
Regulation 101

NEW SERVICE CONNECTION

(a) **Application for New Service Connection**

An application for a new service connection shall include the name and mailing address of the applicant or applicants, the street address of the proposed service location, the Assessor's Parcel Number(s) of the proposed service location (together with the name(s) and mailing address of the property owner if different from the applicant), and the type, size, and use of the service desired. QWR4T5Y6U The System may require such additional information as may be necessary or convenient to process the application and provide the service connection. The System may require that application be made on the System's form.

(b) **Type and Size of Service Connection**

Final determination of the type and size of the service connection shall be made by the System, notwithstanding the type and size requested in the application. The System may reject any application that does not provide sufficient information for the System to determine the appropriate type and size of service connection. Willful misrepresentation by the applicant of the type and size of the service connection required shall constitute grounds for revocation of the application and forfeiture by the applicant of one-third (1/3) of the New Service Connection Fee.

(c) **Application by Other than Property Owner**

An application for a new service connection from any party other than the property owner(s) shall be accompanied by a written, notarized agreement signed by the property owner(s) consenting to the service installation and accepting responsibility and liability for any new service installation provided pursuant to said application.

(d) **Location of Service Connection**

The applicant may specify the location at the property to be served where the service connection (meter) is desired, but actual location shall be determined by the System, except that the System may not require a location other than the applicant's desired location without reasonable cause and without so notifying the applicant.

(e) **Acceptance of Application**

An application for a new service connection conforming in all respects to the provisions of paragraphs (a) through (c) inclusive of this Regulation shall be accepted by the System, and the date of acceptance shall be the date of receipt by the System of the so conforming application. Acceptance of an application for a new service connection shall not represent a commitment or agreement by the System to provide a connection or service. Said commitment shall be made only at such time as final approval of the application for the new service connection is made by the System, which approval shall be contingent on the System's determination that all conditions precedent to service, as enumerated in paragraph (f) of this Regulation, have been satisfied.

(f) **Conditions Precedent to Service**

Final approval of an application for a new service connection and provision of service pursuant to such an application shall be subject to each and all of the following conditions:

- (1) Availability to the System of sufficient water to provide the reasonably estimated demand of the new service.
- (2) Adequate System plant capacity to safely and reliably produce, deliver, and provide water to the new service.
- (3) Existence of a main of adequate capacity and pressure abutting the property to be served.

- (4) In the event of absence of or inadequacy of any of the facilities referred to in subparagraphs (2) and (3) of this paragraph, the System may require construction by the applicant of such facilities under the provisions of Part B of these Regulations, including, if required, execution by the applicant of an extension agreement as provided for in Part B of these Regulations.
- (5) Receipt from the applicant of the appropriate New Service Connection Fee, as provided for in paragraph (r) of this Regulation, except that there shall be no New Service Connection Fee required for connection of a publicly-owned fire hydrant, for a connection of District-owned property, or for a connection intended to service a District-owned facility.
- (6) Posting by the applicant of a reasonable deposit, as determined by the System, to cover all actual labor and materials costs of installation of the new service connection, plus the current overhead factor for both labor and materials.
- (7) Compliance with the provisions of Regulation 112 if the service connection for which application is being made is designated by the System as a Low-Pressure Service.
- (8) Compliance with the provisions of Regulation 113 if the service connection for which application is being made is designated by the System as a High-Pressure Service.
- (9) Compliance with the provision of paragraph (b) of Regulations 114 if the property to be served by the connection has been designated by the System of inclusion in a Limited Area Improvement.
- (10) Compliance by the applicant and/or property owner, as applicable, with any and all other requirements provided for in these Regulations and applicable to the service, property, or location for which the application is being made.

(g) Transferability or Assignment of Application

No application for a new service connection shall be transferable or assignable to any other party or parties by the original applicant or applicants between the time of acceptance by the System of the application and the time of actual or constructive installation of the service connection. Withdrawal from the application of the original applicant or applicants shall render the application null and void. In the event an application is rendered null and void under the foregoing provisions of this paragraph, the System shall retain ten percent (10%) of the applicable New Service Connection Fee as an application processing charge, and shall retain that portion of either or both of the applicant's New Service Connection Fee or deposit for installation costs as shall be necessary to cover the labor and materials costs, plus the current overhead factor for labor and materials, of any installation work already performed by the System, plus whatever costs, including the current overhead factor for labor and materials, that may be incurred to dismantle any installation already performed.

(h) Actual and Constructive Installation of Service Connection

A new service connection shall be considered installed at such time that regular service to the property is available through a physically installed meter and/or other appropriate appurtenant connection facilities. In the event the System is ready and able to install a meter and/or other appropriate appurtenant connection facilities but agrees to a request from the applicant not to make actual physical installation and connection, the new service shall be considered to be constructively installed. For all intents and purposes of these Regulations, a constructively installed service connection shall be considered and treated as an actually installed service connection.

(i) Acceptance of Customer of Record

The owner of the property served by the new service connection shall become the customer of record for the service account at such time as the service connection is actually or constructively installed, and shall within thirty (30) days of actual or constructive installation of the service connection complete, execute, and file with the District an "Application for Service and Service Agreement," as provided for in these Regulations.

(j) **Expiration of Application**

An application for a new service connection shall become null and void one hundred and eighty-one (181) days after acceptance of the application by the System in the event actual or constructive installation of the service connection has not occurred because of the applicant's failure to comply with or satisfy any requirement set forth in these Regulations. However, if the applicant applies in writing for an extension before the application expires, the General Manager may grant a one-time extension of one hundred and eighty (180) days, and may not unreasonably deny such request for extension. Once an application has become null and void under the provisions of this paragraph, the applicant shall have an unlimited right to file a new application. In the event an application expires under the provisions of this paragraph, the System shall retain ten percent (10%) of the applicant's New Service Connection Fee as an application processing charge, and shall retain that portion of either or both of the applicant's New Service Connection Fee or deposit for installation costs as shall be necessary to cover the labor and material costs, plus the current overhead factor for labor and materials, of any installation work already performed by the System, plus whatever costs, including the current overhead factor for labor and materials, that may be incurred to dismantle any installation already performed.

(k) **Order of Processing**

Applications for new service connections shall be processed by the System in the order of acceptance by the System, as provided for in paragraph (3) of this Regulation. The General Manager shall notify each applicant of the date of acceptance of the application and shall record the date of acceptance in the District's files.

(l) **New Service Connection on Undeveloped Property**

If a new service connection is installed on undeveloped property, the System reserves the unconditional right at such time that the property is developed to require installation of a larger meter or other service connection facilities if such development in the System's judgment requires such larger meter and/or other connection facilities. Such reinstatement costs, including the current overhead factor for labor and materials, are to be borne exclusively by the property owner. The provisions of paragraph (3) of Regulation 102 shall apply to the enlargement of a service connection.

(m) **Nontransferability of Service Connection**

A service connection shall be provided only for the property described by the Assessor's Parcel Number(s) specified in the application for the new service connection, and shall run with said property in perpetuity or until retired by disconnection and removal from the System, and shall at no time under any circumstances be transferred to, assigned to, or reinstalled at any property other than the property described by the Assessor's Parcel Number(s) in the original application for new service connection.

(n) **Implied Lien**

Installation and/or existence of a service connection on a property constitutes an implied lien against and running with title to said property in perpetuity or until said service connection is retired by disconnection and removal from the System, and said lien shall covenant and obligate any and all owners currently and subsequently of said property for all duties and responsibilities towards and for said service connection as provided for in the Regulations of the IPUD Water System, its assigns and successors, excepting that an owner of such property may at any time demand and require of the System retirement of the service connection by disconnection and removal from the System.

(o) **Conditions for Retention of Service Connection**

Once a service connection has been installed, service will be provided, maintained, and continued by the System subject to the following conditions:

- (1) Property owner complies with all applicable provisions of these Regulations.

- (2) All rates and charges properly billed by the System are paid within the time established in these Regulations for each particular rate or charge.
- (3) The property owner is at all times the customer of record for the service connection, and has provided the System with such current information as the System requires in order to maintain customer records.
- (4) All plumbing, piping, fixtures, equipment, installations, and appurtenant devices connected directly or indirectly to the service connection or receiving water provided through the service connection are maintained in proper working order and are in all respects in compliance with all applicable plumbing and/or building codes, regulations, standards, and ordinances.

(p) Failure to Comply with Conditions for Retention of Service Connection

At any time a service is not in compliance with any of the Conditions for Retention of Service Connection as provided for in paragraph (o) of this Regulation, the System reserves an unconditional right to suspend or disconnect the service or to declare the service in default. At any time there is a change in the service connection as provided for in Regulation 102, or there is a change in the customer for the service account, or there is over a 120-day period an increase of one hundred percent (100%) or more in the customer's use of and/or demand for water as compared to any 120-day period during the immediately preceding twelve (12) months, or there is a breakage or failure of any plumbing device at the served premises leading to unintentional loss of water, or there is an emergency condition at the served premises rendering the premises no longer fully habitable or usable, the System may conduct and/or require an inspection of the property and premises served by the service connection to verify compliance with subparagraphs (1) and/or (4) of paragraph (o) of this Regulation, and if such inspection determines that the service is not in compliance with said subparagraph (1) and/or (4) of paragraph (o) of this Regulation, the System may require that the service be brought into said compliance as a condition of continued retention of the service connection.

(q) Water Shortage Emergency

No provision of this or any other of these Regulations shall take precedence over any conflicting provision or provisions of an ordinance duly enacted by the Board of Directors of the Inverness Public Utility District pursuant to a Declaration of a Water Shortage Emergency. Any such ordinance may modify, amplify, extend, alter, suspend, replace, or otherwise change any provision or intent of these Regulations, and the provisions of such ordinance shall take precedence over these Regulations during the period of the legally declared Water Shortage Emergency.

(r) New Service Connection Fee

The amount of the New Service Connection Fee provided for in subparagraph (5) of paragraph (f) of this Regulation shall be determined as set forth herein below:

- (1) It is the intent of the Board of Directors to provide a rational means of setting the New Service Connection Fee such that the Fee applicable to each new service connection constitutes a capital contribution by the new customer for the purpose of financing initial capital investment attributable to the new service. For this purpose, it is the intent of the Board of Directors that the Fee be set so that it proportionately recovers the costs incurred in providing the facilities required to provide the water service connection.
- (2) The amount of the New Service Connection Fee shall be established annually to be in effect from January 1 through December 31. The date of acceptance of an application for a new service connection, as provided for in paragraph (e) of this Regulation, shall be used to determine the New Service Connection Fee that applies to the new service connection.
- (3) The amount of the New Service Connection Fee to be in effect in a year shall be determined no later than November 30 of the preceding year, and shall be recorded in the District's files by the General Manager, together with the calculations used to make said determination. Said file shall be available to the public for inspection.

- (4) The New Service Connection Fee shall be set at the amount determined by the following formula, rounded up to the next even One Hundred Dollars (\$100.00):

$$f = y / z$$

where,

- f: New Service Connection Fee (before rounding up).
 - y: Total value of the Water System's depreciable assets before deduction for accumulated depreciation and excluding non-depreciable assets (land, construction in progress) as of June 30 of the year preceding the year during which the New Service Connection Fee will be in effect, as reported in the General Purpose Financial Statements of the District prepared by the District's independent auditors.
 - z: Total number of customer connections (active, inactive, and suspended) of the Water System, excluding connections owned by the District itself or by any District-owned entity, and excluding customer accounts for publicly owned fire hydrants, on June 30 of the year preceding the year during which the New Service Connection Fee will be in effect.
- (5) Example:
- y: \$4,939,288 in depreciable assets (as of June 30, 2022).
 - z: 518 customers (as of June 30, 2022).
 - f: $4,939,288 / 518 = \$9,535.31 = \$9,600.00$ (rounded up).
- (6) On the date this paragraph becomes effective, the General Manager shall calculate the amount of the New Service Connection Fee for that calendar year on the basis of the provisions of this paragraph, and the result of said calculation shall become the amount of the New Service Connection Fee for the remainder of the calendar year, effective as of the date this paragraph becomes effective.

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*Regulation 101: 1983, July 20 (Ordinance 83-2(?): Adopted.
1993, March 15 (Ordinance 32-93): Revised in its entirety and readopted.
2010, July 28 (Ordinance 80-2010): Sections (f)(6), (g), (j), and (l) amended.
2023, May 24 (Ordinance 109-2023): Subparagraphs (4) and (5) of paragraph (r) amended for purposes of improved clarity (no substantive changes)*