



COUNTY OF MONTEREY HEALTH DEPARTMENT

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.