

BLUE LAKE SPRINGS MUTUAL WATER COMPANY

RULES AND REGULATIONS

1. SERVICE APPLICATION:

Application for water service is to be made in the water company office (209-795-7025) at the time the building permit is issued.

2. SPECIFICATIONS FOR CONNECTIONS:

All new service connections are to conform to BLSMWC uniform water service connections as per the current drawing.

3. CONNECTION FEES:

A fee for the service connection and installation shall be paid with the application in accordance with the fee schedule in effect at the time of application.

4. BARE LOT/NEW CABIN:

A prorated credit will be made for the already paid bare lot fee where there is a new cabin connection. Water rates for cabins will be billed at a prorata of the current year's rate, starting with the first of the month following date of connection.

5. ADDITIONAL WATER USAGE (*sprinklers, drip systems, hot tubs, spas, etc.*):

Application must be made to BLSMWC for installation of a sprinkler system, drip system, hot tub or spa. Submission of detailed plans is required for approval by the Manager prior to installation to make sure the system has properly designed backflow protection. Water consumed shall be billed in accordance with the fee schedule currently in effect.

6. DELINQUENCY:

The Annual Lot and Residential Fees are due and payable upon receipt. Fees become delinquent if not paid by February 15 of the year in which they are billed and will incur the late fee in effect at the time; interest per annum at the current rate in effect will accrue on unpaid balances after March 15; liens will be filed on April 15. The metered water billing is due upon receipt and delinquent 30 days thereafter.

Notice is given to shareholders that the Board of Directors may avail itself of its rights, under California law and BLSMWC governing documents, to withhold water service on any lot where there is a delinquency. This means that before a lot with a delinquency can be served water, all delinquent water fees will have to be paid in full. The Board of Directors also reserves the right to sue for delinquent fees and/or record liens against delinquent property, in addition to the rights stated above.

7. PENALTIES FOR WATER LOSS:

~~When an accidental break occurs on a shareholder's premises, it must be reported immediately, so that the water loss can be stopped quickly.~~

The shareholder shall be responsible for payment of any water loss, including all costs incurred by BLSMWC in connection with the break. A penalty of \$100 may be assessed in addition to the charge for water loss, if not reported immediately.

If water is allowed to run in a wasteful manner on a shareholder's premises for any other reason, whether as a result of carelessness, negligence or intentionally in an effort to prevent freezing, a penalty of \$100 will be assessed in addition to the charge for water loss.

A second violation of either an unreported break or of wasteful use will be cause for water shut-off and a penalty of \$200 will be assessed in addition to the charge for water loss. Both the penalty and water loss charge must be paid before service will be restored.

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8. HIGH PRESSURE POLICY:

All owners shall be required to accept such conditions of water pressure and service as are provided by the distribution system at the point of connection, and Blue Lake Springs Mutual Water Company shall not be liable for any damage arising from high or low water pressure.

Additionally, the service shall be equipped by the owner with a pressure regulator. The regulator shall be installed, owned, and maintained by the owner and at owner's expense. The regulator shall be on the owner's side of the service.

9. SEPTIC SYSTEMS:

The septic tank or leach field shall not be installed closer than 10 feet from any existing water main. (as per current California Health and Safety Code)

10. LEAK ABATEMENT POLICY:

Interim Policy: The Interim Policy will remain in effect until all BLSMWC connections are metered: Shareholders with metered connections are billed for all water that passes through the meter at the applicable rate. In the event of a leak on a metered connection that the General Manager has determined was no fault of the shareholder, and that prudent steps were taken by the shareholder to minimize the leak, the shareholder's bill for the month or months in which the leak occurred will be an amount equal to the shareholder's highest monthly consumption out of the previous twelve (12) months. If the General Manager deems it appropriate to charge the shareholder for full quantity of water, the shareholder may appeal the General Manager's decision to the Board by submitting a written request for reconsideration prior to the payment due date for the monthly bill in question. The shareholder must pay the full amount due prior to the payment due date or the request for reconsideration will be denied and late payment penalties may apply.

Long-term Policy: The long-term policy takes effect once all BLSMWC connections are metered: Shareholders are responsible for consumption charges at the applicable rate for all water that passes through their meter. There are no exceptions.

Approved: Blue Lake Springs Mutual Water Company Board of Directors

Second Interim Meeting, July 9, 1983

Revised 7/26/88

Revised 5/13/89 Penalties for Water Loss

Revised 11/12/94 Garden Watering Fee

Revised 12/08/01 Additional Watering & Delinquency

Revised 8/23/02 Penalties for Water Loss

Revised 11/20/03 Penalties for Misrepresentation

Revised 12/11/06 High Pressure Policy

Revised 12/8/07 Specifications for Connections

Revised 11/8/08 Delinquency

Revised 10/9/10

Revised 04/08/17 Leak Abatement Policy

Revised 08/06/19 Sections 4, 5, 6, 7, 8 and former 10 Penalties for Misrepresentation