ORDINANCE NO. 24

AN ORDINANCE OF NORTH MARIN WATER DISTRICT APPROVING REGULATION 18
RECYCLED WATER SERVICE

BE IT ORDAINED by the Board of Directors of North Marin Water District as follows:

Section 1. The Board of Directors hereby finds, determines and declares as follows:

a. On March 15, 2011, the Board of Directors, in connection with its first consideration of this Ordinance, set the time, date and place of a public hearing on approval of the changes to Regulation 18 to be made by the adoption of this Ordinance.

b. On April 19, 2011, a public hearing was held, in connection with the Board’s second consideration of this Ordinance, to consider approval of the changes to Regulation 18 to be made by the adoption of this Ordinance.

c. The hearing was noticed and held in all respects as required by law.

d. At the hearing, all persons were given an opportunity to be heard.

Section 2. Regulation 18, Recycled Water Service, attached as Exhibit 1 hereto and incorporated herein, is hereby adopted.

Section 3. This ordinance shall take effect and be in force thirty (30) days after its adoption.

Section 4. The Secretary shall cause this ordinance to be published in the manner described in Sections 31027 and 31105 of the Water Code.

I hereby certify that the foregoing is a true and complete copy of an ordinance duly and regularly adopted by the Board of Directors of North Marin Water District at a regular meeting thereof held on April 19, 2011 by the following vote:

AYES: Directors Baker, Fraites, Petterle, Rodoni, Schoonover
NOES: None
ABSENT: None
ABSTAIN: None

Renee Roberts
District Secretary

(SEAL)
NORTH MARIN WATER DISTRICT
REGULATION 18
RECYCLED WATER SERVICE

a. Types of Recycled Water Use

Recycled water available to and purveyed by the District shall be used only for irrigation of turf or landscape, dust control, and such other uses as are permitted under applicable orders of the Regional Water Quality Control Board and are approved by the District Board of Directors. Recycled water shall be used in accordance with the District's "Guidelines for Recycled Water Use" as may be amended from time to time.

b. Requirements, Conditions and Procedure for Conversion or Establishment of Recycled Water Service

The District will identify existing consumers and potential new development within Recycled Water Service Areas and determine the feasibility of providing recycled water service to these consumers. The District will also review applications for new or expanded water service to determine whether recycled water can cost-effectively and readily serve all or any portion of the Applicant's property. If the District determines that recycled water service is feasible, written notification shall be provided to the consumer or Applicant that recycled water use is required. The notification may include information regarding District water service procedures, a description of the District's recycled water project, a description of any recycled water facilities that must be constructed on the consumer or Applicant site including dual plumbing if applicable, a date by which the consumer or Applicant site must be ready to accept recycled water service, and the then current rate for recycled water.

Existing consumers identified by the District as feasible recipients of recycled water will be required to retrofit existing water service facilities to accommodate recycled water service. Applicants for new or expanded water service may be required to install dual plumbing, pursuant to the terms and conditions specified by the District.

In the case of an application for new or expanded water service that includes irrigation of turf areas outside a Recycled Water Service Area, and where recycled water service is not currently available, the following evaluation process shall apply:
i. The District shall first make a preliminary determination of whether the turf areas can be supplied with recycled water. In making this preliminary determination, the District shall consider the cost of providing recycled water including the cost of delivering recycled water to the Applicant's property and other potential users in the vicinity, and the quantity of recycled water required and available.

ii. If the District Board of Directors makes a preliminary determination that it will be cost-effective and reasonable to provide recycled water service, the Applicant shall pay to the District the estimated cost to prepare a report on the feasibility of supplying recycled water for all or a portion of the Applicant's property. The report shall at a minimum include a conceptual plan and relevant environmental information. If the actual cost of the report exceeds, or is expected to exceed, the amount paid by the Applicant, the Applicant shall pay the excess or anticipated excess amount on receipt of an invoice from the District for the additional amount. If the total cost of the report is less than the payments received, the difference shall be refunded to the Applicant.

iii. After reviewing the feasibility report, the District Board of Directors shall make a final determination whether the Applicant’s property shall be served with recycled water.

(iii (a)) If the determination is that the property shall be served with recycled water, the Applicant shall enter into an agreement with the District and in accordance with Section f of this Regulation 18 shall pay all costs necessary to supply recycled water to the Applicant’s property, including but not limited to the capital costs of any required in-tract and off-tract facilities. The District's normal facility reserve charges, and the District's then current rates and charges for water service shall also apply.

(iii (b)) If the Board of Directors determines that it is not feasible to serve the Applicant’s property with recycled water, the Applicant may apply for water service from the District's potable water system.
c. **Recycled Water Use Permits**

Consumers and Applicants required to use recycled water shall submit to the District a Recycled Water Service Application no later than thirty (30) days after receipt of notification from the District. After review and acceptance of the application, the District will issue a Recycled Water Use Permit that will specify the requirements for the consumer's water distribution facilities, the portions of the premises where recycled water will be applied, and other matters as determined by the District. Recycled water service will not commence until the District verifies compliance with the permit requirements.

Once a permit has been issued, a potable water supply may be provided only upon the finding of "special circumstances" as determined in the District's sole discretion. All such potable water delivered will be billed at the then current potable water rate. The District will advise the consumer or Applicant of any additional conditions that shall apply to the delivery of a potable water supply until recycled water is made available.

d. **Recycled Water Pricing**

The price for recycled water during peak season as defined by the District (currently June 1 – October 31) will be at a rate to be set by the Board of Directors that shall be less than the then current potable water rate. During the non-peak season (currently November 1 – May 31), the price for recycled water shall be equal to the then current potable water rate.

e. **Installation and Maintenance Costs**

When an existing consumer is required by the District to convert to recycled water service, the District will pay the reasonable capital costs of retrofitting the water service facilities on the consumer's side of the water service meter and will also provide for the recycled water service facilities necessary to deliver recycled water to the meter.

Applicants for water service and consumers requesting installation of additional facilities in order to expand capacity, or those consumers requesting conversion to recycled service not required by the District, shall be responsible for the full cost of facilities necessary to deliver recycled water to the premises.

Once recycled water service delivery commences, the consumer shall be responsible for all costs of operating and maintaining the water service facilities on the consumers' side of
the water service meter(s), except where the District, in its sole discretion, has determined that it would be in the best interest of the District to operate and maintain on-site facilities.

f. Design and Construction of Retrofit Work:

Consumers required to convert to recycled water service must complete the required retrofit work by the date indicated in the District notification. In the alternative, and with adequate notice, the Consumer may request that the District complete the required retrofit work.

i. Retrofit Work By District - Where the District performs the design and construction of the retrofit work, the consumer shall provide access to the site as necessary for the District or its contractor(s) to perform the design and construction work, including but not limited to inspections, testing retrofit facilities, and performing required cross-connection and backflow prevention valve testing where installation of backflow prevention devices is required by law or by the District.

ii. Retrofit Work By Consumer - Prior to consumer construction of the retrofit work, consumers shall submit for District review a proposed schedule, cost estimate, and design for the retrofit construction work. The submittal must be approved by the District prior to commencement of work. Retrofit elements required by state law must be included in the retrofit design. Any changes or modifications to the approved retrofit work must be submitted for District approval prior to construction. The retrofit design and construction must comply with all applicable federal, state, and local codes, laws, ordinances, and regulations. The consumer must also obtain all necessary permits. The consumer shall maintain compliance documents and furnish copies of said documents upon District request. Consumers shall install backflow prevention devices if required by law or the District. The District shall not be a party to any contract between the consumer and a third-party consultant or contractor, and District shall have no liability or responsibility thereunder, however, the District shall be entitled to review the contracts. The consumer shall agree to indemnify the District with respect to any claims arising from the design or construction of the retrofit work. The District shall be entitled to inspect the retrofit work to verify that the retrofit facilities are
installed and functioning, and to perform required cross-connection and backflow prevention valve testing. The consumer or his representative and any construction contractor used to perform the retrofit work shall be present during the final inspection.

iii. Failure to Complete Retrofit Work - Consumers who do not complete the retrofit work to enable the delivery of recycled water by the District-specified date will not be in compliance with this regulation. A penalty (as detailed in Section h.) shall apply for all potable water used during any period of noncompliance. Once the retrofit is complete and the consumer site is ready to accept recycled water, the consumer will pay the then current recycled water rate. If recycled water is unavailable when the retrofit is complete, the potable water rate shall be charged until recycled water is available for delivery to the site.

g. Penalties for Noncompliance

In the event of noncompliance with this regulation, the consumer shall pay for all potable water used plus a penalty in the amount of 100% of the then current potable water rate. Continued noncompliance with this regulation may result in the discontinuation of potable water service supplied for irrigation purposes.

h. Exemption Requests

A request for an exemption to this regulation shall be made in writing to the District General Manager and shall include specific reasons that constitute the necessity of an exemption. The General Manager shall make a determination on all requests for exemptions within thirty (30) calendar days. Denial of a request for an exemption can be appealed to the District Board of Directors. Appeals shall be, in writing, and filed with the District within ten (10) business days after the General Manager’s decision and shall state the specific grounds for appeal. The Board of Directors will hear the appeal within sixty (60) calendar days after the appeal has been filed and will issue its decision within thirty (30) days after the appeal is heard. The Board’s decision shall be final.