

EXHIBIT A

SIERRA CEDARS COMMUNITY SERVICES DISTRICT WATER CONSERVATION PROGRAM

The Sierra Cedars Community Services District (“District”) Board has determined that there needs to be in place a Water Conservation Program. This program would be used for curtailing the use of District water when drought conditions occur or other unforeseen failures occur to the District water system. These unforeseen failures could be, but are not limited to, a major line break (system or individual homeowner) or a pump and/or tank malfunction. The program also needs to be in place to allow the District to enforce water restriction rules in a fair and equitable manner.

Statutory Authority

The authorization for this Program comes from the State Water Code.

Specifically, **Section 71610.5 of the Water Code** authorizes the District to undertake a water conservation program to reduce water use, including but not limited to requiring, as a condition of receiving water service, installation of reasonable water saving and water reclamation devices.

Section 71640 of the Water Code states: "A district may restrict the use of district water during any emergency caused by drought, or other threatened or existing water shortage, and may prohibit the wastage of district water or the use of district water during such periods for any purpose other than household uses or such other restricted uses as the district determines to be necessary. A district may also prohibit use of district water during such periods for specific uses which it finds to be nonessential."

Section 353 of the Water Code states: “When the governing body has so determined and declared [i.e., after a noticed public hearing, except in case of immediate emergency] the existence of an emergency condition of water shortage within its service area, it shall thereupon adopt such regulations and restrictions on the delivery of water and the consumption within said area of water supplied for public use as will in the sound discretion of such governing body conserve the water supply for the greatest public benefit with particular regard to domestic use, sanitation, and fire protection.”

Section 354 of the Water Code states: “After allocation and setting aside the amount of water which is in the opinion of the governing body will necessary to supply water needed for domestic use, sanitation, and fire protection, the regulations may establish priorities in the use of water for other purposes and provide for the allocation, distribution, and delivery of water for such other purposes, without discrimination between consumers using water for the same purpose or purposes.”

Section 355 of the Water Code states: “The regulations and restrictions shall thereafter be and remain in full force and effect during the period of the emergency and until the supply of water available for distribution within such area has been replenished or augmented.”

Section 356 of the Water Code states: “The regulations and restrictions may include the right to deny applications for new or additional service connections, and provision for their enforcement by discontinuing service to consumers willfully violating the regulations and restrictions.”

Section 375 of the Water Code states: “(a) Notwithstanding any other provision of the law, any public entity which supplies water at retail or wholesale for the benefit of persons within the service area or area of jurisdiction of the public entity may, by ordinance or resolution adopted by a majority of the members of the governing body after holding a public hearing upon notice and making appropriate findings of

necessity for the adoption of a water conservation program, adopt and enforce a water conservation program to reduce the quantity of water used by those persons for the purpose of conserving the water supplies of the public entity.

“(b) With regard to water delivered for other than agricultural uses, the ordinance or resolution may specifically require the installation of water saving devices which are designed to reduce water consumption. The ordinance or resolution may also encourage water conservation through rate structure design.”

District Ordinance No. 85-1: Under Ordinance No 85-1 (adopted by the District in June 1987): Every homeowner in the District is required to shut off water supply to his or her property if the cabin will be unoccupied for 24 hours. All cabins must have a turn off valve. This rule applies at all times and during any of the stages described in this program

Water Wastage Prohibited:

If, at any time and during any of the stages in this Program, the district finds a cabin that has water being wasted (faucet left on, irrigation system continually running, broken water line, etc.) the homeowner will be subject to both the following fees and administrative fines.

Fees:

For each and every offense the cabin owner is subject to the following fees to cover the district’s cost of the violation:

1. \$150 fee for each non-routine meter reading taken to discover the leak on your property.
2. \$0.00113 fee per gallon of water lost. This fee covers the cost of electricity used to pump water lost in the district’s system due to the leak on your property.
3. All time and material expenses in excess of those in #1 and #2 that occurred in stopping the leak on your property.

Administrative Fines:

The homeowner will be subject to the following administrative fines within a 12 month period starting with the first offense.

1st offense...\$100 *

2nd offense...\$250 *

3rd. offense... \$500 plus water shut off to property by the district

*plus water shut off to property if necessary

If cause of water leakage cannot be determined, the district will shut the water off to the cabin and fees and fines, along with a reconnection fee of \$75 will be imposed. If the district can determine the source of the water leak and rectify without turning the cabin water off (example...by turning off an exterior water faucet left on) the homeowner will be subject to a fine only.

When the district finds it necessary to turn off the water to a cabin, the homeowner must correct the problem, pay the appropriate fees and fines, and water reconnection fee before the water will be turned back on. The exception to this would be if the problem is in the water line between the district valve and the homeowner’s valve at the cabin. In this case, the district would shut the water off, and contact the homeowner. The water would be turned back on when the homeowner has repaired the line. No fees or fines would be imposed by the District for this action.

If a homeowner believes he/she has been assessed fees, fined, and/or had the water shut off in error, the homeowner may contact the District Water Master or District President to initiate an investigation to ensure assessed fees, fines, and/or water shut off was appropriate. If the homeowner is dissatisfied with the results of the investigation, he/she may appeal the matter to the entire Board by filing a written appeal with the Board Secretary. The Board will hear and decide the appeal, including testimony by the homeowner, at the next regular Board meeting.

In addition to the fines and fees described above, any violation of a requirement of the Program is a misdemeanor and may be punished by up to 30 days in jail, a fine of up to \$1000, or both jail and a fine.

Water conservation requirements and water service curtailment measures:

Stage 1 (Blue): Normal Water Supply

The District's water system is operating normally and our storage tanks are full.

1. Free-flowing hoses for all uses are prohibited. Shut off devices shall be attached to any hose or filling apparatus in use.
2. All pools, spas and ornamental fountains/ponds shall be equipped with a recirculation pump and shall be leak proof.
3. Care shall be taken to not water past the point of saturation thereby creating runoff onto adjoining properties.
4. Leaking pipes or faulty sprinklers shall be repaired immediately.
5. Washing streets, parking lots, driveways or sidewalks is prohibited unless necessary for sanitary purposes.
6. Homeowners are encouraged to conserve water at all times, as per the districts CC & R's .

Stage 2 (Brown): Water Alert

The district's water system is operating normally, our storage tanks are full, and Cal-Fire has declared the beginning of the fire season.

1. through 6: Same as Stage 1.
2. Because high occupancy rates during the months of June thru October, which negatively impact the districts water system, there will be no outside watering on weekends and holidays during this time period.

Stage 3 (Orange): Water Warning

The districts water system can not maintain full storage tanks.

1. through 6: Same as Stage 1, plus the following addition to No. 2: No potable water from the district's system shall be used to fill or refill pools, spas or ornamental fountains.
7. Outside landscape irrigation and outside watering is **prohibited**.
8. Homeowners are highly encouraged to take short showers and follow other indoor water conservation measures.

Stage 4 (Red): Water Crisis

The district's water system is declining, does not recover and is close to failure, i.e. not being able to provide adequate water to our system to provide water service to District homeowners for household and sanitary purposes and maintain minimum levels for fire safety.

1. through 8: Same as Stage 3.
9. No potable water from the district's system shall be used for construction purposes including but not limited to dust control, compaction or trench jetting. Use of reclaimed water for construction purposes is encouraged.

Notification Procedures:

The district shall post and maintain a sign at the entrance to Sierra Cedars showing the current status (stage) of the District's water system.

Stage 1...Blue
Stage 2...Brown
Stage 3...Orange
Stage 4...Red

Upon declaration of Stages 3 or 4, the district will begin immediately any or all of the following actions:

1. Identify and rectify the problem.
2. Start emergency plans to pursue possibility of obtaining water from outside sources.
3. Special notice will be given to rental companies that if the district cannot rectify the problem quickly (within 48 hrs), curtailment of additional rentals may be necessary (i.e. water service would not be provided for any new cabin rentals).