

RESOLUTION 14-915

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE JOSHUA BASIN WATER DISTRICT AMENDING ARTICLE I
OF THE DISTRICT'S RULES AND REGULATIONS IN ITS ENTIRETY
AND ADDING SECTIONS 2.9, 2.10 AND 2.11 TO ARTICLE II
OF THE DISTRICT'S RULES AND REGULATIONS

WHEREAS, Resolution 97-572, as amended, adopted on May 21, 1997, established the Rules and Regulations regarding water system operation, and

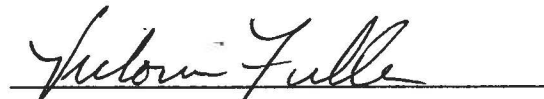
WHEREAS, the Board of Directors want to modify the Rules and Regulations to clarify operations, increase transparency and address changing circumstances.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Joshua Basin Water District that Article I of the District's Rules and Regulations is amended in its entirety as reflected in Exhibit A, attached.

FURTHER RESOLVED, that Article II of the District's Rules and Regulations are amended to add sections 2.9, 2.10 and 2.11 as reflected in Exhibit B, attached.

ADOPTED this 5th day of February, 2014 by the following vote:

Director Fuller: Aye
Director Reynolds: Aye
Director Johnson: Aye
Director Luckman: Aye
Director Wilson: Aye



Victoria Fuller, President
Joshua Basin Water District



ATTEST: Susan Greer, Acting General Manager
Joshua Basin Water District

EXHIBIT A

ARTICLE 1: BASIC WATER SERVICE RULES AND REGULATIONS

This Article of Basic Water Service Rules and Regulations sets rules that apply equally to all customers of the JBWD. All other articles of these Rules and Regulations are supplemental to this Article.

ARTICLE 1.1. Customer Account Information/Public Records Act

JBWD shall request and verify information it deems necessary from water customer such as proper identification or rental agreement. This information will assist the JBWD in proceedings to collect unpaid bills, or other JBWD business. In conformance with the California Public Records Act, the JBWD may refuse to make public individual customer account information such as name, telephone number, social security number, driver's license number, utility usage data, and in some instances physical address, if it is found that the information being requested is not necessary to "the conduct of the public's business" and giving due consideration to protecting individual rights to privacy.

ARTICLE 1.2 Non-Discrimination for Water Service

The JBWD is a public agency, exercising non-discrimination with all persons, and offering water service to any person who meets the requirements of the application for service and pays the necessary fees.

ARTICLE 1.3 JBWD Right to Turn Off or Refuse Service Under Special Circumstances

The JBWD may refuse to turn-on or otherwise refuse customer service for any of the following reasons:

- (a) Where apparatus or appliances are in use which might endanger the public health or disrupt the services to other customers.
- (b) Where there exists a cross-connection in violation of the Rules and Regulations or any applicable law.
- (c) As a means of obtaining compliance with the Rules and Regulations of the JBWD.

ARTICLE 1.4 Water Rates and Fees

The structure and amount of JBWD water rates will be under continuous study by the JBWD and will be revised and updated as necessary to maintain an adequate flow of income to support the operations and maintenance activities of the JBWD and to meet state water conservation requirements.

The JBWD reserves the right to establish separate minimum charges and quantity rate schedules as may be found necessary for each different major classification of water use, including residential, commercial, government, industrial, and agricultural. The JBWD may establish such different minimum charges and rate schedules as are cost justified and equitably spread the cost of service to each class of user depending upon the system load caused by each user type. A complete current schedule of water rates is included in Exhibit A.

ARTICLE 1.5 JBWD Ownership of Water System Facilities

All customer service facilities through and including the meter shall be the property of the JBWD, and will be operated and maintained by the JBWD. The customer's pipeline and

plumbing on his own parcel shall be the customer's property and it shall be the customer's responsibility to operate and maintain.

ARTICLE 1.6 Water Conservation

All customers of the JBWD accept the responsibility to achieve water conservation practices. The JBWD shall, when necessary, use the right of emergency restriction as authorized by Section 31026 of the County Water District Code. The JBWD reserves the right to close curb valves to prevent water loss where leaks are evident, and shall be held harmless for damage to customer's premises and appliances due to such action.

The JBWD may establish, and may modify, a water conservation plan. Such duly adopted water conservation plan will be adopted by separate resolution.

ARTICLE 1.7 Maintenance of Water Pressure, Unplanned Interruption in Service, and Shutting Down for Emergency Repairs

The JBWD shall have the right to shut down water supply for routine maintenance or in an emergency situation for repair of the water system. The JBWD will attempt to notify customers in advance of shutdown when such notification is practicable. The JBWD will attempt to maintain service pressures under normal conditions within a range of 40 to 125 psi although conditions are expected where the pressures will exceed this range. All customers who accept water service to their premises agree as a condition of the acceptance of water service that they will hold the JBWD harmless for any damage that may occur as a result of these low or high pressure situations that are due to emergency situations or Acts of God.

ARTICLE 1.8 Customer Pressure Reducing and Relief Valves

The JBWD recommends that a pressure regulator be installed on all new service connections before water enters the structure. All systems with pressure reducing and relief valves shall be maintained by the customer.

ARTICLE 1.9 Water Service Permit Application

All customers shall complete a written application for water service on a form provided by the JBWD which shall contain such information as required by the JBWD. This water service permit application form may be changed by the JBWD from time to time as the JBWD finds it necessary to fulfill the requirements of the Rules and Regulations.

ARTICLE 1.10 Identity Verification

The JBWD is required to establish an identity theft prevention program in accordance with the Federal Trade Commission's Red Flag Rule: enacted to protect consumer's identities. The program is intended to identify, detect and respond appropriately to red flags. A red flag is a pattern, practice, or specific activity that indicates the possible existence of identity theft. The JBWD requires certain personal identifying information from customers for this purpose. Information is input into a third party database to verify identity of customers establishing accounts. If there are any "red flags" identified in the information provided, additional identifying information may be required or, worst case, a customer may be prohibited from

establishing an account. The JBWD places the highest priority on protecting any confidential financial or personal information submitted in the course of business.

ARTICLE 1.11 Guarantee and Other Water Account Deposits

Before water service will be started for any new or existing meter, the Applicant shall secure the account by depositing with the JBWD the amount specified in Article 13.

- a. Guarantee Deposit: When the Applicant has established a satisfactory payment record for twenty-four consecutive months, the JBWD will refund the guarantee deposit by crediting the customer's account. If service is discontinued before that time, the deposit will be deducted from the closing bill, and a check for the balance or a water bill will be mailed to the customer at his last known address. A satisfactory payment record is achieved if the Applicant meets the following criteria within the twenty-four month period
 - no more than two late payments,
 - no cut-offs for non-payment and
 - no returned checks

The JBWD may require a guarantee deposit on an unsecured account, if one of the aforementioned items occurs during the duration of the water service.

- b. Cut off Deposit. Following cut off for non-payment, customer may be subject to a deposit equal to two times the standard guarantee deposit. Refund of cut off deposit is the same as refund of guarantee deposit.
- c. Damage/Lock Deposit. If a locked meter is unlocked or the meter is damaged, customer may be subject to a deposit equal to two and a half times the standard deposit. Refund of damage/lock deposit is the same as refund of guarantee deposit.

Water service will not be installed, connected, or turned on for any Applicant or customer until all delinquent charges for service or other charges on any or all accounts have been paid in full.

ARTICLE 1.12 Guarantee Deposit Credit Check Process

Applicants who provide a social security number will have their credit checked. The results of the credit check will provide either a green, yellow or red 'score'. Deposit description, based upon the score received, is indicated below. The amounts of the various deposits are included in Article 13.

Green = good credit, no deposit required
Yellow = moderate credit,
Red = poor credit,
No Score = maximum deposit required

Applicants that don't provide a social security number will be required to pay the maximum deposit that will be held for 24 months of satisfactory payment history.

Existing JBWD customers transferring service from one address to another who meet the satisfactory payment requirements of Article 1.11 will not be required to provide a new guarantee deposit to start service at the new address.

The JBWD uses a third party for this deposit decision service and is not responsible for inaccuracies in the applicant credit report. Applicants must address concerns to the credit reporting bureaus or JBWD's contractor, Online Utility Exchange. The JBWD will provide an Adverse Decision Letter to the Applicant whenever a yellow or red score is received. The letter provides contact information to assist the Applicant in correcting credit reporting inaccuracies.

ARTICLE 1.13 Locked Meters

No meter which is locked by the JBWD shall be altered or unlocked except by an authorized employee or agent of the JBWD. If the lock or meter is damaged, the meter will be locked and the customer will be charged for materials and labor and the water bill will be adjusted per Article 1.22. Deposit on account will be increased to two and a half times the standard deposit. Payment of additional deposit and all other applicable fees will be required before service is unlocked.

ARTICLE 1.14 Turn On and Turn Off Service

The JBWD will charge for turning off and turning on service at a customer's request, except when account is being closed. In the case of an emergency on the customer side of the meter, the customer will shut off his water service by use of the customer's service valve. If there is no customer's service valve or the valve is broken, the JBWD will provide emergency turn-off service, upon request, and without charge.

If the customer provides the wrong service address and the JBWD completes the turn on, the customer will pay another fee to turn on water at the correct address.

An owner or account-holder can request that their service be locked off to require the resident living in the property to establish their own account. The JBWD requires payment of the tag fee and a 48-hour waiting period before service can be locked off in these circumstances to notify the resident and give opportunity to establish service. In no case will an owner request be honored to turn-off water to a residence, duplex, apartment, mobile home or other such dwelling because the occupant has not paid rent on the parcel to the owner.

ARTICLE 1.15 After Hours Turn on Fee

A deadline will be established by the General Manager or a designee for same-day water service turn-on after which time there will be no additional fee for same-day water turn-on service. Water will be turned on after the deadline for same-day service provided that the customer agrees to pay a fee per Article 13 for the cost of providing such service. If the prospective account holder does not comply with the after-hours turn on policies including payment of fees and completion of paperwork, service will be disconnected without further notice.

ARTICLE 1.16 Damage to Customer Premises Caused by Leaking Pipes and Fixtures

The JBWD will turn on the water supply as requested by the Customer and shut off the customer's valve if applicable. If there is a leak detector on the meter and it is moving, the employee will shut off customer's valve (if applicable or the JBWD's valve) and leave a notice in a prominent location on the customer's premises. Such notice will contain a warning to the customer of the suspected condition and will instruct the customer on where to find and how to turn on the customer's service valve.

The JBWD's responsibility ends at the meter and the JBWD shall not be liable for damages caused by water running from open or faulty fixtures, or from broken or damaged pipes on the customer's side of the meter.

ARTICLE 1.17 Billing Period and Meter Reading Cycle

The billing period shall be at the option of the JBWD and may be changed from time to time. The current billing period is monthly. The cycle of meter reading will be set up so that the same meters are read as nearly as possible on the same day of each reading cycle.

ARTICLE 1.18 Terms of Bill Payment

Bills for metered water service shall be rendered at the end of each billing period. Such bills shall be due and payable at the office of the JBWD, and shall be delinquent twenty-one days after date of the billing. Customer's water service may be turned off after written notice from the JBWD and an opportunity to be heard, if payment is not made within thirty-five days of the billing date.

ARTICLE 1.19 Water Charges for Opening and Closing Bills

The monthly Basic Service Charge shall be pro-rated when opening and closing bills are for less than the normal billing period, . All water flow charges will be billed per the meter reading.

ARTICLE 1.20 Special Billings

Meter removal bills, special bills, and bills rendered to persons discontinuing service are due and shall be paid upon presentation. Turn-off and turn-on charges and payments to reinstate or increase deposits shall be paid before service will be turned on.

ARTICLE 1.21 Failure to Receive Billings

Failure to receive a billing does not relieve the customer of liability for payment of the charges assessed including any penalties. It is the responsibility of the customer to notify JBWD that a bill for water use or other charges has not been received which the customer knows or should know to be due. The JBWD will then reissue the billing, and with the approval of Staff, the JBWD may elect to forego the collection of delinquency penalties.

ARTICLE 1.22 Billing Adjustments for Meter Error

If a meter that is tested is found to be incorrectly recording according to standards in Article 1.4, has stopped recording usage or has been removed by other than JBWD employee, the percentage error shall be calculated based on the most recent billing prior to discovering the meter error. Any adjustment represented by this meter test will be applied to the customer's account on his/her next regular billing. The JBWD reserves the right to apply a charge equal to a twelve month average rate, or results of an analysis based on other factors estimating the consumption for up to four years; and apply the adjustment indicated to the customer's next billing. Such estimates will be made by an analysis considering previous consumption for the same customer for a comparable time period, or by determination of a JBWD -wide average for the equal size meter service, whichever is more applicable.

The JBWD also reserves the right to back-bill up to four years for the fixed, Basic Fee charge in instances where the charge was not billed to the customer and should have been.

ARTICLE 1.23 Excessive Water Use Policy

If the customer calls regarding the high meter reading, Staff will review the account history and discuss water usage, potential leaks and related matters with the customer in an attempt to determine a cause. If no cause can be found, or the customer or the JBWD requires further explanation, an excessive water use investigation will be initiated.

a) Excessive Water Use Investigation Process

While an investigation is being conducted, customer is required to pay an amount equal to a typical bill from the same period, the “good faith payment”. Staff will flag the customer account so that no delinquent charges will accrue and no lock-off for non-payment will occur on the account with respect to the amount in question. Other charges must be paid when due.

A thorough investigation into excessive water use includes the following items:

I. Discussion with Customer

JBWD Staff will have an extensive discussion with customer, pointing out common water usage problems and reasons for high usage, and getting feedback from customer.

If the cause of the high bill cannot be identified to the customer’s satisfaction through discussion, an onsite water survey will be offered.

II. Onsite water survey

JBWD Staff will offer to visit the property, looking at water fixtures and consumption inside and outside of the home and attempt to assist in determining the cause.

If the cause of the high bill cannot be identified to the customer’s satisfaction through the onsite water survey, the JBWD will offer the meter testing as a last resort.

III. Meter testing.

The JBWD will have the meter tested in accordance with Article 1.33, including payment of fees.

Information gathered as a result of the review and investigation will be evaluated by the General Manager or a designee in an effort to determine the cause of the excessive water use.

If it is determined during the review or investigation process that there is a meter reading error on the part of the JBWD, the account will be adjusted before the next billing cycle to reflect either the correct meter reading (if applicable) or estimated equivalent usage based on information such as the same billing period from the prior year, JBWD-wide average, or other relevant factors.. The customer will receive a phone call or written confirmation of the adjustment.

If no cause can be determined or if it is determined that the customer is the cause of the excessive water use, a payment plan option, allowing for payment over an extended period suggested six (6) months, maximum 12 months based on amount, may be offered to the customer provided that the customer otherwise qualifies for a payment plan. A payment plan requires a minimum payment of \$50 per month. The customer will be provided the information about the Water Account Assistance Program.

b) Water Account Assistance Program

The Water Account Assistance Program provides a method to request bill reduction for a bill of unknown or accidental origin as defined by the customer, specifically the WAAP application. The Program was created to assist customers who are victims of extraordinary or unusual circumstances.

The procedure includes the customer's written application and JBWD investigation. Until the JBWD receives the customer's written application, the bill is due as presented. The application, plus information obtained as a result of the review and investigation, will be forwarded to the General Manager or a designee.

Guidelines for assistance

- Account holder must repair any leaks before receiving assistance.
- Customers are limited to two (2) WAAP's within a five (5) year period at the same location. A new owner-customer at the same location could be considered for additional assistance.
- Assistance is limited to two billing cycles; assistance is calculated by comparing the difference between the current and the prior year's bills for the month in question. If water bill is high for two consecutive months and equal to the \$400 difference that is a viable amount that will be considered.
- If the difference is less than \$400.00, the account is not eligible for a WAAP. A payment plan, giving additional time to pay without interest, will be offered.
- If the difference is more than \$400.00, the standard WAAP is 50% of the difference between the current and prior year's bills, to a maximum assistance of \$800. The other 50% of the bill is the customer's responsibility to pay. The customer may request a payment plan for the balance. A water survey will also be required before any assistance is provided.

The procedure includes a customer's written application and JBWD investigation. Until the JBWD receives a written application, the bill is due as presented. The application, plus information obtained as a result of the review and investigation will be forwarded to Staff.

The General Manager or a designee shall determine the amount of assistance, if any, based upon review of the information obtained and in accordance with the current policy. No assistance will be considered for excessive water use cases that result from violation of the JBWD Rules and Regulations.

ARTICLE 1.24 Turn Off Meter for Non-Payment

Water meters will be turned off for non-payment of water or other JBWD charges after written notification, on or after the 35th day after the original date of the billing for service. Customer service turned off for non-payment of bills or charges will not be turned on again until all bills and charges, both past due and current, including double the guarantee deposit have been paid. Actual termination of water service will not be performed on any Saturday, Sunday, legal holiday or at any time during which the JBWD business office is not open to the public.

JBWD may require a copy of a rental agreement to restore service after being turned off for non-payment.

Single-unit residential or commercial turn off for non-payment requires at least a 48 hour notice prior to termination of service. JBWD is required to make a reasonable, good faith effort to contact an adult residing at the premises of the customer by phone or in person before service is terminated.

Multi-Unit Residential turn off for non-payment requires individual notification of all of the actual users of the water service 15 days before the proposed termination of service. The notice will inform the actual users that they have the right to become the customers of JBWD without being required to pay the amount due on the delinquent account, provided that:

- a. Each actual user meets the requirements of JBWD's Rules and Regulations governing water service; and
- b. Each actual user agrees to the terms and conditions applicable to obtaining water from JBWD.

If a customer has requested and been granted a payment arrangement or contract amortization agreement to extend their payment over a period not to exceed 12 months, and then fails to comply with the agreement, JBWD will commence termination of service by giving 48 hour prior written notice. After failure to comply with the payment arrangement or contract, the agreement will be terminated and the remaining balance is immediately due or account will be subject to cut-off within 48 hours.

ARTICLE 1.25 Customer Voluntary Turn Off

If a customer expects to be absent from his premises for an extended period of time and wishes to have his service turned off, the account will be closed. Upon returning, a new account will be opened subject to all new account requirements.

ARTICLE 1.26 Customer Vacating Premises

Customers desiring to have service discontinued should notify the JBWD at least two days prior to vacating the premises. Unless turn-off of service is so ordered, the customer and/or the owner may be liable for any continued water charges at the vacated location.

ARTICLE 1.27 Delinquent Account Service Charge

Accounts not paid on or before the date that they become delinquent may be assessed a one-time delinquent account service charge plus a monthly service charge on the unpaid balance.

Accounts paid before the due date with payments that are subsequently returned (e.g. NSF check) will also be charged the delinquent account service charges as indicated above.

ARTICLE 1.28 Payment Arrangements and Contracts

Customers that can't pay their bills by the scheduled cut-off date may be able to make a payment arrangement or contract, depending on amount and length of time for spreading payments, that gives them additional time to make payment. The JBWD will consider whether the customer qualifies for a payment arrangement or contract based on past payment history and track record of honoring previous commitments. Water service will not be terminated for any customer who complies with the payment arrangement, if the customer also keeps the account current as new charges accrue in each subsequent billing period. The JBWD sends customers a letter indicating a payment arrangement agreement. After failure to comply with the payment arrangement or contract, the agreement will be terminated and the remaining balance is immediately due or account will be subject to cut-off within 48 hours.

ARTICLE 1.29 Collection of Delinquent Accounts

The JBWD will attempt to collect all unpaid water charges including penalties and interest as follows:

- a. Delinquent Accounts Held in the Name of the Property Owner
Unpaid charges on account held in the name of the property owner will be filed as a lien against the property.
- b. Delinquent Accounts Held in the Name of non-Property Owners

When the closed account was in the name of other than the property owner, the property owner will be notified that upon a third occurrence of unpaid water bill, uncollected after 90 days, at that location within a three-year period, water service may only be turned on in the name of the property owner. Thereafter, service at that property will not be eligible to be turned on in the name of anyone other than the property owner unless the owner pays off all unpaid water bills or maintains the water account in the owner's name for five (5) years and meets the good payment requirements over the five-year period (no more than five delinquent payments no returned checks and no lock-off for non-payment).

Uncollected delinquent balances on closed accounts will be collected as follows:

- a. When opening a new account, any delinquent balance due from a closed account held in the name of the same owner will be collected as a condition of establishing the new account
- b. When discovered, any delinquent balance due on a closed account held in the name of the same owner will be transferred to any other open account of the same owner. Failure to pay the delinquent account balance when due will subject the accounts to lock-off for nonpayment.

The JBWD retains the right to use the above and all other means of collecting unpaid accounts that are now in effect or that in the future may be established.

ARTICLE 1.30 Payment Methods

The JBWD offers several methods for making payment including cash, checks and credit card payments. Customers may pay by check or credit card in person or may sign up for the Auto Pay service where the JBWD will automatically draft payment from the customer's checking/savings account or credit card account.

A payment drop box is located in the JBWD parking lot for use in dropping off checks during or after regular business hours. Cash should not be placed in the drop box. Payments are ordinarily picked up from the box once per day only and are posted to the accounts on the following business day. Payments are picked-up from the drop box at the end of the business on the payment due date. Payments dropped in the box after the end of business on the due date are considered delinquent. Payments must be received in the drop box by 5:00 PM on the payment due date in order to avoid delinquent charges.

Payments are picked up from the drop box at the beginning of business on cut-off day. Payments for accounts subject to cut-off should not be dropped in the box after 7:00 am on cut-off day. Payments for accounts subject to disconnection should not be placed in the drop box after 7:00 am on the disconnect day.

Once payment has been received, JBWD does not refund any payment or overpayment until the account closes.

ARTICLE 1.31 Uncollected Payments

Customers who make payment that is eventually returned from the bank as uncollected will be charged a returned payment charge and other charges as appropriate. The second returned payment within a two-year period will result in customer being required to make all payments by cash or credit cards for two years. After two years of good payment history including no more than two late payments and no lock-offs, customer may request to be removed from the cash-only status.

ARTICLE 1.32 Tag/Letter Fee

The JBWD charges a fee whenever we are required to prepare or deliver a letter or tag, whether by mail or personal delivery. Letters and tags are used in situations such as for impending lock-off, returned checks and payment arrangements.

ARTICLE 1.33 Meter Accuracy

All meters shall be tested prior to installation and no meter shall be installed that registers greater than the following variance of actual water passing through the meter and tested by the JBWD or an independent third party that uses the American Water Works Association (AWWA) meter flow standards:

- 95% to 101% at low flow
- 98.5% to 101.5% at moderate flow
- 98.5 to 101.5 at high flow

The test, performed in accordance with AWWA standards, must result in accuracy at all three different water flows. The same standard shall be acceptable for existing meters. Any customer has the right to have his meter examined and tested at any time upon completion of the Meter Test Form. The Meter Test Form requires customer to commit to payment of the meter test fee and an adjustment to their water account for any discrepancy identified in the meter performance, either over or under-recording, if the meter fails. Any charges resulting from the meter test will be added to the customer's account and will be subject to collection pursuant to Article 1.24. If the meter does not meet the AWWA meter flow standards at all three water flows, the meter failed. If tested at the JBWD facilities, the customer may request to be present during the test.

The JBWD may from time to time or as a matter of policy, institute a periodic meter testing program. The JBWD reserves the right to test any customer's meter at any time without notification and without charge to the customer.

ARTICLE 1.34 Meter Flow Limits

A customer shall not increase the flow through the meter beyond the flow rate limit corresponding to the meter size as set forth in Article 2.

ARTICLE 1.35 Measurement and Control of Water Delivered

Each meter has an attached valve for exclusive use of JBWD. The JBWD-side valve located closest to the mainline or streetside, is for the exclusive use of JBWD in controlling the water supply through the customer's service, and it shall not be used by the customer. A customer's service valve is provided for the customer's use. The customer's service valve is typically a lever style valve, is situated in the meter box closest to the customer's house and also has the ability to be locked by the customer.

ARTICLE 1.36 Meter Damage

If any portion of the meter is damaged by the customer's unauthorized use to such an extent that it requires repair or replacement, such repair or replacement shall be done by the JBWD, and the customer or property owner, as noted below, will be billed for all costs including JBWD labor associated with the repair or replacement.

a. Payment for Damaged Meters for Accounts in the name of the Property Owner

If the account holder of the damaged meter is the property owner, the service will not be restored until the damage is paid. If service was not interrupted as a result of the damage, the charge will be placed against the account for collection through the normal account billing procedures. If the damage remains unpaid by the account holder-property owner, a lien will be placed against the property with the county recorder.

b. Damaged Meters for Accounts in the name of Non-Property Owners

If the account holder of the damaged meter is not the property owner, water will not be restored until payment has been received. If service has not been interrupted, charges for the damage will be placed against the account for collection through the normal account billing procedures. The property owner will be notified within seven (7) days that the damage has occurred and that future service will not be provided to the property until the damage is paid.

New applicants for service at an address where unpaid damage exists and the property owner has been notified will be denied service until the damage is paid.

ARTICLE 1.37 Change in Service Facility

The JBWD or a customer may initiate a change in the size, character of use, or location of customer service installation, or any part thereof. If initiated by the customer, the customer shall complete the applicable portions of Application for New Customer's Service Facility. The JBWD will examine the customer's service facility size criteria as set forth in Article 2.3.

The JBWD also reserves the right to examine, in detail, the water use activities of any customer at any time.

If the JBWD determines that a customer's water use exceeds the flow limits of the meter for an average over three billing cycles, the JBWD may upon notification to the customer remove the existing meter and replace it with one of the proper size; whereupon, the customer shall pay the incremental difference in cost associated with the new meter size.

In no case will a meter of greater size than the size of the customer's service facility be installed. If the customer requests a meter larger than his service facility, and the customer is willing to pay the cost to replace his service facility to support the larger meter size, the JBWD will honor the customer's request. No credit will be allowed against the replacement cost for the existing facility.

ARTICLE 1.38 Parcel Divided Subsequent to Initial Installation of Customer Service Facility

It is the responsibility of the parcel owner to notify the JBWD of a proposed parcel split and comply with the JBWD Rules and Regulations.

The JBWD has final approval of the location of water facilities on the parcels that are split and a line extension may be required as a condition of a parcel split for additional water service facilities. When parcels are split, the water meter will belong to and stay with the parcel where it is physically situated. New water meter(s) will have to be purchased for the other parcel(s), where there is no longer a water meter located, including payment of associated charges such as capacity fees.

ARTICLE 1.39 Tampering With the JBWD Water System

No person other than an employee, operating within the scope of his duties is authorized to operate or otherwise interfere with operation of the water system. Any person caught in the act of tampering with the operation of the water system will face criminal prosecution.

ARTICLE 1.40 Water Use Without Permit

A person using water from any customer service facility without having made application for and been approved for water service by the JBWD shall be held liable for payment for the water delivered from the date of the last recorded meter reading. If water use has been detected, but the meter is not operating, the quantity consumed shall be determined as outlined in Article 1.22. Billing Adjustments for Meter Error. The home owner or occupant shall be responsible for the

water bill. In addition, the person using water in this manner may (see 1. 39) also face criminal prosecution depending upon the circumstances of the situation.

EXHIBIT B

ARTICLE 2.9 Change in Customer Service Facility Location

If a customer requests that his service facility be moved, the move will be done by JBWD, and the customer will pay all costs of the relocation and the customer will be responsible to relocate their own water line to the new service facility. Customer services located within fenced areas will be relocated by JBWD and all expenses will be paid for by the customer, or the customer may be required to relocate such fence at JBWD's discretion. JBWD will not be responsible for reconnecting customer service line.

ARTICLE 2.10 JBWD Right to Ingress and Egress on Customer Premises

JBWD shall have the right to ingress and egress upon the customer's premises for any purpose in connection with the furnishing of water service during normal business hours or anytime during an emergency. Failure to give access to JBWD for meter reading may be grounds for discontinuance of service to the parcel. The parcel owner may choose to pay for remote meter reading equipment.

ARTICLE 2.11 JBWD Right of Access to Water System Facilities Within Easements on Private Parcel

All water system facilities installed within easements on private parcels shall remain the property of JBWD and shall be operated, maintained, repaired, or replaced by JBWD without the necessity of consent of the owner of the parcel. The parcel owner shall use reasonable care in the protection of JBWD facilities, and at no time will interfere with JBWD in maintaining such facilities:

The Parcel owner will not impair JBWD's capability of entering personnel and equipment for the purpose of operating, maintaining, repairing, or replacing facilities or reading meters on customer service facilities attached thereto. JBWD will have the right, without notice, to clear such obstructions and the person causing such obstruction will not be compensated by JBWD for the loss, damage or replacement of such obstruction.