

<b>OLIVENHAIN MUNICIPAL WATER DISTRICT</b>  <b>ADMINISTRATIVE AND ETHICS CODE</b>	Article No. 14	Page 1 of 4
	Title <b>DISTRICT POLICY WITH RESPECT TO EXTENSION OF ITS DISTRIBUTION FACILITIES</b>	
	Latest Revision Date January 23, 2008	Ordinance No. 357

ARTICLE 14                    DISTRICT POLICY WITH RESPECT TO EXTENSION OF ITS  
DISTRIBUTION FACILITIES

*Sec. 14.1. (B) revised by Ordinance No. 305 / October 22, 2003*

Sec. 14.1.                    Pipeline Extensions.

- A. The District may accept ownership of facilities privately constructed to District requirements when application is made for water service to property:
  - 1. Which is not traversed by or does not abut existing pipelines owned or operated by the District.
  - 2. When it has been determined by the Board of Directors of the District that the immediate construction of the necessary pipelines for the service of such property at the expense of the District is not then economically feasible.
  - 3. If the owner, or owners, of all or portions of the property to be served thereby are willing to construct such lines at their expense.
  - 4. If the owner, or owners, of all or portions of the property to be served thereby are prepared to execute an agreement containing provisions then acceptable to the District and applicant, which contract shall be generally in conformance with the provisions of Ordinance No. 6, as amended.
  
- B. The District may enter into a standard agreement with the applicant contracting party(ies) (hereinafter referred to as "applicant") to accept a line extension to be constructed by the applicant wherein the District may, in its sole discretion, agree to reimburse the applicant upon prorated fee as meters are installed on the extension line. Reimbursement agreements shall be left to the sole discretion of the District.
  
- C. The limits of the collection are the return of the reimbursable sum or ten years, whichever first occurs. The District makes no representation that the applicant will collect the entire amount of the reimbursable sum.

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*Sec. 14.2. revised by Ordinance No. 305 / October 22, 2003*

Sec. 14.2.                    District Policy on Reimbursement.

The District is not obligated to enter into reimbursement agreements and may do so in its sole discretion.

- A. The reimbursement fee will be computed as set forth in the basic agreement and addendum thereto. For purposes of this document, the reimbursement fee is that sum to be reimbursed to the applicant for the portion of the construction cost over and above that cost which is calculated to be the fair share of the applicant and any other participating party to the original line construction.
- B. Reimbursement is the distribution of construction cost over the entire benefited acreage to determine a "per EDU" rate. This rate is then multiplied by the applicant's portion and participating portion (if any) (in EDUs times the rate) and subtracted from the construction cost. Only the balance is reimbursable as meters are connected.
- C. The complete list of definitions and explanations applicable to this subject are contained in the basic agreement.
- D. Extension of the pipeline to serve other benefited areas shall not entitle applicant to any reimbursement based upon income derived from such extension.
- E. Upon termination of the reimbursement obligation, applicant shall have no further interest or rights under the agreement. District shall be entitled to retain all prior rights of way, easements, or other legal rights without further compensation of any kind to the applicant.
- F. Applicant shall keep accurate records of the actual construction costs and shall make records available for inspection and reproduction at the District Office at such times as required by the District. Only those construction costs approved by the District, in its sole discretion, will be allowed for computation purposes under the agreement.

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- G.    The reimbursement payments due applicant from District shall be made annually by deposit to an account of applicant unless such place of payment is changed by a mutual written agreement between the party(ies) and the District.
  
- H.    The right to reimbursement shall be subject to the laws governing such agreements at the time any such payment is made.

Sec. 14.3.                    Ownership and Easements.

Not later than date of acceptance by District, and at an earlier date if District elects, the applicant shall dedicate and convey to District, by good and sufficient deed, the completed project together with all necessary right-of-way, easements, and other ownership rights as District may require for the maintenance and repair of said facilities. Such rights-of-way and easements shall be:

- 1.    Of a width satisfactory to District, in no case less than twenty (20) feet, without specific approval of the Board of Directors.
  
- 2.    Superior to all prior trust deeds or liens. This may be done by recorded subordination agreement or in such manner as District may direct in its sole discretion.
  
- 3.    Provide a Policy of Title Insurance in favor of the District covering the grant of the easement in the amount determined by the District to be necessary to protect the District's rights in the easement and works and subject only to those items approved by the District. The value will be determined by and in District's sole discretion.

Sec. 14.4.                    Service to other than Service Area (Benefited Acreage).

Water Service may be requested and provided to properties other than those included in the "Reimbursement Agreement" of "Service Area" without payment of the reimbursement fees if these areas were not included in the original "Service Area" as delineated in the Agreement. However, these areas are subject to separate agreements, i.e., separate agreement with the District to participate in future extension line proceedings. (See Sec. 9.4.).

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Sec. 14.5.                    Condemnation and Relocation Assistance.

Purpose. These rules and regulations are adopted pursuant to Government Code Section 7267.8 to implement payments and to administer relocation assistance according to the provisions of the Relocation Assistance Law, Government Code, Section 7260, et. seq. These rules and regulations are to assure the fair and equitable treatment of persons displaced by the real property acquisitions and programs of the District.

Scope. These rules and regulations apply to all acquisitions of real property, of interests therein, undertaken by this District whether by negotiated purchase, eminent domain, or otherwise. It is recognized that the Relocation Assistance Law has variable applicability to real property acquisitions undertaken by this District. (The provisions of Resolution No. 76-1 are incorporated herein by reference).