



# COUNTY OF MONTEREY HEALTH DEPARTMENT

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## ENVIRONMENTAL HEALTH BUREAU

### GENERAL OUTLINE FOR SMALL WATER SYSTEM AGREEMENTS

The following is general information that may need to be included in a water agreement. This is not intended to be legal advice. Water agreements must be signed and recorded and should be drafted or reviewed by an attorney.

- I. Water System Background
  - A. description/location of water system
  - B. purpose of agreement
  - C. service area (primary service area, expansion service area, authorization to serve, limitations on services, etc.)
  
- II. Well and Storage Tank Easements
  - A. description/location
  - B. wells must be on recorded well lots
  - C. storage tanks must be on recorded tank lots
  
- III. Water Rights
  - A. how water shares are divided up (one share per lot, per connection, etc.)
  - B. intentions to preserve the use of water rights for the benefit of future property owners
  - C. are private wells allowed within the water system service area? (not recommended)
  
- IV. Membership and Voting
  - A. each parcel owner entitled to one membership in the association; # of members
  - B. voting by active members (home present)
  - C. voting by inactive members (vacant lot)
  - D. restrictions on membership transfer
    1. membership passes with the property
    2. termination of membership; how parties transfer their interest
    3. owner must provide copy of water agreement to purchasers of their property
  - E. rights and duties of members
  - F. issuance of membership certificates
  
- V. Allocation of Expenses
  - A. capital improvement funds (see handout on requirements of DHS)
  - B. emergency repairs
  - C. approval by majority
  - D. cost of maintaining water system after service connection to be borne by the lot owner

- VI. Assessments
  - A. do inactive members contribute to the cost of operating and maintaining system?
  - B. rate structure
  - C. annual budget
  - D. members may assess themselves to develop funds to defray expenses
  - E. association's right to shut off water to a member whose assessment is delinquent for more than 30 days
  - F. penalties (unpaid assessments constitute a lien against the property of a member, interest rate charged, etc.)
  - G. association may recover reasonable attorney's fees in an action brought upon a member
  
- VII. Use of Water
  - A. for domestic use only?
  - B. priorities (domestic first, irrigation second, etc.)
  - C. conservation program
  - D. water use to be restricted to the parcels covered by the water agreement
  - E. are meters to be installed? how will meters be paid for? meters read by whom and how often?
  
- VIII. Management
  - A. liaison with Health Department
  - B. emergency notification
  - C. compliance with Health Department requirements
  - D. board of directors (duties, how elected, etc.)
  - E. officers and their duties
    - 1. enumeration of officers
    - 2. election of officers.
    - 3. term
    - 4. vacancies/special appointments
    - 5. resignation and removal
  - F. management of bank account
  - G. recordkeeping
  
- IX. Amendments
  - A. how water agreement can be amended
  
- X. Meetings of Members
  - A. frequency of routine meetings
  - B. special meetings
  - C. how to notify members
  
- XI. Miscellaneous
  - A. cross-connection control program
  
- XII. Exhibits
  - A. map showing parcels, easements, well lots, tank lots, water wells, storage tanks, pressure tanks, booster pumps, treatment units, fire hydrants, water lines, etc.
  - B. list of assessor parcel numbers (APNs) and current ownership of parcels.