

EXHIBIT A

LOS MOLINOS COMMUNITY SERVICES DISTRICT
August 5, 2013

SERVICE CONNECTION POLICY

Adopted by Board Action August 5, 2013

Resolution No. 2013-48

CONNECTION POLICY This policy applies to all new water Service Connections, both residential and commercial, and to upgrades of existing Service Connections. It does not apply to the connection of Private Fire Protection Systems which is covered under separate policy.

PURPOSE This policy provides the process and applicable charges in accordance with state laws for all new and upgraded water Service Connections.

Section 1 – Definitions

District means Los Molinos Community Service District (LMCSD)

General Manager – the General Manager of the Los Molinos Community Services District

Property - a deeded parcel of real estate as shown on an assessor's parcel map.

Property Owner - the person in whose name the legal title to the Property appears by deed duly recorded in the County Recorder's Office

Service Connection - the pipe and appurtenant facilities such as the meter shut-off valve, meter and meter box, all used to extend potable water service from a distribution main to a Property.

Section 2 - Applying for a New Service Connection

If a Property Owner desires to have a new water service installed on a Property, the Property Owner can apply by letter for a new Service Connection. If the requested connection is not a standard 5/8 inch meter residential connection, then the application should also provide drawings of the requested installation. The General Manager and District Engineer (if needed) will perform a technical review of the application. If the District has the capacity to supply water for the requested application and the application satisfies the technical requirements of the District, the General Manager will approve the request and provide an approval letter to the Property Owner.

Section 3 - Service Connection Cost

There are two separate costs that the Property Owner must pay associated with a new Service Connection. These two separate costs, which are described below, are the Connection Fee and Capacity Charge.

A. Connection Fee

The Connection Fee is the actual cost of the materials and labor to install the Service Connection. When a requested new Service Connection is approved, the District provides the Property Owner with an estimated Connection Fee based on the estimated cost of installing the LMCSD Service Connection Policy

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desired Service Connection on the specific Property. The Property Owner must pay the estimated Connection Fee prior to the start of work. If, after completion of work, the actual installation costs exceed the estimated Connection Fee, then the Property Owner must pay the difference before the District will turn on water service. If, after the completion of work, the actual installation costs are less than the estimated Connection Fee, the District will reimburse the difference to the Property Owner and turn on water service.

B. Capacity Charge

The Capacity Charge is a charge to a new connector, which represents the new connector's contribution to the cost of the existing water distribution system to which they are connecting. The calculation of the Capacity Charge is designed to have new connectors pay a contribution which is similar in today dollars to the equivalent Capacity Charge of \$2,396 paid by the District's original customers. The \$2,396 paid for a 5/8" metered connection in 1995 is adjusted for time using the US Bureau of Labor Statistics Consumer Price Index (CPI) calculator at the time of application, then adjusted for meter size (i.e., potential added capacity usage) using the below meter size factor. Therefore, the calculated Capacity Charge equals \$2,396 multiplied by the CPI adjustment multiplied by the meter size factor.

<u>Meter Size</u>	<u>Factor</u>
5/8"	1.0
3/4"	1.67
1"	2.33
1 1/2"	3.33
2"	5.33
3" and larger	will be determined on project approval

A Property Owner must pay the calculated Capacity Charge for a connection on any Property on which the Property Owner has not or is not paying a District assessment. The following subparagraphs apply to a Property on which the Property Owner has already paid or is paying a District assessment.

(1) If there is no existing connection and the Property Owner requests a 5/8" metered connection, the Property Owner is not required to pay a Capacity Charge.

(2) If there is no existing connection and the Property Owner requests a larger than 5/8" metered connection, the Property Owner must pay the calculated Capacity Charge, but the calculated Capacity Charge will be reduced by the CPI adjusted value of the \$2,396 already assessed.

(3) If the Property Owner wants to increase the size of an existing 5/8" meter, the Property Owner must pay the calculated Capacity Charge, but the calculated Capacity Charge will be reduced by the CPI adjusted value of the \$2,396 already assessed.

(4) If the Property Owner wants to install an additional metered connection on the Property, the Property Owner must pay the calculated Capacity Charge.

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Section 4 - New Service Connection Work

Only authorized employees or agents of the District will be permitted to install a Service Connection from the District's water main to a Property. All connections will be made in accordance with the District's technical requirements. The District will furnish and install the Service Connection at such location as the Property Owner requests, provided such requests are reasonable and approved by District. The Service Connection will be installed from the water distribution main to a curb line or Property line which abuts a street, thoroughfare, or District rights-of-way or easement.

Section 5 - Water Main Extension

The Property Owner applying for a new Service Connection is also responsible for all costs of water main extension, if water main extension is required in order to provide the new Service Connection.

Section 6 - Highway 99 Right of Way Work

If the Service Connection is from a water main located in the State Highway 99E right of way, the Connection Fee will also include the added costs associated with work within the state highway right of way such as traffic control.