

**CEDARPINES PARK MUTUAL WATER COMPANY
RULES AND REGULATIONS FOR WATER SERVICE
ADOPTED IN 1981 WITH UPDATES THROUGH JUNE 18, 2020.**

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The following are the rules and regulations covering delivery of water to the Shareholders of the Cedarpines Park Mutual Water Company (duly adopted by the Board of Directors of the Company).

Section 1. WATER SERVICE AND TURN-ON PROCEDURE

- 1.1 Shareholders are responsible for all tolls and charges billed on their water service account.
- 1.2 Minimum water service period is 12 consecutive months.
- 1.3 If a meter is removed or disconnected from the water main for less than 12 months, a Shareholder will pay an Installation of Pulled Meter charge per Section 4.95, plus \$24.74 per month to reinstate the meter to active service. 3/19/15
- 1.4 If a meter is removed or disconnected from the water main for 12 months or longer, a Shareholder will pay an Installation of Pulled Meter charge per Section 4.95, plus \$296.88 to reinstate the meter to active service. 3/19/15
- 1.5 If a water meter is pulled from service due to the theft of water, the Shareholder will be charged \$300.00 to re-establish water service and to reinstall the water meter. 3/19/15
- 1.6 Whenever a water meter is pulled from service, the service line will be secured by a plug on both the Shareholder's side and the Company's side of the service line. 3/2/93

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Section 2. SERVICE CONNECTIONS

- 2.1 All service connections are subject to pre-approval by the Board of Directors. An application for a service connection must be made on a form furnished by the Company. The Shareholder shall specify the property to be served. The information supplied by the Shareholder in such application shall be considered as authoritative and final. If any error in such application shall cause the installation of a service connection that is improper either in size or location, the cost of all charges required shall be borne by the Shareholder. When a service connection is installed and the meter is set, the charge for water service shall begin. 3/16/2017
- 2.2 A Water Service Connection fee per Section 4.95/4.96 will be charged for all new service connections, and is payable in advance 11/19/15
- 2.21 Where water service had been disconnected and/or removed due to cancellation of Shares, the fee for service reconnection and/or replacement shall be at the Company's actual cost. Actual cost shall be calculated on a "time and material" basis. Any labor or equipment provided by the Company will be charged at the Company's established rates. An estimate for actual cost shall be provided by the Company, to include a "not to exceed" limit. A deposit in the amount of the estimated cost must be paid in full prior to the work being performed, with any credit balance being refunded upon completion, and any balance due payable prior to service being turned on. 11/19/15
- 2.3 Service connections shall only be installed by persons authorized to do so by the Company, and will be made, if possible, without shutting off the water to any other Shareholder. Service connections will be made, weather permitting, within 6 weeks of the approval of the application and receipt of all funds. 8/20/15
- 2.4 Each residence must be provided with its own service connection.
- 2.5 No Shareholder shall resell any of the water received by him from the Company.
- 2.6 The Company reserves the right to determine the size of the service connection and its location. The Shareholder's pipe to the meter shall not be laid until the service connection is installed.
- 2.7 Every service connection installed by the Company shall be equipped with a curb stop valve for the exclusive use of the Company in controlling the use of water through the meter. If such valve be damaged by the Shareholder to the extent of requiring replacement, the Company may collect the cost of replacement from the Shareholder.
- 2.8 All service connections up to and including the meter installed by the company shall be maintained at its expense, except when damaged by a Shareholder.
- 2.9 Every service connection is required to have a shut-off valve installed on the Shareholder's side of the meter, outside of and immediately adjacent to the meter enclosure. The Shareholder shall be responsible for shutting off and draining the lines on the Shareholder's side of the meter when the property to which water is furnished is unoccupied, and shall bear the expense of any water loss resulting from any plumbing failure on the Shareholder's side of the meter. 8/20/15
- 2.10 No Shareholder, or other person, shall in any way attach, remove, change or connect to any appliance, shut-off valve, fire hydrant etc. on the mains of the Company, nor turn the water off or on from the mains. No person shall break, dig up, obstruct, or injure any pipe or main for conduction of water or any appurtenance or appendages therewith connected. Shareholders shall be responsible for the actions of their tenants, or actions performed by others on behalf of the Shareholder. 3/16/2017

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- 2.11 All water pipes of the Shareholder shall be laid not less than twelve inches under the ground. The Shareholder shall be responsible for the insulation, protection and maintenance of all water pipes on the Shareholder's side of the meter, and shall bear the expense of any water loss resulting from any plumbing failure on the Shareholder's side of the meter. 8/20/15
- 2.12 Shareholders will not be supplied with water for permanently installed swimming pools without prior approval from the Company. Service may be disconnected upon notice from the Company.
- 2.13 Cedarpines Park Mutual Water Company recommends that you do not use the water system as a primary electrical ground on residential and commercial electrical services. The primary ground shall be a driven rod as approved by the San Bernardino County Buildings and Safety Department. 8/23/83

Section 3 NEW FACILITY INSTALLATIONS OTHER THAN SERVICE CONNECTION

- 3.1 Under no circumstances will the Company install water mains and fire hydrants unless streets are well defined in plan and elevation by lot stakes, curb stakes, or visible center line stakes properly set by a registered surveyor.

Section 4 RATES AND BILLINGS.

- 4.1 All Shareholders will be billed assessments at a given rate per share, times the number of shares owned. The amount of the assessments and the time of billing assessments will be determined by the Board of Directors of the Company. 3/2/93
- 4.15 In lieu of yearly assessments on each share, the Board of Directors may bill each account an annual Membership Fee (per Sect-4.95). The amount of the Membership Fee and the time of billing will be determined by the Board. 7/11/95
- 4.2 Meter and Consumption charges (per sect-4.95), shall be billed bimonthly. Meters shall be read bimonthly weather permitting. 8/20/15
- 4.23 Bills are prepared and mailed the first week of the bi-monthly billing cycle (January, March, May, July, September and November). Bills are due on the last day of the same billing month and are considered delinquent the next day thereafter. Any accounts with an outstanding balance after the last day of the billing month shall have a 10% delinquency charge applied. If an account becomes delinquent, a 10% delinquency fee will be added to the balance owed and a delinquent notice will be mailed 1-day following the due date, stating a specified date by which to pay the total delinquent bill to avoid service disconnection. The water meter will be shut off and locked after 60-days of non-payment from the DUE DATE. A 5-day (120-hr) Disconnection Notice will be posted prior to service disconnection and a Hanger Posting Fee per Section 4.95 will be charged to the Shareholder's account. If the delinquent balance is not paid by the specified date, service will be terminated and a Shut-Off Notice will be posted. Upon termination of service, a Service Shut-Off fee will be charged per Section 4.95. The account must be paid in full before service is restored. For service restoration during non-operational hours, a Call-Out Fee will be charged per Section 4.95. The water meter will be removed at Shareholder's expense after eight (8) consecutive months of non-payment. Membership (and shares) will be cancelled after 12 months

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- of non-payment. Shares Membership (and shares) on accounts without water service (99 accounts) will also be cancelled after 12-months of non-payment. 6/18/2020
- 4.24 If a Shareholder anticipates an inability to pay any future fees or charges due to a prolonged absence (e.g. military deployment, extended hospital stay, etc.), the Shareholder must make arrangements for payment and/or discontinuation of service prior to the fees or charges becoming due. Upon request of the Shareholder prior to share cancellation, and upon approval of the Board, cancellation of shares may be delayed for extenuating circumstances. 1/17/2019
- 4.25 When the company repairs or replaces a water meter that is not registering consumption, the Shareholder will be billed for the estimated consumption. Estimated consumption will be based on the Shareholder's average bimonthly consumption as calculated by the Company, multiplied by the number of billing periods the meter was not registering, upon Board approval. 8/20/15
- 4.3 Shareholders shall be responsible for all charges. As a courtesy to Shareholders, tenants will be billed after the Company receives written notification from the Shareholder and a copy of the lease agreement specifying water service is to be billed to the tenant. All charges not paid by the tenant will be billed to and paid by the Shareholder. The Shareholder will receive a copy of delinquent notice sent to a tenant for nonpayment of any charges. 3/19/15
- 4.32 When a Shareholder requests termination of water service to his or her property, and our Company records indicate that the property is occupied by a tenant, the Company will terminate the service subject to the following conditions and procedures:
- (1) The Shareholder/Landlord will be advised that Civil Code Section 789.3 prohibits a Landlord from terminating water service with the intent of forcing the tenant's departure.
 - (2) The Shareholder/Landlord shall sign an acknowledgement that he or she has been advised of item 1.
 - (3) The Shareholder/Landlord shall pay all outstanding Company charges and shall deposit with the Company a specified turn off charge and any other charges due to termination of service.
 - (4) The Shareholder's property will be posted with a 48-hour notice of water service termination, and a reasonable attempt to contact an adult person at the Shareholder's property will be made by phone or personal contact.
 - (5) After the passing of 48 hours, the water service will be terminated. 9/10/91
- 4.35 All charges on the Shareholder's account must be paid in full before a tenant can be added, or any changes can be made to a Shareholder's account. The Shareholder is ultimately responsible for all charges on the account if unpaid by tenant. 8/20/15
- 4.4 (Deleted – Incorporated into Sect-4.23). 3/16/2017
- 4.5 (Deleted – Incorporated into Sect-4.23). 6/18/2020
- 4.55 Only a Shareholder can request the reinstatement of water service once terminated. The request must be made in writing or in person only. Service will only be reinstated or turned on during normal Company business hours. 3/16/2017
- 4.58 Shareholders who are repeatedly posted with a 5-day Disconnection Notice before they pay their delinquent bill are subject to a Hanger Posting Fee per Sect-4.95. The fee will not be charged for the first posting of a Shareholder each fiscal year. However, the Shareholder will be notified of the posting fee for each additional posting that Shareholder may have during the remainder of the current fiscal year. The posting cycle will start May 1st and end April 30th of each fiscal year.
- 4.6 To contest the consumption on a water bill, you must submit your inquiry in writing and make an appointment to discuss the billing with the General Manager or a designee, in person or by phone, within 15-days of the billing date. 3/2/93

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- 4.7 To contest any billing other than for consumption, you must submit your inquiry in writing and make an appointment with the Office Manager or a designee, in person or by phone, not less than 5-days prior to the payment due date. 8/20/15
- 4.8 Whenever the correctness of any bill is questioned, the Company will cause an investigation to be made. Bills reflecting clerical or meter errors shall be adjusted, taking into consideration the volume of business, seasonal demands, and any other factors that may assist in determining an equitable charge. 8/20/15
- 4.9 If a Shareholder is unable to pay a bill in full, a payment agreement can be requested for a term of up to 12-months. Once an agreement is signed, payments must be received as specified in the agreement for the delinquent amount, and all current bills must be paid in full upon receipt. If a payment is missed, the Shareholder’s house will be posted with a 5-Day Disconnection Notice. If the missed payment is not received within 5-days of the posting, the water service will be terminated and the payment agreement becomes void. The delinquent account must be paid in full before service will be reinstated. Only cash, cashier’s check or money order will be accepted. 6/18/2020
- 4.91 All approved rates of the Cedarpines Park Mutual Water Company are subject to review and change at the sole discretion of its Board of Directors. 3/2/93
- 4.92 The Board may grant a onetime per Shareholder, per account reduction of a consumption charge due to a verified plumbing failure. 8/20/15
 All requests for reduction must be submitted to, and approved by the Board of Directors. Upon approval, the Shareholder will be charged for historical consumption as determined by the Company, at the current retail tiered rate. The Shareholder will also be charged for all consumption determined to be lost as a result of the plumbing failure, at the current base rate (lowest tier). 11/18/10
 Each request shall be individually evaluated by The Board of Directors, and will be approved/denied at its sole discretion based on the facts and circumstances relevant to the request. General requirements for an approval would include, but not be limited to:
 a) The loss must be the result of a plumbing failure that has been verified by the Company.
 b) The property must have a shut-off valve installed on the Shareholder’s side of the meter that has been verified by the Company.
 c) The property must have been occupied or otherwise attended to, unless the water had been shut off.
 d) The loss must not be the result of unprotected or uninsulated pipes or plumbing.
 e) The loss must not be the result of inadequate maintenance to the plumbing system, fixtures or faucets.
 f) Shareholder must not have knowingly violated, or be in violation of Company Rules and Regulations, policies and/or procedures.

The request for reduction must be submitted within 90-days of the failure being verified by the Company. 12/16/10

4.95 RATES, FEES AND CHARGES (2/20/2020):

BI-MONTHLY SERVICE CHARGES:

	Beginning May 1 st					
	Current	2020	2021	2022	2023	2024
Meter Charge	\$49.48	\$52.20	\$55.07	\$57.55	\$60.14	\$62.55
% increase	-	5.5%	5.5%	4.5%	4.5%	4.0%

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Beginning May 1 st						
	Current	2020	2021	2022	2023	2024
Membership Fee	\$273.48	\$288.54	\$304.38	\$318.06	\$332.40	\$345.72
(*Bimonthly)	\$45.58	\$48.09	\$50.73	\$53.01	\$55.40	\$57.62
% increase	-	5.5%	5.5%	4.5%	4.5%	4.0%

* Membership is an annual fee paid in advance. Bimonthly values are shown for those that have elected to amortize the annual fee on a bimonthly basis.

WATER CONSUMPTION CHARGES PER CUBIC FOOT

Beginning May 1 st							
		Current	2020	2021	2022	2023	2024
Tier-1	< 601	\$0.087	\$0.092	\$0.097	\$0.101	\$0.106	\$0.110
Tier-2	601-1400	\$0.103	\$0.109	\$0.115	\$0.120	\$0.125	\$0.130
Tier-3	>1400	\$0.129	\$0.136	\$0.144	\$0.150	\$0.157	\$0.163
% increase		-	5.5%	5.5%	4.5%	4.5%	4.0%

CONNECTION FEES

- WILL SERVE LETTER: \$ 100.00
- FIRE FLOW LETTER: \$ 500.00
- NEW WATER SERVICE CONNECTION FEE: \$10,000.00

WATER SHARE PURCHASE

- MEMBERS ARE REQUIRED TO HAVE ONE (1) SHARE FOR EVERY 3000 SQ-FOOT
- COST PER SHARE: \$ 500.00
- SHARE CERTIFICATE TRANSFER FEE: \$ 20.00

CONSTRUCTION WATER RATES

- HYDRANT METER DEPOSIT: \$ 750.00
- HYDRANT METER SET-UP FEE: \$ 70.00
- CONSUMPTION CHARGE PER CUBIC FOOT: \$ 0.23

MISCELLANEOUS CHARGES

- FIRE SPRINKLER USAGE RATE PER CUBIC FOOT: \$ (standard rates apply)
- RETURNED CHECK CHARGE: \$ 30.00
- LATE PAYMENT CHARGE: (10% OF UNPAID BALANCE)
- SERVICE SHUT-OFF/TURN-ON FEE: \$ 25.00
- PULLED METER FOR DELINQUENT ACCOUNT: \$ 50.00
- INSTALLATION OF PULLED METER: \$ 50.00
- WATER THEFT PULLED METER: \$ 300.00
- RE-READ METER, CUSTOMER REQUEST: \$ 25.00
(NO COST FOR RE-READ IF METER WAS MISREAD)
- TENANT'S INITIAL READ: \$ 25.00
- ESCROW RESEARCH FEE: \$ 150.00
- BLOCKED METER FEE: \$ 50.00
- HANGER POSTING FEE: \$ 25.00
- CUSTOMER CALL-OUT FEE: \$ 25.00

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4.96 FEE SCHEDULE FOR NEW SERVICE CONNECTION: (11/19/2015)

The following schedule shall apply for all new Water Service Connections, where the account shares have been held for a continuous period of:

0 to 5 years:	100% of current Water Service Connection Fee.
>5 to 10 years:	80% of current Water Service Connection Fee.
>10 to 15 years:	70% of current Water Service Connection Fee.
>15 to 20 years:	60% of current Water Service Connection Fee.
>20 years:	50% of current Water Service Connection Fee.

- a) This fee schedule applies to the new Water Service Connection Fee only. Additional costs associated with providing water service may apply.
- b) "Continuous period" is defined as a period where active share status has gone uninterrupted; beginning the date of current share issuance/transfer, to the date when Application for Water Service has been accepted.
- c) The "continuous period" shall be extended to, and this fee schedule transferrable to, a succeeding owner of the affected account property, but in such cases shall only apply beginning the date of share issuance/transfer to the most recent preceding owner.
- d) This fee schedule is non-transferrable to the owner of property that has been sub-divided from existing account property, and in such cases shall only apply beginning the date where division of property last occurred.
- e) Service shall not be provided to an account that is not in good standing.

4.97 FEE SCHEDULE FOR SHARES ON CONTIGUOUS PROPERTY (11/19/2015)

The following schedule shall apply for all acquisitions of property contiguous to existing account property, where the account shares have been held for a continuous period of:

0 to 5 years:	100% of current Share cost.
>5 to 10 years:	80% of current Share cost.
>10 to 15 years:	70% of current Share cost.
>15 to 20 years:	60% of current Share cost.
>20 years:	50% of current Share cost.

- a. This fee schedule applies to the cost of Water Share purchase only.
- b. "Continuous period" is defined as a period where active share status has gone uninterrupted; beginning the date of current share issuance/transfer, to the date when the contiguous property was acquired.
- c. This fee schedule is non-transferrable to any succeeding owner of the affected account property, and shall only apply beginning the date of current share issuance/transfer.
- d. Contiguous Property is defined as any property that shares at least one dimensional boundary with another property of common ownership, where said boundary represents no legal obstacle that prohibits servicing all subject properties contiguously, with a single service connection.

4.99 The Company will accept cash, checks, or money orders for payment on account. Rolled coins will be accepted up to a limit of \$20. Coins must be rolled in standardized increments and the following must be printed on each roll:

1. Customer Name
2. Customer Address

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3. Customer Phone Number

4. Customer Account Number

Rolled coins that do not contain the above information will not be accepted. 01/31/12

SECTION 5 MAINTENANCE, TESTING, AND INSPECTION OF WATER SYSTEM.

- 5.1 The Company reserves the right at any and all times to shut off the water for repairing, extending, or altering, etc., of the water mains. When the water supply is to be shut off for any of the above reasons, the Company will make reasonable effort to deliver a notice of shut off to the Shareholder or to some responsible interested person on the premises, but it does not assume any liability for the failure of the Shareholder to receive or understand such notice.
- 5.2 The Company assumes no responsibility for the maintenance and operation of the water system on the Shareholder's side of the meter.
- 5.3 Authorized employees of the Company shall have the right of entry and access, at reasonable times, to read meters and service the system.
- 5.4 A Shareholder may request a field test of his/her water meter if he/she feels the meter is inaccurate. There is no charge for the field test. The Shareholder or his/her authorized agent must be present at the test. If the Shareholder disagrees with the field test, a bench test may be requested. The cost of the certified bench test will be at Shareholder's expense if meter is found to be accurate. If the meter is found to be inaccurate, the Company will pay all testing costs and replace the meter with a new meter at the Company's expense. 8/20/15

SECTION 6 VIOLATIONS AND ENFORCEMENT.

- 6.1 Failure to comply with any of the Rules and Regulations and By-Laws of the Company may result in shutting off of the water supply to any such consumer, and a Turn-On Fee per Section 4.95 will be charged to turn on the water again after the default has been remedied. 8/20/15
- 6.2 Failure of any Shareholder to keep the water meter clear and accessible (such as a vehicle on or material piled on) will result in a Blocked Meter Fee per Section 4.95, to be paid by the Shareholder. The water meter must be readily available to the Company at all times. 3/19/15
- 6.3 A Service Shut-Off Fee per Section-4.95 will be levied on Shareholders whose water we turn off at the meter because of broken lines or unsupervised free running water. 3/19/15
- 6.4 If we are notified by our bank that a customer's check has not cleared, the customer's account will be charged a Returned Check Fee per Section-4.95. Shareholder will be notified of the charges. 3/19/15

SECTION 7 USE OF WATER.

- 7.1 No water furnished by the Company shall be used for commercial agricultural irrigation, road construction, or dust control without the prior written consent of the Company. 8/20/15
- 7.2 To prevent the waste and unreasonable use of water, and to promote water conservation, each of the following actions shall be prohibited: (8/20/15)
 - (a) The application of potable water to outdoor landscapes in a manner that causes runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures.

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(b) The use of a hose that dispenses potable water to wash a motor vehicle, trailer, boat, or equipment except where the hose is fitted with a shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use.

(c) The use of potable water in a fountain or other decorative water feature, except where the water is part of a recirculating system.

- 7.3 Any Shareholder found to be in violation of this section shall in the first instance receive written notice of violation and order to desist, shall subsequently have a penalty of \$50 imposed for each instance thereafter, and in case of willful and repeated violations may have their water service suspended indefinitely, at the discretion of the Board of Directors.

SECTION 8 ADDRESS CHANGES AND PROPERTY TRANSFERS.

- 8.1 ALL SHAREHOLDERS MUST NOTIFY THE COMPANY OFFICE OF ANY CHANGE IN OWNERSHIP OR ADDRESS IMMEDIATELY.
- 8.2 When the Company becomes aware that a property is transferring, the property in question will be reviewed to determine if it has the correct number of shares as stated in the By-Laws, and an Escrow Research Fee (per Sect-4.95) will be charged. The charge will apply regardless of whether or not an escrow company is used in the transfer of the property. If the escrow or transfer of property does not complete, the charge will be placed on the Shareholder's account. If the account does not have the correct number of shares, additional shares must be purchased before a transfer of water shares is completed. 3/16/2017
- 8.3 If after 90 days from when the Company becomes aware of close of escrow or transfer of property, a transfer of water shares has not completed, a \$50.00 penalty fee will be levied on the account and water service will be suspended to the property after a 48-hour Notice is posted. All fees must be paid prior to the transfer of water shares and restoration of service. 3/16/2017
- 8.4 *(Deleted – Incorporated into Sect-8.3) 3/16/2017*
- 8.5 When a credit balance on the Sellers account exists, and escrow has been notified of that balance, the Company will apply the credit to the Buyers account or issue a refund to the Seller, as per the escrow instructions. If escrow has not been notified of the credit balance, or there has otherwise been no instructions provided by escrow, a refund will be issued to the Seller upon review by the Board of Directors. 8/20/15

SECTION 9 CHARGES AND LIENS ON SHARES.

- 9.1 Failure to comply with any of the By-Laws or water service Rules and Regulations may cause the cancellation of membership shares and/or the right to use water from the Company's system. Shareholders whose shares are subject to cancellation will be notified in writing 30 days prior to the cancellation. 11/19/15
- 9.2 Before cancellation, Shareholders are entitled to contest the cancellation, orally or in writing, no less than 5 days prior to the effective cancellation date, before the General Manager or designee. The contested shares will be brought before the Board at the next regularly scheduled Board meeting. 3/16/2017
- 9.3 Once cancelled by the Board, Shareholders may redeem their shares by paying outstanding balances plus a specified reinstatement fee within 30 days of cancellation. Said charges shall be paid by a cashier's check, money order, or in cash. After 30 days from cancellation, the property owner may purchase, if available, new shares at the current price and pay any appurtenant charges. 11/19/15

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- 9.4 When shares are cancelled on a metered account, the water service will be terminated the same day the shares are canceled. The water meter shall be removed and service line to the property capped within 35 days of cancellation. After water service is terminated, the property owner may reestablish service only after purchasing new shares and paying any appurtenant reconnection fees. 11/19/15

SECTION 10 HYDRANT FLOW AND WILL SERVE REPORTS.

- 10.1 Upon written request and the payment of current non-refundable fee, a Hydrant Flow Report will be issued for a specified property in Cedarpines Park and sent to the property owner. 3/2/93
- 10.2 Will Serve Reports will only be issued for properties that have the correct number of water shares, in good standing, with no delinquent balances, and where water service is available. All Will Serve Reports are subject to approval by the Board of Directors prior to issuance. 03/16/2017

SECTION 11 POLICY FOR THE REVIEW OF SQUARE FOOTAGE CALCULATIONS.

- 11.1 If a Shareholder disputes the square footage of a lot as calculated by the Company using the County Assessor's maps/data, the Shareholder must (1) request a review in writing, (2) submit the most current and accurate legal description of the lot in question, and (3) provide written evidence showing what the Shareholder believes to be the correct square footage calculations. Upon receipt of these three items, the Company will proceed with an internal review of the calculations. 8/20/15
- 11.2 If requested by the Shareholder, an independent review/survey of the lot will be performed by the Company's engineering firm. The results will be sent to both parties and reviewed by Cedarpines Park Mutual Water Company personnel. 8/20/15
- 11.3 If the engineer's calculations reaffirm the number of shares as calculated by the Company, or if they indicate the need for additional shares, the Shareholder requesting the review will be liable for the engineering costs. 8/20/15
- 11.4 If the engineer's calculations justify fewer shares than was calculated by the Company, the Company will incur the engineering costs. 8/20/15
- 11.5 If the Shareholder needs fewer shares, the Company will (1) issue a new water share certificate with the correct number of shares to the Shareholder, (2) and either provide a refund, or credit the Shareholder's account for the price actually paid for the share(s), if any, by the current Shareholder only. The Company will not refund or credit past assessments or previous Shareholders on the shares in question. 8/20/15
- 11.6 If the Shareholder needs more shares, the company will provide a share application for the Shareholder informing him of the cost of the shares. The Shareholder must then sign the application and return it with a check for the appropriate amount within 30 days to the Company. Upon receipt of these two items, the Company will issue a new share certificate with the correct number of shares. 8/20/15

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SECTION 12 CROSS CONNECTION CONTROL PROGRAM.

The Board of Directors of the Cedarpines Park Mutual Water Company hereby adopts Section 12 of the Rules and Regulations instituting a cross-connection control program to protect the Shareholder's water supply.

SECTION I – PURPOSE

The purpose of this regulation is to protect the public water supply system from contamination due to potential and actual cross-connections. This shall be accomplished as required by State regulations. This regulation is adopted pursuant to Title 17, Sections 7586-7605, inclusive, of the California Code of Regulations, entitled "Regulations Relating to Cross-Connections".

SECTION II – RESPONSIBILITY

The General Manager shall be responsible for implementing and enforcing the cross-connection control program. An appropriate backflow prevention assembly shall be installed by and at the expense of the water user at each user connection where required to prevent backflow from the water user's premises to the domestic water system. It shall be the water user's responsibility to comply with the Cedarpines Park Mutual Water Company's requirements.

SECTION III – CROSS-CONNECTION PROTECTION REQUIREMENTS

The type of protection that shall be provided to prevent back flow into the public water supply system shall be commensurate with the degree of hazard, actual or potential, that exists on the water user's premises. Unprotected cross-connections with the public water supply are prohibited. The type of backflow prevention assembly that may be required (listed in decreasing level of protection includes: Air-gap separation (AG), Reduced Pressure Principle Backflow Prevention Assembly (RP), and a Double Check Valve Assembly (DC). The water user may choose a higher level of protection than required by the water supplier. The minimum types of backflow protection required to protect the approved water supply at the user's water connection to premises with vary degrees of hazard are in Table 1 of Section 7604, title 17. Situations which were not covered in Table 1 shall be evaluated on a case-by-case basis and the appropriate backflow protection shall be determined by the water supplier or health agency.

SECTION IV – BACKFLOW PREVENTION ASSEMBLIES

Only backflow prevention assemblies which have been approved by the Cedarpines Park Mutual Water Company shall be acceptable for installation by a water user. A list of approved backflow prevention assemblies will be provided upon request to any affected customer. Backflow prevention assemblies shall be installed in a manner prescribed in Section 7603, Title 17. Location of the assemblies shall be as close as practical to the user's connection. The Cedarpines Park Mutual Water company shall have the final authority in determining the required location of a backflow prevention assembly.

Testing of backflow assemblies shall be conducted only by qualified testers and testing will be the responsibility of the water user. Backflow prevention assemblies must be tested annually and immediately after installation, relocation or repair. More frequent testing may be required if deemed necessary by the Cedarpines Park Mutual Water Company. No assembly shall be placed in service unless it is functioning as required. These assemblies

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shall be serviced, overhauled or replaced whenever they are found to be defective and all costs of testing, repair, and maintenance shall be borne by the water user. Approval must be obtained from the Cedarpines Park Mutual Water Company prior to removing, relocating or replacing a backflow prevention assembly.

SECTION 12 CROSS CONNECTION CONTROL PROGRAM (continued).

SECTION V – ADMINISTRATION

The cross-connection control program shall be administered by the General Manager. The Cedarpines Park Mutual Water Company will establish and maintain a list of approved backflow prevention assembly testers. The Cedarpines Park Mutual Water Company shall conduct necessary surveys of water user's premises to evaluate the degree of potential health hazards. The Cedarpines Park Mutual Water Company shall notify users when an assembly needs to be tested. The notice shall contain the date when the test must be completed.

SECTION VI – WATER SERVICE TERMINATION

When the Cedarpines Park Mutual Water Company encounters water users that represent a clear and immediate hazard to the potable water supply that cannot be immediately abated, the procedure for terminating water service will be instituted. Conditions of water users that create a basis for water service termination shall include, but are not limited to the following:

1. Refusal to install or to test a backflow prevention assembly, or to repair or replace a faulty backflow prevention assembly.
2. Direct or indirect connection between the public water system and a sewer line.
3. Unprotected direct or indirect connection between the public water system and a system or equipment containing contaminants.
4. Unprotected direct or indirect connection between the public water system and an auxiliary water system.

For condition 1, the Cedarpines Park Mutual Water Company will terminate service to water user's premises after proper notification has been sent. If no action is taken within the allowed time period water service shall be terminated.

For conditions 2, 3, or 4, the Cedarpines Park Mutual Water Company shall take the following steps:

1. Make reasonable effort to advise the water user of intent to terminate water service.
2. Terminate water service and lock service valve. The water service shall remain inactive until corrections of violations have been approved by Cedarpines Park Mutual Water Company.

SECTION VII – EFFECTIVE DATE

This regulation shall supersede all previous cross-connection control ordinances and shall take effect thirty (30) days from the date of its adoption. Before the expiration of fifteen (15) days after its adoption this regulation will be mailed to all Shareholders of record as of the date of adoption.

Board of Directors Cedarpines Park Mutual Water Company
Duly signed by the Board of Directors September 20, 1988 as follows:

Tom Sutton, President
M.Clark Fisher, Director
Walter Kunsek, absent

Gary Remmers, Vice-President
Theresa Jiminez, Director

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NOTE: This publication is meant to be an aid to the staff of the CDPH Drinking Water Program and cannot be relied upon by the regulated community as the State of California's representation of the law. The published codes are the only official representation of the law. Refer to the published codes—in this case, 17 CCR and 22 CCR—whenever specific citations are required. Statutes related to CDPH's drinking water-related activities are in the Health & Safety Code, the Water Code, and other codes.

TITLE 17 CODE OF REGULATIONS
DIVISION 1. STATE DEPARTMENT OF HEALTH SERVICES
CHAPTER 5. SANITATION (ENVIRONMENTAL)
SUBCHAPTER 1. ENGINEERING (SANITARY)
GROUP 4. DRINKING WATER SUPPLIES

Article 1. General

§7583. Definitions.

In addition to the definitions in Section 4010.1¹ of the Health and Safety Code, the following terms are defined for the purpose of this Chapter:

(a) "Approved Water Supply" is a water supply whose potability is regulated by a State of local health agency.

(b) "Auxiliary Water Supply" is any water supply other than that received from a public water system.

(c) "Air-gap Separation (AG)" is a physical break between the supply line and a receiving vessel.

(d) "AWWA Standard" is an official standard developed and approved by the American Water Works Association (AWWA).

(e) "Cross-Connection" is an unprotected actual or potential connection between a potable water system used to supply water for drinking purposes and any source or system containing unapproved water or a substance that is not or cannot be approved as safe, wholesome, and potable. By-pass arrangements, jumper connections, removable sections, swivel or changeover devices, or other devices through which backflow could occur, shall be considered to be cross-connections.

(f) "Double Check Valve Assembly (DC)" is an assembly of at least two independently acting check valves including tightly closing shut-off valves on each side of the check valve assembly and test cocks available for testing the watertightness of each check valve.

(g) "Health Agency" means the California Department of Health Services, or the local health officer with respect to a small water system.

(h) "Local Health Agency" means the county or city health authority.

(i) "Reclaimed Water" is a wastewater which as a result of treatment is suitable for uses other than potable use.

¹ Section 4010.1 has been recodified to 116275.

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(j) "Reduced Pressure Principle Backflow Prevention Device (RP)" is a backflow preventer incorporating not less than two check valves, an automatically operated differential relief valve located between the two check valves, a tightly closing shut-off valve on each side of the check valve assembly, and equipped with necessary test cocks for testing.

(k) "User Connection" is the point of connection of a user's piping to the water supplier's facilities.

(l) "Water Supplier" is the person who owns or operates the public water system.

(m) "Water User" is any person obtaining water from a public water supply.

§7584. Responsibility and scope of program.

The water supplier shall protect the public water supply from contamination by implementation of a cross-connection control program. The program, or any portion thereof, may be implemented directly by the water supplier or by means of a contract with the local health agency, or with another agency approved by the health agency. The water supplier's cross-connection control program shall for the purpose of addressing the requirements of Sections 7585 through 7605 include, but not be limited to, the following elements:

(a) The adoption of operating rules or ordinances to implement the cross-connection program.

(b) The conducting of surveys to identify water user premises where cross-connections are likely to occur,

(c) The provisions of backflow protection by the water user at the user's connection or within the user's premises or both,

(d) The provision of at least one person trained in cross-connection control to carry out the cross-connection program,

(e) The establishment of a procedure or system for testing backflow preventers, and

(f) The maintenance of records of locations, tests, and repairs of backflow preventers.

§7585. Evaluation of hazard.

The water supplier 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 water supplier, 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

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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 water supplier and is approved by the health agency.

(c) Premises that have internal cross-connections that are not abated to the satisfaction of the water supplier or the health agency.

(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 re-established.

§7586. User supervisor.

The health agency and water supplier may, at their discretion, require an industrial water user to designate a user supervisor when the water user's premises has a multipiping system that convey various types of fluids, some of which may be hazardous and where changes in the piping system are frequently made. The user supervisor shall be responsible for the avoidance of cross-connections during the installation, operation and maintenance of the water user's pipelines and equipment.

Article 2. Protection of Water System

§7601. Approval of backflow preventers.

Backflow preventers required by this Chapter shall have passed laboratory and field evaluation tests performed by a recognized testing organization which has demonstrated their competency to perform such tests to the Department.

§7602. Construction of backflow preventers.

(a) Air-gap Separation. An Air-gap separation (AG) shall be at least double the diameter of the supply pipe, measured vertically from the flood rim of the receiving vessel to the supply pipe; however, in no case shall this separation be less than one inch.

(b) Double Check Valve Assembly. A required double check valve assembly (DC) shall, as a minimum, conform to the AWWA Standard C506-78 (R83) adopted on January 28, 1978 for Double Check Valve Type Backflow Preventive Devices which is herein incorporated by reference.

(c) Reduced Pressure Principle Backflow Prevention Device. A required reduced pressure principle backflow prevention device (RP) shall, as a minimum, conform to the AWWA Standard C506-78 (R83) adopted on January 28, 1978 for Reduced Pressure Principle Type Backflow Prevention Devices which is herein incorporated by reference.

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§7603. Location of backflow preventers.

(a) Air-gap Separation. An air-gap separation shall be located as close as practical to the user's connection and all piping between the user's connection and the receiving tank shall be entirely visible unless otherwise approved in writing by the water supplier and the health agency.

(b) Double Check Valve Assembly. A double check valve assembly shall be located as close as practical to the user's connection and shall be installed above grade, if possible, and in a manner where it is readily accessible for testing and maintenance.

(c) Reduced Pressure Principle Backflow Prevention Device. A reduced pressure principle backflow prevention device shall be located as close as practical to the user's connection and shall be installed a minimum of twelve inches (12") above grade and not more than thirty-six inches (36") above grade measured from the bottom of the device and with a minimum of twelve inches (12") side clearance.

§7604. Type of protection required.

The type of protection that shall be provided to prevent backflow into the public water supply shall be commensurate with the degree of hazard that exists on the consumer's premises. The type of protective device that may 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 water user may choose a higher level of protection than required by the water supplier. The minimum types of backflow protection required to protect the public water supply, at the water user's connection to premises with various degrees of hazard, are given in Table 1. Situations not covered in Table 1 shall be evaluated on a case-by-case basis and the appropriate backflow protection shall be determined by the water supplier or health agency.

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TABLE 1
TYPE OF BACKFLOW PROTECTION REQUIRED

Degree of Hazard	Minimum Type of Backflow Prevention
(a) Sewage and Hazardous Substances	
(1) 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 health agency and water supplier.	AG
(2) 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 health agency and water supplier.	AG
(3) Premises where there are irrigation systems into which fertilizers, herbicides, or pesticides are, or can be, injected.	RP
(b) Auxiliary Water Supplies	
(1) 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 health agency and water supplier	AG
(2) Premises where there is an unapproved auxiliary RP water supply and there are no interconnections with the public water system. A DC may be provided in lieu of a RP if approved by the health agency and water supplier.	RP
(c) Recycled water	
(1) Premises where the public water system is used to supplement the recycled water supply.	AG
(2) Premises where recycled water is used, other than as allowed in paragraph (3), and there is no interconnection with the potable water system.	RP
(3) Residences using recycled water for landscape irrigation as part of an approved dual plumbed use area established pursuant to sections 60313 through 60316 unless the recycled water supplier obtains approval of the local public water supplier, or the Department if the water supplier 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 pursuant to subsection 60316(a).	DC
(d) Fire Protection Systems	
(1) 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).	DC
(2) 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 health agency and water supplier.	AG

*Last updated March 10, 2010—from Titles 17 and 22 California Code of Regulations
 California Regulations Related to Drinking Water*

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| (3) Premises where the fire system is supplied from the public water system and where either elevated storage tanks or fire pumps which take suction from private reservoirs or tanks are used. | DC |
| (4) 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. | DC |
| (e) Dockside Watering Points and Marine Facilities | |
| (1) Pier hydrants for supplying water to vessels for any purpose. | RP |
| (2) Premises where there are marine facilities. | RP |
| (f) 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 do not exist. | RP |
| (g) Premises where there is a repeated history of cross-connections being established or re-established. | RP |

§7605. Testing and maintenance of backflow preventers.

- (a) The water supplier shall assure that adequate maintenance and periodic testing are provided by the water user to ensure their proper operation.
- (b) Backflow preventers shall be tested by persons who have demonstrated their competency in testing of these devices to the water supplier or health agency.
- (c) Backflow preventers shall be tested at least annually or more frequently if determined to be necessary by the health agency or water supplier. When devices are found to be defective, they shall be repaired or replaced in accordance with the provisions of this Chapter.
- (d) Backflow preventers shall be tested immediately after they are installed, relocated or repaired and not placed in service unless they are functioning as required.
- (e) The water supplier shall notify the water user when testing of backflow preventers is needed. The notice shall contain the date when the test must be completed.
- (f) Reports of testing and maintenance shall be maintained by the water supplier for a minimum of three years.