

AMERICAN RANCH DOMESTIC WATER IMPROVEMENT DISTRICT

ORDINANCE NO. 2021

THE ATTACHED ORDINANCE IS TO establish rates and fees; to regulate the use and construction of water facilities within the District.

WHEREAS, the Board of Directors of the American Ranch Domestic Water Improvement District desires to assure that the use of the water system in the American Ranch Domestic Water Improvement District, operated by the District, will conform to the best engineering practices, and

WHEREAS, the Board of Directors desires to regulate the use of the water system operated by the District;

THEREFORE, BE IT RESOLVED by the Board of Directors of the American Ranch Domestic Water Improvement District, Yavapai County, Arizona, that an Ordinance be adopted as attached.

Dated this _____, 2021

AMERICAN RANCH DOMESTIC WATER IMPROVEMENT DISTRICT

BY: _____
Cynthia Baker, Chair

ATTEST:

BY: _____
Jennifer J. Bartos, District Clerk

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ARTICLE I
DEFINITIONS AND ABBREVIATIONS

Section 101

The definitions of certain words and abbreviations used in this Ordinance shall be as follows:

ADMINISTRATOR: The person(s) designated by the Board of Directors to manage the administration of the District or his/her authorized representative.

ANNEXATION: The addition of territory to the District.

AMERICAN RANCH DOMESTIC WATER IMPROVEMENT DISTRICT: The name of the District in which the water system is located. It is a recorded district formed in 2000, under Title 48 "Special Taxing Districts", Chapter 6 of the Arizona Revised Statutes.

BACKFLOW PREVENTION DEVICE: Backflow-prevention assembly means a mechanical device used to prevent backflow.

BEDROOM: One room (intended to be used as a sleeping room) that includes a closet.

BOARD OF DIRECTORS: The Board of Directors of the American Ranch Domestic Water Improvement District, an elected 5-member Board of property owners and/or registered voters within the boundaries of the District.

CAPACITY: The volume of ERUs designated for use in the District's water System. The use and the right to water capacity runs with the land and is limited to the approved and paid for use.

COMMERCIAL / INDUSTRIAL USER: Any non-residential user.

DISTRIBUTION SYSTEM: Any system of water lines connected to the District system.

DISTRICT: The American Ranch Domestic Water Improvement District.

DISTRICT CLERK: A person appointed as the Clerk of the District Board of Directors.

DISTRICT ENGINEER: A qualified engineer appointed or employed as District Engineer.

DISTRICT OFFICE: c/o Improvement District Services, Inc., 3603 Crossings Drive, Prescott, AZ 86305, (928) 443-9484.

DOMESTIC WATER USE: Domestic water use includes water for normal household purposes, such as drinking, food preparation, bathing, washing clothes and dishes, flushing toilets, and watering lawns and gardens. Domestic water use means water for the house, buildings and irrigation within the building envelope.

ERU: An ERU (Equivalent Residential Unit) is a unit of measure for water based upon the average flow to an average residential dwelling. An ERU for each user class contains an industry-wide average for flow.

G.P.D.: Gallons Per Day.

MAG: Maricopa Association of Governments Uniform Standard Specifications and Details publication.

MAY: is permissive.

OWNER: A person holding legal or equitable title in any real property subject to this Ordinance.

OPERATOR: The person, or their authorized representative, that is a State Certified Water Operator (minimum grade required by law), designated by the Board of Directors to manage the operation and maintenance of the District's water system.

PUMP STATION: The equipment and facility used to pressurize and/or transport water through the distribution system to a location where it will be used by the customer.

SERVICE LINE: A water line serving an individual structure, from the water meter to the dwelling or building. The service line shall run directly from the water meter and backflow prevention device to the structure and shall not cross another person's property.

SHALL: is mandatory.

RESIDENTIAL UNIT: A room (or group of rooms) designed for one or more persons living as one socially homogeneous body (including relatives and servants, if any) and containing sleeping accommodations. Including townhouses, condominiums and apartments.

WATER SYSTEM: District owned and maintained water treatment and distribution facility and other appurtenances required to pump, treat and distribute water.

WATER LINE: A pipe or conduit for carrying water.

YAG: Yavapai Association of Governments Standards publication.

ARTICLE II
GENERAL PROVISIONS

Section 201 - Purpose

The purpose of this Ordinance is to provide for the maximum possible beneficial public use of the District's water system through regulation of water line construction and water use; to provide procedures to insure compliance with the requirements contained in this Ordinance; and to establish rates and fees for connection to the District's water system.

Section 202 - Short Title

This Ordinance may be cited as the American Ranch DWID Ordinance or District Ordinance.

Section 203 - District Office

All correspondence, applications, and inquiries should be addressed to: Jennifer Bartos, District Clerk, c/o Improvement District Services, Inc., 3603 Crossings Drive, Prescott, AZ 86305.

Section 204 - Relief on Application

When any person by reason of special circumstances is of the opinion that any provision of this Ordinance is unjust or inequitable as applied to his premises, he may make written application to the Board of Directors stating the special circumstances, citing the provision complained of, and requesting suspension or modification of that provision complained of, as applied to his premises.

Based on such application and its review of the situation, the Board of Directors may suspend or modify the provision complained of, as applied to such premises, which suspension or modification shall be limited to the period that the justifying special circumstances continue.

Section 205 - Relief on Board of Directors' Motion

If the Board of Directors, on its own motion, finds that by reason of special circumstances any provision of this Ordinance should be suspended or modified as applied to a particular premise may suspend or modify such provision. Such action shall apply only so long as the justifying special circumstances prevail.

Section 206 - Administration

The Administrator shall administer, implement, and enforce the provisions of this Ordinance.

Section 207 - Notice of Violations

Any person found in violation of this Ordinance will be served with a notice stating the nature of the violation and providing a time limit of 48 hours, or an alternate time limit determined by the Board of Directors, for compliance. Such notice will be in writing and will be served in person or by certified mail. The notice will be sent to the last address of the owner of record known to the Administrator. If satisfactory action is not taken in the time allotted by the notice, Section 208 of this Ordinance shall be implemented.

Section 208 - Penalty for Non-Compliance

Any person who continues to violate the provisions of this Ordinance beyond the time limit provided for in the "Notice of Violation" may be charged a penalty. The penalty shall be up to \$500.00 for each day the violation continues. The District may disconnect the property's service connection from its system and assess re-connection fees up to \$500.00 plus District costs upon re-establishment of service. The property owner will be responsible for replacement and/or repair of landscaping disturbed during line excavation. The District may also initiate a court action to recover costs and attorney's fees. Re-connection shall not be allowed until all violations have been rectified.

Section 209 - Inspections

District representatives, bearing proper credentials and identification, shall be permitted to enter properties of users served by District's water system at any reasonable time for the purposes of inspection, observation, measurement, and sampling of the water to ensure that the use of the District's water system is in accordance with the provisions of this Ordinance.

District representatives, bearing proper credentials and identification, shall be permitted to enter all private property through which the District holds an easement for the purposes of inspection, observation, measurement, sampling, construction, repair, and maintenance of any of the District's water facilities lying within the easement.

All entry and any subsequent work within an easement shall be done in full accordance with the terms of the easement pertaining to the private property involved.

While performing the necessary work on private property, the District representatives will observe all reasonable safety rules applicable to the premises and the work being performed.

Any requested information, which is claimed in writing to be confidential by the owner and allowed by law to be confidential, will be so honored by the Administrator and District representatives.

Section 210 - Authorization to Alter, Use, or Disturb the District Water System

No person shall uncover, make any connections with or opening into, use, alter, or disturb any part of the District water system to include but not limited to water lines, water meter, backflow prevention device or appurtenances without first receiving the appropriate required written permits and the approval from the District Administrator.

Section 211 - Damage to the District Water System

Any person who causes damage to the District's water system shall be liable to the District for all costs incurred to correct the damage. Damage may be defined as, but is not limited to, the need for repairs and/or additions to, spillage of water from and illegal use of the District's water system. Failure to notify the District, or correct the damage, or reimburse the District for the costs incurred shall be considered in violation of this Ordinance.

Section 212 - Vandalism

Any person who tampers with or destroys any District property or structure, which is part of the District's water facilities, shall be criminally prosecuted.

Section 213 - Property Owner's Responsibility

It is the sole responsibility of the property owner to: make all notifications to the District, including but not limited to, any changes in property use, ownership, occupation of the property, and property owner's current mailing address; obtain applications and approvals from the District; make payment of fees, fines, reimbursable expenses, and damage claims to the District; assure proper use of the District's water system.

Section 214 - District Records

District records that are not confidential are available for public inspection upon request. Arrangements to view District documents may be made by contacting the District Office. Copies of District documents may be charged at .25 cents per page, plus any additional expenses and postage necessary for delivery of such documents.

Section 215 – Use of District Property

The use of District owned property shall be restricted to District use only.

Section 216 – Mandatory Connection to District Water System

All properties developed within the boundaries of the District are required to properly connect to the District's water system for all domestic use on that property. Domestic water use includes water for normal household purposes, such as drinking, food preparation, bathing, washing clothes and dishes, flushing toilets, and watering lawns and gardens. Domestic water use means water for the house, buildings and irrigation within the building envelope.

ARTICLE III
BUILDING/EXPANDING WATER SYSTEMS AND CONNECTIONS

Section 301 - General

All properties developed within the boundaries of the District are required to properly connect to the District's water system for all domestic use on that property. Domestic water use includes water for normal household purposes, such as drinking, food preparation, bathing, washing clothes and dishes, flushing toilets, and watering lawns and gardens. Domestic water use means water for the house, buildings and irrigation within the building envelope.

No person shall uncover, make any connections with or opening into, use, alter, or disturb any portion of the District's water system or appurtenances without first receiving the appropriate required permits and the written approval of the District Administrator.

Section 302 - Service Line Connections

The design, installation, repair, maintenance, and replacement of service lines are the sole responsibility of the property owner.

Service lines shall be run directly from the structure to the water meter and backflow prevention device without crossing another person's property.

The service line connection shall be inspected by the District's authorized representative prior to backfilling. All such connections shall be made watertight, using approved fitting designed for this purpose. The District's representative may verify tests. The applicant shall notify the administrative office when the service line is ready for inspection. The District representative shall inspect the connection within two (2) working days from the date the inspection request was submitted.

Any connection to the District's system backfilled prior to inspection by the District shall be exposed within 48-hours at the applicant's expense.

It is the applicant's responsibility to confirm that the inspection has been performed and approved prior to backfill.

Expenses incurred by the District for damages caused to the District's water mainline and/or system, by improperly installed connections, shall be the sole responsibility of the property owner. The District may invoice the property owner for expenses incurred. The property owner shall reimburse the District within 30 days of the invoice.

Section 303 - Water Expansion Process - Constructing Water Systems for District Acceptance

A property owner, or their designated representative, may make application to the District to construct a water extension that may include water lines and pump stations that may be conveyed to the District for acceptance into the District's water system. The District Board of Directors may accept ownership and maintain the additional system upon acceptance.

The construction of the water extension, blue stakes, utility re-routing, road construction, or any other type of construction shall be the sole responsibility of the applicant.

The District is not liable in any way for any part of a water extension project. Upon final District acceptance, the District will begin to maintain the lines. This maintenance does not relieve the applicant of warranty work.

The applicant shall be responsible for notification of District requirements to all parties affected, including but not limited to the applicant's contractors.

The applicant shall be the designated contact to the District for the entire water expansion process.

Hook-up Fees, as determined by the District, shall be paid in full prior to making application to the District.

Approvals shall be issued prior to the start of construction.

Pump station construction shall be limited to extreme necessity. The District Engineer shall determine if the necessity exists. The system shall be designed in accordance with ADEQ requirements, Arizona Administrative Code Title 18 and applicable Y.A.G. Standards.

Easements

The applicant shall be responsible to obtain all easements necessary for the construction of the water extension. The easements shall include a legal description certified by an Arizona Registered Surveyor. All expenses to obtain such easements shall be borne by the applicant. All permanent easements shall be conveyed to the District upon final acceptance of the additional water system. The minimum width of the permanent easement conveyed to the District shall be 15-feet.

Expenses

All expenses incidental to the design, construction and inspection of the water extension and the District's Water Expansion Process shall be borne by the applicant.

The applicant shall be billed for expenses incurred by the District for the Water Expansion Process. Upon completion of the plan review the District Engineer shall provide the applicant, upon written request, a written estimate of the anticipated expenses to be incurred for the remaining Water Expansion Process. These expenses may include administration, inspection, plan review.

The District shall invoice the applicant for expenses incurred on a monthly basis. This invoice shall be due and payable within 30 days. An interest rate of 10% per annum shall be charged on outstanding account balances due after 30 days.

All invoices shall be paid in full prior to final acceptance by the District.

Initial Plan Review / Approval To Construct

Upon the District Engineer's approval of the submittals, he shall issue a letter giving an Approval to Construct based on the information supplied. Any modifications to approved plans shall be submitted in writing to the District Engineer for review and approval prior to making the modifications.

The applicant shall notify the District Engineer 72-hours prior to the start of construction.

Submittals

The property owner shall submit a written notice stating the name of their designated representative and their knowledge of the Ordinance requirements and expenses. This notice shall also include an agreement to reimburse the District upon invoice in accordance with this section.

Each applicant shall provide the District Administrator an initial plan review submittal package containing two (2) complete sets of design plans and specifications, including testing plans, prepared and sealed by a professional engineer registered in the State of Arizona, and a construction schedule for the entire water system. Faxes, catalog sheets and revised drawings are not an acceptable format for submittals.

The District Administrator shall forward the initial plan review package to the District Engineer for review. The District requires a minimum of ten (10) working days, from the time of the complete submittal, for review.

If the submittals are found to be deficient, the District Engineer will document the deficiencies in writing to the applicant. The applicant's registered engineer will then correct the plans and/or specifications and present a complete re-submittal in original format for additional review.

Pump station construction shall be limited to extreme necessity. The District Engineer shall determine if the necessity exists. If a pump station(s) is deemed necessary see Section 304 Pump station Construction Requirements.

An isolation valve shall be installed, with box and cover, at every service line, branch of water lines, and/or at any intersection of lines.

All submittals shall refer to the standards defined in the most current editions of the Uniform Plumbing Code (UPC), M.A.G. Standards, Y.A.G. Standards, AWWA Standards, District Ordinance, and/or other agency requirements. Submittals that do not address these requirements shall be considered deficient.

The design submittals shall include the size, slope, alignment, construction materials, trench excavation and backfill methods, pipe placement and jointing, pump station design and equipment specifications, and testing methods to be used in the construction of the additional water system. The design plans shall also show necessary permanent easement locations.

The system shall be designed in accordance with ADEQ requirements, Arizona Administrative Code Title 18 and applicable Y.A.G. Standards. The District requires tracer wire on all installed pipe. The District also discourages curved water lines.

The applicant shall obtain all of the appropriate permits and approvals for the water system construction, including the Approval to Construct from Yavapai County, the Arizona Department of Environmental Quality, The Department of Water Resources or other agencies as required by law. Once obtained the applicant shall forward a copy of these permits and approvals to the District Administrator.

Inspections and Testing

All distribution system additions will be tested and inspected in accordance with the most current editions of the Uniform Plumbing Code (UPC), MAG Standards, AWWA Standards, American Ranch District Ordinance, Arizona Department of Environmental Quality (ADEQ) requirements, Arizona Administrative Code Title 18, and/or other agencies as required by law. The District Engineer, or his authorized representative, shall inspect the construction of the water system periodically during the construction process for observation purposes only. The District Engineer shall determine the frequency of the inspection schedule. The inspection by the District Engineer, or his authorized representative, does not remove any liability from the applicant for the quality of construction or the design.

The District Engineer shall approve the testing schedule, method of testing and testing limit requirements. The District Engineer, or his authorized representative shall be notified 24 hours in advance of testing and shall be present to observe testing, if it is deemed necessary by the District Engineer. The District Engineer requires the applicant to perform quality assurance testing as deemed necessary by the District Engineer. The District requires mandrel and air tests on all water lines. The District Engineer's inspection does not relieve the owner's responsibility for quality control and project compliance.

The property owner is responsible to provide adequate inspections and reports for quality control and approval by State and County agencies. Any inspections made by the District Engineer shall be in addition to the owner's inspections. The District Engineer's inspections do not replace the owner's responsibility.

As-Built Plan Review / Approval of Construction

Upon the District Engineer's approval of the submittals he shall issue a letter giving an approval of construction based on the information supplied.

The applicant shall notify the District Engineer within 24-hours after the completion of the construction.

Submittals

Upon completion of construction of the system the applicant shall provide the District Administrator an as-built plan review submittal package containing two (2) complete sets of as-built plans and specifications, test results, and permanent and/or temporary easements, prepared and sealed by a professional engineer registered in the State of Arizona. An Arizona registered engineer shall certify test results. Faxes, catalog sheets and revised drawings are not an acceptable format for submittals.

The District Administrator shall forward the as-built plan review submittal package to the District Engineer for review. The District requires a minimum of ten (10) working days, from the time of the complete submittal, for review.

If the submittals are found to be deficient, the District Engineer will document the deficiencies in writing to the applicant. The applicant's registered engineer will then correct the submittals and present a complete re-submittal in original format for additional review.

All submittals shall refer to the standards defined in the most current editions of the Uniform Plumbing Code (UPC), M.A.G. Standards, Y.A.G. Standards, ADEQ requirements, Arizona Administrative Code Title 18, AWWA Standards, District Ordinance, and/or other agency requirements. Submittals that do not address these requirements shall be considered deficient.

The as-built submittals shall include the size, slope, alignment, construction materials, trench excavation and backfill methods, pipe placement and jointing, pump station construction and equipment specifications, and testing methods that were used in the construction of the additional water system. The as-built plans shall also show the permanent easement locations and include a legal description certified by an Arizona Registered Surveyor.

The as-built submittal shall include a digital format seamless drawing of the newly installed improvements. The drawing shall show pipe runs using State Plane Coordinates. This drawing shall be suitable for importation into the District's GIS database. The cost of importing the data into the District's GIS system and feature attribution of the features shall be borne by the developer/owner. Any additional survey required to correct incomplete or inaccurate coordinates shall be borne by the developer/owner.

The District Engineer may require additional testing, cleaning, inspection, and/or survey of the system prior to its acceptance. Such work shall be done at the expense of the owner.

The applicant shall obtain all of the appropriate permits and approvals for the water system addition, including the Approval of Construction and the Approval to Operate from Yavapai County, the Arizona Department of Environmental Quality, or other agencies as required by law. Once obtained, the applicant shall forward a copy of these permits and approvals to the District Administrator.

The applicant's engineer shall be responsible for the certification of the entire system addition to the District.

District Acceptance and Warranty

The newly constructed water system and easements may be conveyed to the District.

A Bill of Sale and Warranty Deed for the water distribution system shall be submitted to the District Administrator with adequate warranties against liens and encumbrances. The applicant shall warrant the system to be free from defects and shall be responsible for any losses, damages, or costs incurred by the District due to the design, construction, inspection, and testing of the additional water system. The warranty shall be valid for at least one-year following the date of acceptance of the system by the District.

Once the District Engineer and Administrator mutually agree that all applicable provisions of this section have been met and all fees have been paid in full to the District, the District Administrator may submit a recommendation to accept the water system and easements to the Board of Directors.

Upon the District Engineer and Administrator's recommendations the Board of Directors may consider acceptance of the newly constructed water system and easements.

Section 304 - Pump Station Construction Minimum Requirements

Pump station construction shall be limited to extreme necessity, even in cases where this may increase the initial construction cost. The District Engineer shall determine if the necessity exists. If a pump station(s) is deemed necessary it shall meet all ADEQ requirements, Arizona Administrative Code Title 18 Guidelines, District Staff requirements, and the following minimum requirements: redundant pumps and controls, auto start diesel fueled back-up generator with automatic transfer switch, audio and visual alarms for high level, low level, AC power failure, pump off failure, generator failure, level control failure, moisture in motor, motor over heating. The station shall be equipped with an automatic telephone dialer, ultrasonic level control with back-up float switches, lighting, potable water, and magnetic flow meter with circular chart recorder, signage (per District requirements); the underground access portion of the station shall be equipped with all safety items to allow safe entry of personnel including confined space entry blowers, toxic atmosphere test equipment, ladder and safety harness and man-rated winch; redundant pumps such that the station can meet peak demand with one pump out of service; proper drainage; security fencing and gate conducive to blending with the aesthetics of the surrounding area; landscaping with drip style sprinkler system conducive to blending with the aesthetics of the surrounding area; as well as any other local, State, and/or Federal requirements. An approval of the style of fencing and landscaping should be obtained from the local homeowner's association, if applicable, prior to the design submittal to the District.

The District shall approve all equipment proposed for use in the pump station. The approval of the District shall not relieve the applicant of responsibility for insuring all equipment is compatible with the applicants pump station design. The District recommends the applicant meet with the District staff during initial design stages of the pump station to discuss proposed equipment and design concepts.

Section 305 - Water Meter and Backflow Prevention Device Installation

The District shall install all water meters and backflow prevention devices. The appropriate water meter size, style, manufacturer and/or model shall be approved by the District.

The cost of the water meter, backflow prevention device and installation shall be determined by the District and paid for by the property owner to the District as part of the hook-up fee.

The standard above ground backflow device (double check valve used for domestic and irrigation) is included with the meter installation and if the homeowner wishes to have a below ground backflow device installed it will be provided and installed by the District's operator at the homeowner's expense; the RPZ above ground backflow prevention valve will be

installed by the homeowner at their cost, but inspected, tested and approved by the District Operator, on all lots with wells for pasture and horse watering.

The water meter may be installed in three (3) business days once the Application for Water Service is completed and approved, and all applicable fees have been paid to the District. The installation may extend beyond three (3) business days at the written request of the property owner, or their designated representative.

Unauthorized persons or entities shall not tamper with water meters or backflow prevention devices in any way. District authorized personnel shall perform all water meter and backflow prevention device installation, repairs, replacement or readings. A property owner, tenant, or water user may read the meter display, but shall not adjust, shut off, turn on, or tamper with the meter or backflow prevention device.

Section 306 - Separate Connection Required

A separate and independent service line connection shall be provided for every building, except where one building stands at the rear of another on an interior lot and no service line can be reasonably constructed to the rear building through an adjoining alley or easement. In the latter event, the building water service line from the front building may be extended to the rear building and the whole considered as one service line connection. The District will not assume any obligation or responsibility for damage caused by or resulting from any such single building water line, which serves two buildings.

Section 307 - Building Elevation

Whenever possible, the water service line shall be brought to the building at an elevation to allow flow from the District water line. When this is not possible the building shall have water lifted by an approved means. The design, installation, repair, maintenance, and replacement of the equipment and facilities necessary to lift the water are the sole responsibility of the property owner.

Section 308 - Water Line Backflow Prevention

Every building with plumbing fixtures of any type shall install a backflow prevention device to prevent backflow of water.

The standard above ground backflow device (double check valve used for domestic and irrigation) is included with the meter installation and if the homeowner wishes to have a below ground backflow device installed it will be provided and installed by the District's operator at the homeowner's expense; the RPZ above ground backflow prevention valve will be installed by the homeowner at their cost, but inspected, tested and approved by the District Operator, on all lots with wells for pasture and horse watering.

Section 309 – Private Wells

Following the American Ranch CCR document, the placement, drilling and operation of water wells is prohibited on all lots except designated equestrian lots.

Any placement, filling and operation of wells on equestrian lots shall be subject to the prior written approval of the Architectural Review Committee and shall solely serve to irrigate pasture land and provide drinking water for horses. Wells shall not be used on equestrian lots for domestic purposes.

The design, installation, repair, maintenance, and replacement of the well and its appurtenances shall be the sole responsibility of the property owner. There shall be no cross connection of the well service line and the District's water system.

An RPZ above ground backflow prevention valve shall be installed by the homeowner at their cost, but inspected, tested and approved by the District Operator, on all lots with wells for pasture and horse watering.

The well service line and the backflow prevention connection shall be inspected by the District's authorized representative prior to backfilling. The applicant shall notify the administrative office when the line is ready for inspection. The District representative shall inspect the connection within two (2) working days from the date the inspection request was submitted.

Any connection backfilled prior to inspection by the District shall be exposed within 48-hours at the applicant's expense.

It is the applicant's responsibility to confirm that the inspection has been performed and approved prior to backfill.

ARTICLE IV **NEW OR MODIFIED WATER SERVICE**

Section 401 - General

All properties developed within the boundaries of the District are required to properly connect to the District's water system for all domestic use on that property. Domestic water use includes water for normal household purposes, such as drinking, food preparation, bathing, washing clothes and dishes, flushing toilets, and watering lawns and gardens. Domestic water use means water for the house, buildings and irrigation within the building envelope.

No person shall uncover, make any connections with or opening into, use, alter, or disturb any District water line, hydrant, water meter, backflow prevention device or appurtenances without first receiving the appropriate required permits and the approval from the District Administrator.

Section 402 - Request for Capacity

Prior to making application for a building, tenant improvement, or change of use permit with Yavapai County the property owner shall obtain the adequate capacity in the District's water system.

The adequate amount of capacity and the hook-up fee shall be determined by the District, in accordance with the

District Ordinance, based on the applicant's stated intended use of the property. Late fees will apply to accounts with outstanding balances at the time the permit is applied for with Yavapai County.

A written request for capacity in the District's water system shall be submitted by the property owner to the District office. This request shall include the intended use of the property, the number of capacity units (per fixture) being requested, and a statement of the owner's agreement to pay the District's fees on the approval date. The request shall be supplemented by information considered important in the judgment of the Administrator.

The District Administrator may present the request to the Board of Directors at a regular Board Meeting for their consideration. Prior to approval, the property owner shall make Application for Water Service and pay all applicable fees to the District. The property owner shall submit the completed Application for Water Service along with the applicable fees.

The capacity and the right to water capacity runs with the land and is limited to the approved and paid for capacity.

Section 403 - Account Activation

Account activation shall begin upon approval of the submitted Application for Water Service and prior to making application for a building, tenant improvement, or change of use permit with Yavapai County.

Applicable fees will be charged upon account activation. Late fees will apply to accounts with outstanding balances at the time the permit is applied for with Yavapai County.

Section 404 - Application for Water Service – New Service and Modifications to Existing Water Service

An Application for Water Service form may be obtained by contacting the District office.

Prior to making application for a building, tenant improvement, or change of use permit with Yavapai County the property owner, or their designated representative, shall obtain adequate capacity in the water system and an approved Application for Water Service from the District. In the case of an existing structure the capacity and approved Application for Water Service shall be obtained prior to making a connection. Late fees will apply to accounts with outstanding balances at the time the permit is applied for with Yavapai County.

An application shall be submitted for each connection, or in the case of properties making modifications for expansion, tenant improvement, and/or change of use, an application shall be submitted for each modified property.

The property owner shall submit a completed Application for Water Service in the District's water system. The application shall be supplemented by information considered important in the judgment of the Administrator. The property owner shall pay the applicable fees for each application to the District prior to or at the time of receiving an approved application. The fees shall be calculated in accordance with the District Ordinance.

All applicable fees shall be paid in full to the District prior to an application approval.

When applying for a building permit with Yavapai County, the property owner, or their designated representative, shall submit one copy of the completed and approved Application for Water Service to the County.

Section 405 – Water Meter and Backflow Prevention Device

The District shall install all water meters and backflow prevention devices. The appropriate water meter and backflow prevention device size, style, manufacturer and/or model shall be approved by the District.

The standard above ground backflow device (double check valve used for domestic and irrigation) is included with the meter installation and if the homeowner wishes to have a below ground backflow device installed it will be provided and installed by the District's operator at the homeowner's expense; the RPZ above ground backflow prevention valve will be installed by the homeowner at their cost, but inspected, tested and approved by the District Operator, on all lots with wells for pasture and horse watering.

The cost of the water meter, backflow prevention device and installation shall be determined by the District and paid for by the property owner to the District.

The water meter may be installed in three (3) business days once the Application for Water Service is completed and approved, and all applicable fees have been paid to the District. The installation may extend beyond three (3) business days at the written request of the property owner, or their designated representative.

Unauthorized persons or entities shall not tamper with water meters or backflow prevention devices in any way. District authorized personnel shall perform all water meter installation, repairs, replacement or readings. A property owner, tenant, or water user may read the meter display, but shall not adjust, shut off, turn on, or tamper with the meter or backflow device.

Section 406 - Temporary Hydrant Use of Water

No water from the American Ranch Domestic Water Improvement District's water system shall be sold for use outside of the American Ranch subdivision without prior approval by the Board of Directors and written consent from the District Administrator.

The District may sell water on a temporary basis through the use of a hydrant meter that shall be installed and monitored by the District's water operations staff. A written request from any person or firm seeking the temporary use of water shall be submitted to the District Administrator. Upon approval of the request a deposit will be collected from the applicant. A District representative will install the hydrant meter within two (2) business days on a hydrant location determined by the District representative.

The District will initially deduct a non-refundable deposit, see most current Resolution, from the full deposit for the activation of the hydrant meter and the account. Water pumped from the meter will be monitored and recorded by the District's representative. Charges for water usage will be calculated at a rate pursuant to the most current Resolution, beginning with the first gallon sold, plus the flat rate for each 30-day period the account remains active (beyond the initial 30-day period). Charges will be deducted from the deposit according to the District representative's recorded usage along with all flat rate

charges and the remaining deposit will be refunded to the applicant within 10 days. If charges exceed the initial deposit then a second deposit shall be collected from the applicant prior to additional water being sold.

Unauthorized persons or entities shall not tamper with hydrant meters in any way. District authorized personnel shall perform all hydrant meter installation, repairs, replacement or readings. The applicant may read the meter display, but shall not adjust, shut off, turn on, or tamper with the hydrant meter or its appurtenances in any way.

ARTICLE V **DISTRICT FEES**

Section 501 – Account Activation

Account activation shall begin upon installation of the water meter. Late fees will apply to accounts with outstanding balances at the time the permit is applied for with Yavapai County.

Section 502 – Hook up Fees

Definition of Hook up Fee

A hook-up fee is based on the cost of developing the water distribution and treatment facilities, and to install a water meter and backflow prevention device that are required to provide water to a particular water connection. The District shall collect a hook up fee from property owners requesting water capacity in the District's water system. Additional capacity fees shall be collected if the property has or makes a change of use, expansion, or tenant improvement that require additional capacity as determined by the District, in accordance with the District Ordinance. Additional capacity requests will not be considered on properties with delinquent fees.

The capacity and hook up fee is based on a calculation pursuant to the District Ordinance for the specific requested use.

The revenue collected from hook up fees may be used for the District's capital expenditures necessary to provide proper capacity, capital water system projects, payment of original construction costs, and capital equipment purchases.

Hook up fees are charged to each account upon activation or change of use. Late fees will apply to accounts with outstanding balances at the time the permit is applied for with Yavapai County.

The hook up fees are the responsibility of the property owner and the right to water capacity runs with the land and is limited to the approved and paid for capacity.

Formula for Calculation of Capacity Fee

For use in design and monitoring plant capacity, a per fixture use will apply as listed in Article IX. All User Classes that apply to one account will be combined for calculation of fees.

No. of fixtures x rate per fixture = Total Capacity

Total Capacity x Hook up Fee Rate = Hook up Fee

Hook up Fee Rate

The hook up fee rate is established at a rate per fixture, as set forth in the most current Resolution.

Section 503 - Permit Fees

Permit Fees are for connection to the District's water system. This fee is to cover the District's administrative and operational costs involved to process the application and inspection.

Prior to construction and/or connection the property owner shall submit an Application for Water Service along with the hookup fee, permit fee and any other applicable fees.

All fees shall be paid in full to the District prior to an application approval.

Permit Fee Rate

Permit fees are established at a rate per Application for Water Service, as set forth in the most current Resolution.

Section 504 - User Fees

User Fee Definition

User Fees are proportionate shares of the cost of operation, maintenance, and replacement of a water treatment and distribution system, and may include the cost of administrators, surveyors, sanitation experts, engineers, legal counsel and other persons as are reasonably necessary for the operation, maintenance and replacement of the system. These costs shall be allocated among all properties connected to the water system, whether or not they are using water. Billing may begin when the connection is made to the system. All user fees will be billed to, and are the sole responsibility of, the property owner. For unpaid user fees the District may send a Shut Off Notice to property owners. A reconnection fee will be charged to the property and shall be paid to the District along with the unpaid user fees prior to reconnection.

Minimum User Fee: User fees for connected properties, but whose usage falls below the minimum cost per account for the District's operation and maintenance expenses shall be charged the Minimum Charge per account per month.

Monthly Billing Cycle and Interest

User Fee charges will be billed after the first day of each month and due within ten (10) days. Such charges will be delinquent if not paid within the due date. Delinquent service charges shall bear an interest charge pursuant to the Arizona Revised Statutes. Once delinquent, the District shall mail a Shut Off Notice to the property owner's last known address on file

for that particular property with the Yavapai County Assessor's Office, and to the connected property location. A reconnection fee shall be paid to the District along with all delinquent user fees prior to reconnection.

Any and all unpaid service charges and/or penalties may be collected by court action, together with all costs of action and attorney's fees.

Formula for Calculation of User Fees

The District Ordinance fee schedule shall be used to determine user fees based on the base rate per ERU plus water usage, or a minimum charge may apply. All User Classes that apply to one account will be combined for calculation of fees.

Base rate + water usage in excess of base amount x rate = User Fee

User Fees Rates

The User Fee Rate is established at a rate as set forth in the most current Resolution.

The Minimum User Fee Rate is established at a rate per account per month, as set forth in the most current Resolution.

Section 505 – Activation/Transfer Fee

An activation/transfer fee will be charged to each account upon activation, transfer of ownership or changes in the account name. All fees and service charges shall be billed to, and the sole responsibility of, the property owner.

Activation/Transfer Fee

The activation/transfer fee rate is established at a rate as set forth in the most current Resolution.

Section 506 – Late Fees, Delinquencies, Liens, and Interest

A late fee may be charged if the payment of any fee prescribed by this article is delinquent for more than fifteen (15) days. The late fee rate is established at a rate as set forth in the most current Resolution.

Delinquent service charges shall bear an interest charge pursuant to the Arizona Revised Statutes. Once delinquent, the District shall mail a Shut Off Notice to the property owner's last known address on file for that particular property with the Yavapai County Assessor's Office, and to the connected property location. A reconnection fee shall be paid to the District along with all delinquent user fees prior to reconnection.

Any and all unpaid service charges and/or penalties may be collected by court action, together with all costs of action and attorney's fees. For accounts with fees delinquent in excess of ninety (90) days the District may proceed with collections pursuant to the applicable Arizona Revised Statutes as follows:

The District may file a lien on property for the nonpayment of user fees for services provided to the property if the fees are delinquent for more than ninety (90) days. At least thirty (30) days before filing the lien, the District shall provide written notice to the owner of the property and shall include a notice of an opportunity for a hearing before the Board of Directors or their designated officer. The notice of lien shall be personally served on the property owner or mailed by certified mail to the property owner's last known address or to the address to which the most recent property tax assessment was mailed. If the property owner does not reside on the property, the notice shall be mailed by certified mail to the owner's last known address.

The unpaid user fees are a lien on the property from the date of recording in the office of the County Recorder in the County in which the property is located until the fees and all costs are paid.

A sale of the property to satisfy a lien assessed pursuant to this section shall be made on a judgment of foreclosure and order of sale. The District may bring an action to foreclose the lien in the Superior Court in the County in which the property is located any time after recording. Failure to foreclose the lien does not affect its validity. The recorded unpaid user fees are prima facie evidence of the truth of all matters recited in the recording and of the regularity of all proceedings before the recording.

Unpaid user fees pursuant to this article accrue interest at the rate pursuant to the Arizona Revised Statutes.

The District shall add all costs incurred by the District including interest, attorney fees and costs in filing and enforcing the lien, to the unpaid user fees, and the costs are a liability of the property owner payable from the proceeds of the sale.

Prior assessment of unpaid user fees pursuant to this section does not bar a subsequent assessment pursuant to this section, and any number of liens on the same parcel of property may be enforced in the same action.

Additional capacity requests will not be considered on properties with delinquent user, hookup or capacity fees.

Section 507 - Return Payment Charge

The District may charge a return payment charge for all checks returned for Insufficient Funds, ACH payments stopped, Stop Payments, or any other reason that a payment does not clear.

ARTICLE VI

ANNEXATION OF TERRITORY TO THE DISTRICT

Section 601

Requests for annexation will be processed in accordance with State Law. Annexation requests shall be made to the District Clerk and must be approved by the Board of Directors prior to admittance into the District. All expenses incidental to the annexation shall be borne by the property owner and reimbursed to the District. Annexation into the District is required prior to connection to the District's water system. Reimbursement fees must be paid in full prior to connection to the District's water system.

A Petition for Annexation may be obtained by contacting the District office.

ARTICLE VII
USE OF THE WATER SYSTEM

Section 701 - Damage to the Water System

Any person who causes damage to the District's water system shall be liable to the District for all costs incurred to identify the cause and correct the damage and fines. The definition of damage may include but is not limited to repairs, additions, spillage of water, and illegal uses. Failure to notify the District, or correct the damage, or reimburse the District for the costs incurred shall be considered in violation of this Ordinance.

Section 702 - Damage to be Reported: Tests and Analysis

Every user of the District water system shall immediately report to the District any accident, negligent act or other occurrence that occasion to the District's water system. All tests and analyses of the characteristics of water and the water system shall be determined in accordance with the standards on file with the District.

Section 703 - Remedies

In addition to any criminal fine, which may be imposed for violation of any provision of this Ordinance, the person(s) or entities shall be liable for all charges, which may be assessed by the District. The District will assess charges based on the costs incurred by the District in surveillance, sampling and testing, for additional operating and maintenance expenses, and/or for any other action required to identify, handle, process or supplement normal activities due to the unauthorized use and/or damage to the water system, plus overhead charges.

If the unauthorized use and/or damage is a threat to the public health, safety or welfare, the District may initiate an enforcement action without giving notice.

Upon notice of the final determination by the District of an assessment or order to correct an unauthorized use and/or damage, the responsible party shall tender the amount assessed within ten (10) days of the date ordered by the District. In the event the unauthorized use and/or damage is not corrected or the assessment is not tendered, continued operation resulting in water usage is unlawful, and the use may be considered a public nuisance which may be adapted by order of a court of competent jurisdiction. This remedy shall be in addition to any other remedy.

Section 704 - Federal Standards

In the event that the Federal government promulgates rules or regulations applicable to the District, the Federal regulation shall supersede the affected portions of this Ordinance.

ARTICLE VIII
SEVERABILITY

Section 801

If any provision of this Ordinance is finally adjudicated invalid, the remaining provisions of this Ordinance shall not be affected thereby.