert the need for pumping, the facility is liable for any costs associated with clogs in the sewer caused by the flushing.
- **Skimming services** maybe available to skim grease traps on a regular basis. These facilities will reprocess the grease collected and notify owners when complete grease trap, pumpouts are necessary.
- **Bioaugmentation**, the addition of selected micro organisms (primarily bacteria) to a belowground interceptør for improved operation, can be evaluated. Bioaugmentation is not a substitute for proper maintenance. The bioaugmentation process is basically a passive treatment system to facilitate grease digestion and control buildup of the grease cap. The effectiveness of bioaugmentation is determined by a variety of factors including retention time in the interceptor, temperature of the wastewater, strength of the wastewater, and contact surface area. Some information indicates that for completely effective bioaugmentation, a retention time of one to five days is needed; however, a typical grease interceptor is designed for only one day of hydraulic retention. Since these parameters vary with location, an evaluation of each case should be made.

- **Alternative grease trap designs.** Some grease trap systems are designed to periodically heat the trap to de-solidify grease so that it can be automatically skimmed and collected. The high-quality grease collected from these systems may have higher reuse potential. These grease traps, which may also be smaller than standards traps, can be located under a specified device above ground (i.e., pot sink).

Article 32. Records Retention and Destruction Policy

Sec. 32.1 Purpose.

The purpose of this policy is to provide guidelines to staff regarding the retention or disposal of District records; provide for the identification, maintenance, safeguarding and disposal of records in the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with legal and regulatory requirements.

Sec. 32.2 Authorization to Implement Policy.

The General Manager is authorized by the Board of Directors to interpret and implement this policy, and to cause to be destroyed any or all such records, papers and documents that meet the qualifications governing the retention and disposal of records, as specified below.

Sec. 32.3 Government Code (Chapter 7) Sections Providing for the Destruction of Records of Special Districts:

60200. Duplicate records, papers, or documents. The retention and disposal of records by the Fallbrook Public Utility District, the legislative body of any special district may authorize at any time the destruction or disposition of any duplicate record, paper, or document, the original or a permanent photographic record of which is in the file of any officer of a department of the District.

60201. Records, papers or documents more than two years old and prepared or received other than pursuant to statute. The legislative body of a district may authorize the destruction or disposition of any record, paper, or document which is more than two years old and which was received in any manner other than pursuant to state statute. Such records, papers, or documents need not be photographed, reproduced, or microfilmed prior to destruction and no copy thereof need be retained.

60202. Unaccepted bids for construction of public works more than two years old. The legislative body of a district may authorize the destruction of any unaccepted bid or proposal for the construction or installation of any building, structure or other public work, which is more than two years old.

60203. Records, papers, or documents not required to be filed: Conditions. The legislative body of a district may authorize the destruction of any record, paper, or document that is not expressly required by law to be filed and preserved if all of the following conditions are complied with:

- a. The record, paper, or document is photographed, microphotographed, or reproduced by electronically recorded video images on magnetic surfaces, recorded in the electronic data processing system, recorded on optical disk, or any other medium which does not permit additions, deletions, or changes to the original document in compliance with the minimum standards or guidelines, or both, as recommended by the American National Standards Institute or the Association for Information and Image Management for recording of permanent records or non-permanent records, whichever applies;

- b. The device used to reproduce the record, paper, or document on film optical disk or any other medium is one which accurately reproduces the original thereof in all details, and which does not permit additions, deletions, or changes to the original document images;
- c. The photographs, microphotographs, or other reproductions on film or any other medium are placed in conveniently accessible files and provision is made for preserving, examining, and using the files.

For the purpose of this section, every reproduction shall be deemed to be an original record and a transcript, exemplification, or certified copy, as the case may be, of the original.

Sec. 32.4 State Controller's Guidelines.

The basic guidelines for destruction of records of special districts is in Government Code Sections 60200 through 60203 recorded above. The following is supplementary information and intends to define an acceptable records retention and destruction guide for special districts.

- A. Accounting Records. Include but are not limited to the following:
 - 1. Source Documents
 - a) Invoices
 - b) Purchase Orders
 - c) Deposit Permits
 - d) Warrants
 - e) Vouchers
 - f) Requisitions
 - g) Receipts
 - h) Claims
 - i) Bank Statements
 - j) Bank Deposits
 - k) Checks
 - l) Bills
 - m) Various accounting authorizations taken from Board minutes, resolutions, or contracts.
 - 2. Journals
 - a) Cash Receipts or Disbursement Book
 - b) Note Register
 - c) Deposit Permit Register
 - d) Accounts Receivable or Payable Register
 - e) Check or Warrant Register
 - f) General Journal
 - g) Payroll Journal

3. Ledgers
 - a) Expenditure
 - b) Revenue
 - c) Taxes Receivable
 - d) Accounts Payable or Receivable Ledger
 - e) Warrants Payable
 - f) Construction
 - g) Appropriation
 - h) General Ledger
4. Trial Balance
5. Adjusting Entries
6. Statements (Interim or Certified – Individual or All Fund)
 - a) Balance Sheet
 - b) Analysis of Changes in Available Fund Balance
 - c) Cash Receipts
 - d) Expenditures
 - e) Revenues
 - f) Changes in Bonded Indebtedness
 - g) Profit and Loss
 - h) Changes in Fixed Assets
7. Closing Entries
8. Reversing Entries
9. Other
 - a) Schedule of Investments
 - b) Long Term Debt Records
 - c) Inventory Records
 - d) Capital Asset Records
 - e) Lease-Purchase Records
 - f) Depreciation Schedule
 - g) Cost Accounting Records
 - h) Budgets
 - i) Petty Cash Records

B. Retention of Accounting Records.

All Accounting Records should be retained indefinitely in their original form until the governing body gives authorization for destruction.

1. Any accounting record except the Journals and Ledgers which are more than five years old and which were prepared or received in any manner other than pursuant to State Statute may be authorized for destruction, provided that:

- a. There is no continuing need for said record, i.e., long-term transactions, special projects, pending litigations, etc., and;
 - b. There exists in a permanent file, an audit report or reports covering the inclusive period of said record, and that;
 - c. Said audit report or reports were prepared pursuant to procedures outlined in Government Code Section 26909 and other State or Federal audit requirements, and that;
 - d. Said audit(s) contains the expression of an unqualified opinion.
2. Any accounting record created for a specific event or action may be destroyed upon authorization five years from the end of the fiscal period to which it applies.
 3. Any source document detailed in a register, journal, ledger or statement may be authorized for destruction five years from the end of the fiscal period to which it applies.
 4. The following may be destroyed at any time:
 - a. Duplicates (original-subject to aforementioned requirements)
 - b. Rough drafts, notes or working papers (except audit).
 - c. Cards, listings, nonpermanent indices, other papers used for controlling work or transitory files.

C. Retention of Payroll and Personnel Records.

1. All payroll and personnel records should be retained indefinitely. Originals may upon authorization be destroyed after seven years retention, provided said records have been microfilmed and qualify for destruction under Government Code Section 60203 with its various conditions. Payroll and personnel records include the following:
 - a. Accident reports, injury claims and settlements.
 - b. Medical histories
 - c. Injury frequency charts
 - d. Applications, changes and terminations of employees
 - e. Insurance records of employees
 - f. Time sheets
 - g. Job descriptions
 - h. Performance evaluations
 - i. Earning records and summaries
 - j. Retirement records
2. The following associated with personnel records should be retained five years after termination:

- a. Fidelity bonds
- b. Garnishments

D. Retention of Assessing and Tax Collecting Records.

- 1. All assessing records may, upon authorization be destroyed after seven years retention from lien date; however, these records may be destroyed three years after the lien date when said records are microfilmed as provided for in Government Code Section 60203. (Revenue & Taxation Code Section 465)
- 2. Any original unsecured tax roll may upon authorization be destroyed after five years if the delinquent roll or abstract list has been certified as correct and complete by the county auditor or district auditor. (Revenue & Taxation Code Section 2928)
- 3. All tax rolls may upon authorization be destroyed after twelve years retention, if all necessary data needed from the secured delinquencies has been transferred to a delinquency abstract, which should be retained indefinitely. (Revenue & Taxation Code Section 4377)

E. Retention of Records Concerning Long-Term Debt.

- 1. Records of proceedings for the authorization of long-term debt, bonds, warrants, loans, etc., after issuance or execution, may be destroyed if microfilmed as provided for in Government Code Section 60203.
- 2. Terms and conditions of bonds, warrants, and other long-term agreements should be retained until final payment, and thereafter may be destroyed in less than ten years if microfilmed as provided for in Government Code Section 60203.
- 3. Paid bonds, warrant certificates and interest coupons may be destroyed after six months if detailed payment records are kept for ten years.

F. Retention of Minutes.

Minutes of the meetings of the Board of Directors are usually retained indefinitely in their original form. However, they may, upon authorization, be destroyed if said minutes are microfilmed as provided for in Government Code Section 60203.

G. Retention of Construction Records.

Construction records, such as bids, correspondence, change orders, etc., should not be kept in excess of seven years unless they pertain to a project

which includes a guarantee or grant and, in that event, they should be kept for the life of the guarantee or grant plus seven year. As-built plans for any public facility or works should be retained as long as said facility is in existence. Unaccepted bids may be destroyed after two years.

H. Retention of Contracts.

Contracts should be retained for their life plus seven years.

I. Retention of Property Records.

Property records, such as documents of title, should be kept until the property is transferred or otherwise no longer owned by the District.

Sec. 32.5 General Provisions

32.5.1 Public Records Policy.

Public records of the District shall be open to inspection during regular office hours of the District. "Public Records" are all records of the District except those which are exempted from disclosure by the California Public Records Act (Government Code 6250 et. seq.)

32.5.2 Definitions.

A. "Public Records" includes any writing containing information relating to the conduct of the public's business prepared, owned, used or retained by the District regardless of physical medium or characteristics.

B. "Writing" means handwriting, typewriting, printing, Photostatting, photographing, and every other means of recording upon any form of communication or representation, including letters, words, pictures, sounds, or symbols, or a combination thereof and all papers, maps, magnetic or paper tapes, photographic films and prints, magnetic or punched cards, discs, drums, and other documents.

32.5.3 Records Exempt from Disclosure.

In accordance with Government Code Section 6254, the following records are exempt from disclosure and shall not be disclosed:

A. Preliminary drafts, notes or interagency or interdistrict memoranda which are not retained by the District in the ordinary course of business, provided that the public interest in withholding such records clearly outweighs the public interest in disclosure.

B. Records pertaining to pending litigation to which the District is a party, or to claims made pursuant to Division 3.6 (commencing with Section 810) of Title 1 of the Government Code, until such litigation or claim has been finally adjudicated or otherwise settled.

C. The District Server backs up all Electronic mail (“E-mail”) daily and retains said e-mail backups for a period of nine (9) days and then it is subject to permanent deletion. This shall include any and all business and personal E-mail that has been saved to any folder or subfolder within any and all user Outlook Profiles on District Mail Servers. It is the responsibility of the user of the District’s E-mail system to print a paper hardcopy, and file appropriately, any e-mails that are considered part of the official record of District business (e.g., contracts or changes, legal correspondence, invoices, etc.). The District shall not be responsible for the retention, backup, or recovery of any personal e-mails.

In the event of litigation to which the District is a party or reasonably anticipates becoming a party, the email users who generate emails relevant to litigation, including, but not limited to, emails, email attachments, Microsoft Word documents, Microsoft Excel spreadsheets, and Power Point presentations, shall print a hard copy of each potentially relevant document to the litigation as it is generated or received (including communications with attorneys or other relevant outside parties that could be protected by applicable privileges) and deliver each hard copy to the Board Secretary for filing in a central litigation file.

D. Personnel, medical or similar files, the disclosure of which would constitute an unwarranted invasion of personal privacy.

E. Geological and geophysical data, plant production data and similar information relating to utility systems development, or market or crop reports, which are obtained in confidence from any person.

F. Test questions, scoring keys, and other examination data used to administer a licensing examination, examination for employment or academic examination.

G. The contents of real estate appraisals, engineering or feasibility estimates and evaluations made for or by the District relative to the acquisition of property, or to prospective public supply and construction contracts, until such time as all the property has been acquired or all of the contract agreements obtained, provided, however, the law of eminent domain shall not be affected by this provision.

H. Information required from any taxpayer in connection with the collection of local taxes, which is received in confidence, and the disclosure of the information to other persons would result in unfair competitive disadvantage to the person supplying such information.

I. Library and museum materials made or acquired and presented solely for reference or exhibition purposes.

J. Records the disclosure of which is exempted or prohibited pursuant to provision of federal or state law, including but not limited to, provisions of the Evidence Code relating to privilege.

32.5.4 Government Code 6255.

The District shall withhold from inspection any record that is exempt under the express provisions of the California Public Records Act, including those items set forth above, and may withhold any other record if on the facts of the particular case the public interest served by not making a record public clearly outweighs the public interest served by disclosure of the record.

32.5.5 Right of Privacy.

The Board of Directors has determined that the public interest is served by not making public the names, addresses and billing information regarding its customers since the indiscriminate disclosure of such information could constitute an undue invasion of the right of privacy of its customers. Any person seeking such information may file a written appeal with the Secretary of the District. Thereafter, the Board of Directors shall on the facts of the particular case determine whether the public interest served by not making the record public clearly outweighs the public interest served by disclosure of such record. However, nothing herein shall preclude any District employee, including members of the board of directors, access to customer billing information necessary to carry out the regular duties of such employees including the resolution of customer service issues.

32.5.6 Procedures for Access to Public Records.

A. Any person desiring to inspect any public record shall identify himself and shall identify the records to be inspected. Exception: Statements of Economic Interest filed pursuant to Government Code Section 81008 (The Political Reform Act of 1974).¹

B. The Secretary of the District shall determine whether the requested record is subject to inspection. If the Secretary of the District is uncertain whether the record is exempt from disclosure under the California Public Records Act, or whether the facts of the particular case indicate the public interest is served by not making the record public clearly outweighs the public interest served by disclosure of the record, she shall consult with Counsel for the District.

If the Secretary of the District refuses to permit inspection of any record, the person seeking such inspection may appeal the decision of the Secretary of the District to the Board of Directors. Such appeal shall be in writing and shall be filed with the Secretary of the District not later than 10 working days after the refusal of the Secretary of the District to permit inspection.

1 Government Code Section 81008 states, “no conditions whatsoever shall be imposed upon persons desiring to inspect or reproduce reports and statements filed under this title, not shall any information or identification be required from such persons”.

C. The Board of Directors shall consider and rule upon the appeal within 30 days after the filing thereof, and shall thereupon notify the applicant in writing of its decision. If the applicant has filed a written appeal with the Board, the applicant shall be notified of the time and place of the meeting of the Board to consider the matter, and the applicant may appear in person before the Board when the matter is heard. If the Board fails to give written notice of its decision within 30 days of the filing of the appeal, the appeal shall be deemed denied.

D. Inspection of public records shall be made only in the District office, and no document shall be removed there from. A representative of the District may be present during the inspection of any records.

E. The District will make every effort to cooperate with the person seeking to inspect documents; however, if the request is to inspect a substantial quantity of documents or documents not readily available, the District shall have a reasonable period of time to collect such records and may require the inspection of such records to take place at a future date.

F. Any person may obtain a copy of any identifiable public record. Upon request, an exact copy shall be provided unless impracticable to do so. Computer data shall be provided in a form determined by the District.

G. A request for a copy of an identifiable written public record, or information produced there from or a certified copy of such record shall be accompanied by payment of a fee in the amount of \$0.25 for the first page and \$0.10 for each page thereafter. In some cases, it may be necessary to send a document or document(s) to a printer or commercial copying service; and in such cases, the person requesting copies shall pay the total direct cost. Blueprint reproduction shall be \$5.00 per print, plus staff time in excess of one-half hour. A request for a copy of a tape recording of a meeting of the Board of Directors of the District shall be accompanied by payment of a fee of \$10.00.

H. This public records policy of the District shall at all times be subject to the California Public Records Act, that it may be amended from time to time, and if there is any conflict between that act and this policy, the act shall prevail.

32.5.7 Records Retention and Destruction Policy.

All records identified in the records retention schedules attached hereto shall be retained in original form in the District offices for the number of years indicated in the column designated, "Responsible Department".

Upon transfer to archives, any identical copies or duplicates shall be destroyed and the original shall be stored for the number of years indicated in the column designated, "open/active".

The column designated as “closed” indicates the disposition of a record after reaching its retention period.

The column designated as “disposal” indicates how the record is to be disposed of, whether it be archived, tossed, or shredded.

The column designated as “notes” shall designate specific information relating to a particular document and how it is to be retained or destroyed. It may also contain miscellaneous notes pertinent to the specific document.

No record shall be destroyed without the written authorization from the department manager and the general manager. If the department manager and/or the general manager have determined that the record has continuing value due to litigation or any other reason, it shall be retained either in original form or by microfilming or imaging.

Sec. 32.6 California Public Records Act.

The California Public Records Act is made a part of Article 32 and incorporated as Exhibit “A” attached.

Sec. 32.7 Records Retention Schedule.

The District’s Records Retention Schedule is made a part of Article 32 and incorporated as Exhibit “B” attached.

¹ The following requirements apply to microfilming:

- (1) The item must be photographed; microphotographed; reproduced by electronically recorded video images on magnetic surfaces; recorded on optical disk; reproduced on film or any other medium which does not permit additions, deletions or changes to the original document in compliance with the minimum standards and/or guidelines as recommended by the American National standards Institute or the Association for Information and Image Management for recording of permanent records or nonpermanent records, whichever applies; and
- (2) The original must be accurately reproduced in all details; and
- (3) The reproductions must be stored in conveniently accessible files, and provision must be made for preserving, examining and using the files.

ARTICLE 32
New policy added 2/28/05
Sec. 32.5.3(C) – Rev. 10/06
Records Retention Schedule
(Email) – Rev. 10/06
Exhibit B – Rev. 2/10
Exhibit A – Rev. 12/10
Exhibit B – Rev. 8/11

Exhibit A

California Public Records Act (As Amended by Statute from Time to Time)

The Public Records Act (GOVT. CODE §§ 6250-6276.48) is designed to give the public access to information in possession of public agencies: “public records are open to inspection at all times during the office hours of the agency and every person has a right to inspect any public record, except as provided, and to receive an exact copy of an identifiable record unless impracticable”. (GOVT. CODE §§ 6253) The agency always bears the burden of justifying nondisclosure, and “any reasonably segregable portion shall be provided after deletion of the portions which are exempt.” (GOVT. CODE §§ 6253(a))

All state and local agencies are covered by the California Public Records Act, including:

- Any officer, bureau or department
- Any Board, Commission or Agency created by the Agency (including advisory Boards)
- Non-profit entities that are legislative bodies of a local agency.
(GOVT. CODE §§ 6252(a),(b))

In addition, many state and regional agencies are required to have written public record policies. (GOVT. CODE §§ 6253.4)

The Courts (except itemized statements of total expenditures and disbursements) (GOVT. CODE §§ 6252(a), 6261), the Legislature (GOVT. CODE §§ 6252), Private non-profit corporations and entities, as well as Federal agencies are **not** covered by the California Public Records Act.

“Records” include all communications related to public business “regardless of physical form or characteristics, including any writing, picture, sound, or symbol, whether paper, magnetic or other media.” (GOVT. CODE §§ 6252(e)) Electronic records are included, but software may be exempt. (GOVT. CODE §§ 6253.9(a),(g), 6254.9(a),(d))

When a person requests a public record:

- Access is immediate and allowed at all times during business hours. (GOVT. CODE §§ 6253(a)). Staff need not disrupt operations to allow immediate access, but a decision whether to grant access must be prompt. An agency may not adopt rules that limit the hours records are open for viewing and inspections. (GOVT. CODE §§ 6253(d); 6253.4(b))

- The agency must provide assistance by helping to identify records and information relevant to the request and suggesting ways to overcome any practical basis for denying access. (GOVT. CODE §§ 6253.1)
- Any agency has 10 days to decide if copies will be provided. In unusual cases (request is voluminous, seeks records held off-site, or requires consultation with other agencies) the agency may, upon written notice to the requesters, give itself an additional 14 days to respond. (GOVT. CODE §§ 6253(c)). These time periods may not be used solely to delay access to the records. (GOVT. CODE §§ 6253(d))
- The agency may never make records available only in electronic form. (GOVT. CODE §§ 6253(e))
- Access is always free. Fees for inspection or processing are prohibited. (GOVT. CODE §§ 6253)
- Copy costs are limited to statutory fees set by the Legislature (not by local ordinance) or the direct cost of duplication, usually 10 to 25 cents per page. Charges for search, review or deletion are not-allowed. (GOVT. CODE §§ 6253(b))
- If a request for electronic records either (1) is for a record normally issued only periodically, or (2) requires data compilation, extraction, or programming, copying costs may include the cost of the programming. (GOVT. CODE §§ 6253.9(a),(b))
- The agency must justify the withholding of any record by demonstrating that the record is exempt or that the public interest in confidentiality outweighs the public interest in disclosure. (GOVT. CODE §§ 6255)

The following are not covered by the California Public Records Act:

- Employees' private papers, unless they "relate to the conduct of the public's business, and are prepared, owned, used, or retained by the agency". (GOVT. CODE §§ 6252(e))
- Computer software "developed by a state or local agency, including computer mapping systems, computer programs, and computer graphic systems." (GOVT. CODE §§ 6254.9(a),(b))
- Records not yet in existence: The PRA covers only records that already exist, and an agency cannot be required to create a record, list or compilation. "Rolling requests" for future-generated records are not permitted.

The Act exempts certain records from disclosure in whole or in part. This does not mean they are not public records or that disclosure is prohibited. An agency may withhold the records, but can allow greater access if it wishes. (GOVT. CODE §§ 6253(e)) However, "selective" or "favored" access is prohibited, once it is disclosed to one requester, the record is public for all (GOVT. CODE §§ 6254.5) Many categories of records are exempt, some by the Act itself, (GOVT. CODE §§ 6254(a)-(z)) and some by other laws. (GOVT. CODE §§ 6275-6276.48)

The following records are exempt from disclosure:

- Attorney-Client discussions are confidential, even if the agency is the client, but the agency (not the lawyer) may waive secrecy. (GOVT. CODE §§ 6255(k), 6254.25, 6276.04)
- Appointment calendars and applications, phone records, and other records, which impair the deliberative process by revealing the thought process of government decision-makers may be withheld only if “the public interest served by not making the record(s) public clearly outweighs the public interest served by disclosure of the record(s).” (GOVT. CODE §§ 6255) If the interest in secrecy does not clearly outweigh the interest in disclosure, the records must be disclosed “whatever the incidental impact on the deliberative process.” The agency must explain, not merely state, why the public interest does not favor disclosure.
- Preliminary drafts, notes and memos may be withheld only if: (1) they are “not retained in the ordinary course of business” and (2) “the public interest in withholding clearly outweighs the public interest

EXHIBIT "B"

**FALLBROOK PUBLIC UTILITY DISTRICT
RECORDS RETENTION SCHEDULE**

REVIEW PERIOD						
Records Series (Description)	Responsible Department	Open/Active	Closed	Disposal	Notes	
Accident reports and logs	Safety & Risk Administrator	2 years	2 years	Shred		
Accounting files, misc.	Accounting	5 years	4 years	Shred		
Accounts payable (vendor files, invoices, employee travel & expense records)	Accounting	1 year	6 years	Shred		
Accounts receivable (water billing and customer files)	Customer Service	1 year	4 years	Shred		
Accounts receivable (images of checks received)	Customer Service	Audit +2	N/A	Destroy	Checks are imaged, images are sent to the bank, hard copies are kept for 30 days and then destroyed. Images are kept in database for three years.	
Agendas, minutes and supporting materials for Board of Directors packet	Administration	1 year	Indefinite	Archive		
Agreements/contracts with other districts/agencies	Administration Engineering Operations	1 year	5 years	Shred	Depending on type of agreement, some may be indefinite	
Annexation files	Engineering	1 year	Indefinite	Archive		
Annual reports, other agencies	Administration	1 year	6 months	Toss		

REVIEW PERIOD

Records Series (Description)		Department	Open/Active	Closed	Disposal	Notes
Appraisal reports	Administration Engineering	1 year	5 years	Shred	Originals to be filed in project file	
As-built drawings	Engineering	Indefinite	Indefinite	Archive		
Audit Reports	Accounting	10 years	10 years	Shred		
Backflow Test Reports	Operations	1 year	3 years	Destroy	Must be archived for 3 years prior to destruction	
Bank statements (with cancelled checks)	Accounting	1 year	4 years	Shred		
Bids, accepted	Engineering	1 year	7 years	Archive	Must be kept for life of guarantee + 7 years	
Bids, unaccepted	Administration	1 year	2 years	Shred		
Board correspondence	Administration	1 years	4 years	Shred		
Board standing committee meeting packets	Administration	1 year	Indefinite	Indefinite		
Bonds (performance payment and bid public official surety)	Engineering	1 year	Indefinite	Archive	Originals to be filed with contract documents	
Budgets, annual	Accounting	1 year	Indefinite	Archive		
Budget worksheets	Accounting	1 year	4 years	Shred		
Cash receipt books with backup and deposit tickets	Customer Service	1 year	4 years	Shred		
Claim or litigation on behalf of FPUD	Administration	1 year	Indefinite	Archive		
Claim or litigation against FPUD	Administration	1 year	Indefinite	Archive		
Public Affairs files	Public Affairs	1 year	5 years	Shred		
Computer maintenance files	IT	1 year	3 years	Toss		
Computer programs	IT	1 year	6 years	Toss		
Computer tape disks/backup	IT	2 years	2 years	Toss		
Computer tracking records	IT	1 year	3 years	Toss		

REVIEW PERIOD						
Records Series (Description)	Responsible Department		Open/Active	Closed	Disposal	Notes
Confined space tests	Safety Tech		1 year	2 years	Toss	
Conflict of Interest Statements (Form 700)	Administration		1 year	Indefinite	Archive	Includes oath of office, economic statements, etc.
Construction project schedules	Engineering		1 year	3 years	Toss	Original to be filed in project file
Contracts and agreements for leases, equipment, services or supplies, excluding capital improvement	Administration		2 years	5 years	Destroy	May destroy after completion. Grant funded projects keep permanently.
Correspondence, general	Accounting Administration Engineering HR Public Affairs Operations Plant Operations		1 year	2 years	Toss	
Customer Applications	Customer Service		Active	Indefinite	Archive	Keep permanently after account closed
Customer Records, including payment stubs, account adjustments, correspondence, meter reading records	Customer Service		Active	2 years	Shred	Destroy 2 years after account closed
Daily Reports, foremen	Operations		2 years	N/A	Shred	Keep in office 2 years, then destroy
Deeds	Engineering		1 year	Indefinite	Archive	
Deferred compensation reports	HR		1 year	Indefinite	Archive	
Directors' compensation and reimbursement	Administration		1 year	4 years	Shred	Dispose after director leaves Board

REVIEW PERIOD							
Records Series (Description)	Responsible Department	Open/Active		Closed		Disposal	Notes
Directors' fees	Accounting	1 year		6 years		Shred	Dispose after director leaves Bd.
Directors' files, general correspondence	Administration	1 year		2 years		Toss	
Disability Claims	HR	1 year		Indefinite		Archive	
Easements	Engineering	1 year		Indefinite		Archive	
Election materials	Administration	1 year		Indefinite		Archive	
Electronic Mail ("E-mail")	Information Sys. Board Secretary (central litigation file)	9 days		Personal email folders may be closed at user's discretion. Server empties deleted files after 7 days. No longer retrievable unless on 9-day backup.		Delete from computer and/or shred hard copies. Email generated that may be relevant to litigation must be printed out and kept in a hard copy in a central litigation file.	Users are responsible for the retention, backup, and/or recovery of personal e-mails.
Emergency generators	Operations Tech	1 year		5 years		Shred	
Emergency procedures	Operations Tech	1 year		6 years		Toss	Until superceded
Employees' Association	HR	Active		2 years		Shred	Keep in office while active; destroy after 2 years in archive
Employee handbook	HR	1 year		Indefinite		Archive	Until superceded
Employee records	HR	1 year		6 years		Shred	
Employee records terminated	HR	1 year		6 years		Shred	
Employee records retired	HR	1 year		6 years		Shred	

REVIEW PERIOD

Records Series (Description)	Responsible Department				REVIEW PERIOD			Disposal	Notes
	Open/Active	Closed	Disposal	Notes	Open/Active	Closed	Disposal		
Employee time records (i.e., payroll files) including deduction authorizations and overtime records	1 year	6 years	Shred				Shred		
Employee travel and expense records	6 years	6 years	Shred				Shred		
Encroachment permits	2 years	2 years	Toss				Toss		
Energy usage reports	3 years	3 years	Toss				Toss		
Environmental Impact Reports (EIR)	2 years	2 years	Toss				Toss	Originals to be filed in project file. May keep indefinitely.	
Equipment files, misc.	1 year	1 year	Toss				Toss	After sale of equipment, keep for 1 year	
Equipment maintenance records and contracts	1 year	5 years	Toss				Toss		
Equipment operating manuals	1 year	1 year	Toss				Toss		
Equipment trouble and repair reports	1 year	3 years	Toss				Toss		
Equipment use reports	1 year	3 years	Toss				Toss		
Ethics Training Reports	2 years	5 Years	Shred				Shred	5 yrs after training	
Financial reports, misc.	10 years	10 years	Shred				Shred		
Financial statements, annual	1 year	Indefinite	Archive				Archive		
Fuel and oil usage files	1 year	1 year	Toss				Toss		
General Counsel reports, monthly	1 year	Indefinite	Archive				Archive		
Hazardous materials	5 years	5 years	Shred				Shred		
Historical files, (history of FPUD, former DeLuz Heights MWD, Fallbrook Sanitary District (FSD))	1 year	Indefinite	Archive				Archive		

REVIEW PERIOD

Records Series (Description)	Responsible				Open/Active	Closed	Disposal	Notes
	Department							
Insurance certificates and policies (Benefit)	HR				1 year	6 years	Shred	
Inventory records	Operations				1 year	6 years	Shred	
Investment Portfolio	Treasurer				1 year	Indefinite	Archive	Permanent for research/historical value
Investments, Certificates of Deposit (CD's)	Treasurer				1 year	6 years	Shred	
Job applications	HR				1 year	3 years	Shred	Destroy 3 years after employment decision
Job applications, not hired	HR				2 years	N/A	Shred	Destroy after 2 yrs.
Laboratory Analysis	Treatment Plant				20 years	20 years	Shred	Original to be filed in project file
Laboratory Records	Treatment Plant				15 years	15 years	Shred	
Lease Agreements	Administration				1 year	6 years	Shred	Permanent for research/historical value
Ledgers, General & Journal	Accounting				1 year	Indefinite	Archive	
Legal opinions	Administration				1 year	Indefinite	Archive	
Maintenance work schedules	Operations				2 years	2 years	Toss	
Meter readings	Customer Service				3 years	3 years	Shred	
Motor Vehicle Pulls (DMV)	Safety Tech				1 year	7 years	Shred	
MSDS – Material Safety Data Sheets	Safety Tech				30 years	Indefinite	Archive	
Negotiations, employee	HR				Active	7 years	Archive	Law requires permanent retention
NPDES Permits	Administration				1 year	Indefinite	Archive	
Ordinances	Administration				1 year	Indefinite	Archive	
OSHA logs	HR				1 year	5 years	Shred	
Permits	Administration				1 year	Indefinite	Archive	

REVIEW PERIOD

Records Series (Description)	Responsible		REVIEW PERIOD				Disposal	Notes
	Department	Open/Active	Closed	Open/Active	Closed	Disposal		
Personnel policies/procedures	HR	1 year	10 years	1 year	10 years	Shred		
Policies and Procedures	Administration	1 year	Indefinite	1 year	Indefinite	Archive		
Projects/Construction	Engineering	1 year	Indefinite	1 year	Indefinite	Archive		
Projects/General	Engineering Operations	1 year	Indefinite	1 year	Indefinite	Archive		
Proposals	Engineering Operations	1 year	3 years	1 year	3 years	Toss		
Purchase orders and purchase requisitions	Accounting	1 year	4 years	1 year	4 years	Shred		
Reimbursement Agreements	Accounting	1 year	Indefinite	1 year	Indefinite	Archive		
Reports and Studies	Administration Engineering Operations	1 year	10 years	1 year	10 years	Toss		
Resolutions	Administration	1 year	Indefinite	1 year	Indefinite	Archive		
Retirement plan agreements, amendments & related documents	HR	1 year	Indefinite	1 year	Indefinite	Archive	Permanent for historic value	
Safety meeting records	Safety Tech	1 year	5 years	1 year	5 years	Toss	Dispose when no longer relevant	
Salary & Classification surveys	HR	2 years	N/A	1 year	N/A	Shred	Destroy after 2 years	
Security reports	Safety Tech	1 year	Indefinite	1 year	Indefinite	Archive	Until suspended	
Sewage spills, other agencies	Treatment Plant	6 months	6 months	1 year	6 months	Toss		
Sewage spills, FPUD reports	Treatment Plant	1 year	Indefinite	1 year	Indefinite	Archive		
Sewage spills, misc. correspondence	Treatment Plant	1 year	Indefinite	1 year	Indefinite	Archive		
Telemetry reports	Operations	1 year	10 years	1 year	10 years	Toss		
Tracts/Developer files	Engineering	1 year	Indefinite	1 year	Indefinite	Archive		
Training records	HR							
Underground storage tanks	Operations	1 year	Indefinite	1 year	Indefinite	Archive		
Valve Maintenance	Operations							

REVIEW PERIOD

Records Series (Description)	Responsible Department					
	Open/Active	Closed	Disposal	Notes		
Vehicle & equipment permits, licenses, registration	1 year	1 year	Shred			
Vehicle operating records	1 year	3 years	Toss			
Vendor files, misc. correspondence	1 year	1 year	Shred	Dispose when no longer relevant		
Vouchers, consultants	1 year	Indefinite	Archive			
Wastewater/Recycled daily operations	1 year	5 years	Shred			
Water billings, problem reports	2 years	2 years	Shred			
Water education program files	1 year	5 years	Shred			
Water production (well & pump records)	1 year	5 years	Shred			
Water quality complaints	1 year	6 years	Toss			
Water quality compliance documentation	1 year	10-12 years	Shred			
Will Serve letters	2 years	5 years	Shred			
Work order files	2 years	5 years	Shred			
Workers' compensation files	1 year	6 years	Shred			

***Schedule Information**

1. Records are Open/Active files for at least the period stated as a matter of general practice. After the Open/Active period has passed, to the extent possible, records will be identified to the applicable department for closure recommendations, via electronic records management systems.
2. Records placed in Closed files will be retained for the scheduled period. Notice to the applicable department will be made prior to disposal.

Article 33. Social Media Policy and Procedure

Sec. 33.1 General Purpose.

This Social Media Policy ("Policy") establishes guidelines for the establishment and use by the Fallbrook Public Utility District ("District") of social media sites as a means of conveying information to members of the public. The intended purpose of District social media sites is to disseminate information from the District about the District's mission, meetings, activities, and current issues to members of the public. The District has an overriding interest and expectation in protecting the integrity of the information posted on its social media sites and the content that is attributed to the District and its officials.

Sec. 33.2 Definitions.

The following words and phrases whenever used in these Policies and Procedures shall have the meaning defined in this section:

Sec. 33.2.1 "Social media sites" means content created by individuals, using accessible, expandable, and upgradable publishing technologies, through and on the internet. Examples of social media include, but are not limited to, Facebook, Twitter, Instagram, Blogs, RSS, YouTube, and LinkedIn.

Sec. 33.2.2 "District social media sites" means social media sites which the District establishes and maintains, and over which it has control over all postings, except for advertisements or hyperlinks by the social media site's owners, vendors, or partners. District social media sites shall supplement, and not replace, the District's required notices and standard methods of communication.

Sec. 33.2.3 "Posts" or "postings" means information, articles, pictures, videos or any other form of communication posted on a District social media site.

Sec. 33.3 General Policy.

Sec. 33.3.1 The District's official website at www.fpud.com (or any domain owned by the District) will remain the District's primary means of internet communication.

Sec. 33.3.2 The establishment of District social media sites is subject to approval by the General Manager or his/her designee. Upon approval, District social media sites shall bear the name and/or official logo of the District.

Sec. 33.3.3 Content on District social media sites is subject to oversight by the General Manager's Department.

Sec. 33.3.4 District social media sites shall clearly state that such sites are

maintained by the District and that the sites comply with the District's Social Media Policy.

Sec. 33.3.5 District social media sites shall link back to the District's official website for forms, documents, online services, and other information necessary to conduct business with the District whenever possible.

Sec. 33.3.6 The District's Public Affairs Specialist shall monitor content on District social media sites to ensure adherence to both the District's Social Media Policy and the interest and goals of the District.

Sec. 33.3.7 District social media sites shall be managed consistent with the Brown Act. Members of the District's Board of Directors shall not respond to, "like", "share", retweet, or otherwise participate in any published postings, or use the site or any form of electronic communication to respond to, blog, or engage in serial meetings, or otherwise discuss, deliberate, or express opinions on any issue within the subject matter jurisdiction of the body.

Sec. 33.3.8 The District reserves the right to terminate any District social media site at any time without notice.

Sec. 33.3.9 District social media sites shall comply with usage rules and regulations required by the site provider, including privacy policies.

Sec. 33.3.10 The District's Social Media Policy shall be displayed to users or made available by hyperlink.

Sec. 33.3.11 All District social media sites shall adhere to applicable federal, state, and local laws, regulations, and policies.

Sec. 33.3.12 District social media sites are subject to the California Public Records Act. Any content maintained on a District social media site that is related to District business, including a list of subscribers, posted communication, and communication submitted for posting, may be considered a public record and subject to public disclosure.

Sec. 33.3.13 Employees representing the District on District social media sites shall conduct themselves at all times as a professional representative of the District and in accordance with all District policies.

Sec. 33.3.14 All District social media sites shall utilize authorized District contact information for account set-up, monitoring, and access. The use of personal email accounts or phone numbers by any District employee is not allowed for the purpose of setting-up, monitoring, or accessing a District social media site.

Sec. 33.3.15 District social media sites may contain content, including but not

limited to, advertisements or hyperlinks over which the District has no control. The District does not endorse any hyperlink or advertisement placed on District social media sites by the social media site's owners, vendors, or partners.

Sec. 33.3.16 The District reserves the right to change, modify, or amend all or part of this policy at any time.

Sec. 33.4 Content Guidelines.

Sec. 33.4.1 The content of District social media sites should only pertain to District-sponsored or District-endorsed programs, services, and events. Content includes, but is not limited to, information, photographs, videos, and hyperlinks.

Sec. 33.4.2 Content posted to the District's social media sites must contain hyperlinks directing users back to the District's official website for in-depth information, forms, documents, or online services necessary to conduct business with the Fallbrook Public Utility District, whenever possible.

Sec. 33.4.3 The District shall have full permission or rights to any content posted, including photographs and videos.

Sec. 33.4.4 Any employee authorized to post items on any of the District's social media sites shall review, be familiar with, and comply with the social media site's use policies and terms and conditions.

Sec. 33.4.5 Any employee authorized to post items on any of the District's social media sites shall not express his or her own personal views or concerns through such postings. Instead, postings on any of the District's social media sites by an authorized District employee shall only reflect the views of the District.

Sec. 33.4.6 Postings must contain information that is freely available to the public and not be confidential as defined by any District policy or state or federal law.

Sec. 33.4.7 Postings may NOT contain any personal information, except for the names of employees whose job duties include being available for contact by the public.

Sec. 33.4.8 Postings to District social media sites shall NOT contain any of the following:

Sec. 33.4.8.1 Comments that are not topically related to the particular posting being commented upon;

Sec. 33.4.8.2 Comments in support of, or opposition to, political campaigns, candidates or ballot measures;

Sec. 33.4.8.3 Profane language or content;

Sec. 33.4.8.4 Content that promotes, fosters, or perpetuates discrimination on the basis of race, creed, color, age, religion, gender, marital status, or status with regard to public assistance, national origin, physical or mental disability or sexual orientation, as well as any other category protected by federal, state, or local laws;

Sec. 33.4.8.5 Sexual content or links to sexual content;

Sec. 33.4.8.6 Solicitations of commerce;

Sec. 33.4.8.7 Conduct or encouragement of illegal activity;

Sec. 33.4.8.8 Information that may tend to compromise the safety or security of the public or public systems; or

Sec. 33.4.8.9 Content that violates a legal ownership interest of any other party.

Sec. 33.4.9 These guidelines shall be displayed to users or made available by hyperlink on all District social media sites. Any content removed based on these guidelines must be retained, including the time, date, and identity of the poster, when available.

Sec. 33.4.10 The District reserves the right to implement or remove any functionality of its social media sites, when deemed appropriate by the General Manager or his/her designee. This includes, but is not limited to, information, articles, pictures, videos, or any other form of communication that is posted on a District social media site.

Sec. 33.4.11 Except as expressly provided in this Policy, accessing any social media site shall comply with all applicable District policies pertaining to communications and the use of the internet by employees, including email content.

Sec. 33.4.12 All of the content on District social media sites is subject to oversight by the General Manager's Office. The District reserves the right to change, modify, or amend all or part of this policy at any time.

ARTICLE 33

Adopted in its Entirety – 9/18
