



WATER CONNECTION APPROVAL POLICY (WCA)

Authority: Articles of Incorporation, October 29, 1994. Article III, Section 2
Declaration of Covenants and Restrictions, January 1, 1994, Article II.

Approved by the Board of Directors: May 15, 2002; Apr 21, 2004; Jul 21, 2010; Dec 15, 2010; Jul 16, 2014; Oct 21, 2015; Mar 21, 2018; Aug 15, 2018; Sept 13, 2019; May 20, 2020; Aug 19, 2020; Jan 19, 2022

Purpose:

This policy details the application and selection process of property owners who have expressed interest in receiving a water connection to build a new home within Sierra Country Club and is known as the Water Connection Approval (WCA) Policy.

Background:

The primary source of residential drinking water on Whidbey Island is derived from a complex groundwater system. The Island County Public Health Department (ICPHD), working in conjunction with the Washington Department of Health (WDOH), has been tasked with groundwater resource management, and serves as the authority for granting additional water connections to community water systems on Whidbey Island.

Because Sierra Country Club (SCC) is located within a high-risk area for saltwater intrusion into its groundwater sources, one of ICPHD's considerations in authorizing new connections is based on an assessment of the impact of increased demand on the aquifer that supplies its water. SCC is required to generate and submit routine reports to ICPHD detailing the quality and quantity of water in its system. Based on this data, ICPHD determines the impact of new connections to the aquifer, and if that impact is within acceptable limits, SCC is granted additional water connections. The number of connections authorized may vary and is dependent upon the results of ICPHD's analysis.

1.0 Call for Interest

Following the ICPHD's water data analysis and its authorization of additional residential water connections, a "Call for Interest" letter will be mailed to all Sierra property owners and is also emailed to those owners with email addresses on file.

The following information is contained in the Call for Interest letter:

- Notification to Sierra property owners of the availability and number of additional water connections for the upcoming "build cycle"
 - The build cycle commences with the authorization of additional water connections by ICPHD and concludes at the deadline date for home completion and occupancy, as defined in the Call for Interest letter
- Eligibility requirements
- Details regarding the application and submission process
- Associated fees and deadlines

2.0 Eligibility

The following are eligibility requirements to apply for a residential water connection in response to the Call for Interest letter.

- 2.1 Membership dues for all parcels owned by the applicant within Sierra must be current with no amounts in arrears.
- 2.2 If one or more Sierra parcels with current water connections are owned by the applicant, all water accounts must be current with no amounts in arrears.
- 2.3 Applicants must provide proof of the applicant's ownership in the form of a Warranty, Bargain/Sale, Quit Claim Deed, or other form of transfer deed recognized by the laws of the State of Washington.
 - 2.3.1 Other legally recorded documentation that may be accepted must include a legal description of the property; identify the conveyance of real property from grantor to grantee; and include the notarized signature of the grantor.
- 2.4 Property owners may make water connection applications for multiple parcels in the same build cycle, however, only one parcel per owner/co-owner is eligible to receive a water connection within the same build cycle. (See limitations in 6.8 below).
 - 2.4.1 Property owners that were awarded a water connection in a previous cycle but have not completed construction of the home prior to the conclusion of the previous build cycle are not eligible to apply for a connection in the subsequent build cycle.
- 2.5 Continued eligibility requires applicants to comply with the timelines for response to the Call for Interest letter, payment of the deposit, submission of plans for approval, and payment of the balance of the water connection fee, as defined in 5.0 below.
- 2.6 "Immediate Family" Provision
 - 2.6.1 If an immediate family member, as defined in 2.6.2 below, conveys the property to the applicant through inheritance, gift, or sale, the recording date of the original deed in the original immediate family member's name will be used to determine the seniority ownership date, as defined in 3.0 below. Proof of conveyance from the immediate family member to the applicant must meet the provisions of 2.3 above, and must be submitted at time of application.
 - 2.6.2 For the purposes of determining seniority of property ownership, "immediate family members" are defined as:
 - 2.6.2.1 The applicant's spouse or domestic partner
 - 2.6.2.2 The mother, father, or grandparents of the applicant, spouse, or domestic partner
 - 2.6.2.3 The children or grandchildren of the applicant, spouse, or domestic partner
 - 2.6.2.4 The siblings of the applicant, spouse, or domestic partner

3.0 Application and Selection Process

- 3.1 In order to fairly distribute the limited water connections authorized by ICPHD, allocation is based on the applicant's length of ownership, with the earliest recorded ownership date ranked highest.
- 3.2 The ownership date is determined by the date the most recent deed concerning the real property was recorded by the Island County Auditor's Office in the applicant's name, unless the "immediate family member" provision in 2.6 applies.
- 3.3 Response to the Call for Interest letter requires a completed "WCA Interest Application," a signed "WCA Contract," as defined and attached in 8.0 below, and a copy of a recorded deed or legally recorded documentation granting ownership to the applicant.
 - 3.3.1 WCA Interest Applications will NOT be accepted without a completed and signed copy of the WCA Contract, as defined and attached in 8.0 below, and a copy of proof of ownership, as defined in 2.3 above.
 - 3.3.2 A completed and signed Agent Authorization Form is required when a co-owner or agent acts on behalf of owners or co-owners during the application and build cycle process.
- 3.4 Property owners who intend to use an agent to make application and serve as the primary point of contact during the application process and throughout the build cycle must submit an "Agent Authorization Form" that is signed by all property owners and co-owners.

- 3.4.1 Agent Authorization Forms expire at the conclusion of the build cycle for which application is made and are considered valid for the duration of the build cycle unless/until notification is made by the owner(s) that the Agent Authorization Form has been revoked.
- 3.4.2 Owners must submit a new completed/signed Agent Authorization Form if the agent is replaced during the build cycle.
- 3.5 Following receipt of the WCA Interest Application and associated documentation, applicants will be ranked in order of length of ownership determined by 2.6 or 3.2 above.
- 3.6 Those applicants selected based on their eligibility and seniority ranking will receive a “Water Allocation Notification” letter within 30 days of the Call for Interest response deadline.
 - 3.6.1 Selection is contingent upon validation that applicants have met the initial eligibility requirements detailed in 2.0 above.
- 3.7 Eligible applicants not selected during the build cycle due to connection limitations will be moved to a “Back-Up List” in the same ranked order. If one of the selected owners withdraws prior to the start of construction, the first owner on the Back-Up List will be offered the water connection, contingent upon their meeting initial eligibility requirements.
- 3.8 The Back-Up List expires when selected properties have all completed construction of the homes’ foundations, or, if all properties have not completed construction of their respective foundations, within twelve (12) months of the start of the build cycle as defined in the Call for Interest letter.
- 3.9 The Back-Up List does not carry over to the subsequent build cycle, so those not selected will be required to respond to the next Call for Interest letter if they wish to be considered again.

4.0 Plan Submission and Board Review

- 4.1 A completed and signed “WCA Plan Submission Form and Checklist” must be submitted with building plans.
- 4.2 Plan submission deadlines and additional details are found in 5.4 – 5.6 below.
- 4.2 If plans undergo substantial changes after board approval during the county’s permitting process, revised plans must be re-submitted and approved by the board.

5.0 Timelines, Fees, and Penalties

Residential connection hook-up fees are established by the board prior to the commencement of each build cycle, and are published in the Call for Interest Letter and the Sierra website. For quick reference, Appendix A, which is updated for each build cycle, contains a complete listing of actions, fees, and deadline dates for the current cycle.

- 5.1 The WCA Interest Application must be completed, signed, and returned with required proof of ownership no later than 30 days from the postmarked mailing date on the Call for Interest Letter and/or the date the Call for Interest email was sent.
- 5.2 The board will provide a “Water Connection Allocation Notification” to those applicants selected no later than 30 days from the deadline for receipt of the WCA Interest Application.
- 5.3 A water connection deposit is due and payable no later than 30 days from the date the Water Connection Allocation Notification is postmarked/emailed to the applicant.
 - 5.3.1 Failure to submit the required deposit in the timeline defined above will cause the applicant to become ineligible to participate in the WCA process for the build cycle for which application was made, and the applicant’s interest will be considered withdrawn.
 - 5.3.2 An owner may voluntarily withdraw from the WCA process in any build cycle with no penalty any time prior to the plan submission due date. In this case, the owner will receive a full refund of deposited fees.
 - 5.3.3 Voluntary withdrawal after plan submission may result in a penalty of 25% of deposited fees.

- 5.3.3.1 Penalties may be waived for good cause shown at the sole discretion of the board.
- 5.4 Building plans must be submitted to the board for review within 60 days of the deposit due date.
 - 5.4.1 Failure to submit plans within 60 days of the deposit due date will result in the withdrawal of the applicant from the build cycle for which application was made and may result in the forfeiture of 50% of deposited fees.
 - 5.4.1.1 Penalties may be waived for good cause shown at the sole discretion of the board.
- 5.5 The board will review plans and respond to the applicant with their decision within 30 days of the plan submission due date.
- 5.6 If plan revisions are required by the board, the applicant must revise and re-submit plans for approval within 30 days of the board's revision request date.
- 5.7 Water meter installation may be requested following the receipt of a building permit and the completion of the home's foundation. The balance of the water connection fee is due and payable at the time the meter is requested. (The owner should allow 6-8 weeks for meter installation following final payment).
 - 5.7.1 The balance of the water connection fee will not be accepted, and a water meter will not be installed until a building permit has been issued and provided to the board, and verification that construction of the foundation has been completed.
 - 5.7.2 Failure to commence construction prior to the conclusion of the build cycle will cause the allocation of the water connection to be rescinded and will result in a forfeiture of the water connection deposit.
 - 5.7.2.1 Penalties may be waived for good cause shown at the sole discretion of the board.
 - 5.7.3 If a water connection allocation is rescinded for failure to commence construction, the property owner(s) may apply for a connection in subsequent build cycles if all eligibility requirements are met.
 - 5.7.4 Seniority ranking is not carried over from the previous build cycle if an owner applies in a subsequent build cycle. The application and selection process, as per 3.0 above, is repeated for each build cycle.
- 5.8 The property owner is responsible for selecting, contracting, and coordinating site visits with individuals or companies required by state or county regulation to observe or inspect the construction site during meter installation. The property owner is also responsible for all fees incurred by these contractors, including but not limited to archeological, geotechnical, or other specialists not contracted by the board for meter installation.
- 5.9 Failure to complete construction and provide an Island County Certificate of Occupancy prior to the conclusion of the build cycle as defined in Appendix A may result in a penalty of \$1,000 per month, due and payable on the first day of each month construction is delayed. A prorated amount will be charged for partial months.
 - 5.9.1 Penalties may be waived, and a construction extension may be granted for good cause shown upon submission of a "Construction Extension Request" form and the board's subsequent approval of the extension, at the Board's sole discretion.
 - 5.9.2 Failure to pay penalty fees for overdue completion when an extension has not been granted will result in escalating penalties and fees and may result in a lien against the property until fees have been collected.

6.0 Conditions and Limitations

- 6.1 A build cycle will only commence when additional water connections are authorized by Island County PHD based on their water data analysis.
 - 6.1.1 Authorization for additional water connections by ICPHD is not guaranteed.

- 6.1.2.1 In the event water quality/quantity does not meet ICPHD's criteria for adding water connections to its system, SCC will take all reasonable actions to attempt to address and or/mitigate identified issues.
- 6.2 In the event all available water connections offered in a build cycle are not distributed within the first twelve (12) months of the cycle due to lack of applicants, SCC may offer the connections not allocated in the current build cycle to applicants in the subsequent build cycle, predicated on the outcome of ICPHD's water analysis and their authorization of water connections.
- 6.3 Water connection allocations are non-transferable to a different lot. This does not preclude an owner from conveying the parcel to a new owner following board approval of the building plans and issuance of the Water Availability Verification (WAV) form. The board must be notified if the property is conveyed to a new owner during the build cycle for which the applicant was allocated a water connection.
- 6.4 New homes and attached accessory structures may only be constructed on the parcel(s) selected for a water connection as identified by Island County parcel number in the WCA Interest Application and legal ownership documentation.
- 6.4.1 If adjacent parcels are required or desired to contain the home/accessory building footprint, the adjacent parcels must be owned or co-owned by the selected applicant and must be legally combined with the parcel selected to receive a water connection. Application to combine lots is made through the Island County Auditor's Office.
- 6.5 The owner may enter into a legal agreement with an adjacent vacant parcel's owner to use that parcel for an off-site septic drain field or reserve drain field as defined in the "Septic System" section of the Architectural Control Policy.
- 6.6 Returned deposits or fees do not accrue interest during the time such funds are held by the board.
- 6.7 All applicable provisions of the Declaration of Covenants and Restrictions, the Architectural Control Policy, and all related policies, apply to the Water Connection Approval Policy and supersede the same.
- 6.8 No person, partnership, corporation, related or affiliated party, person, or entity thereto will be allowed to build more than one dwelling in any one build cycle.
- 7.0 The board of directors reserves the right to modify this WCA process at any time. This document supersedes all previous revisions, documents, and policies of SCC regarding the issuance of water connections.**

8.0 WCA Contract

WHEREAS, Sierra Country Club agrees to furnish to _____, as owner of a Lot within the Plat of Sierra Country Club (or outside of Plat and approved by the Board of Directors), a connection for water from the Sierra Country Club’s water system pursuant to the terms of the Water Connection Approval Policy above;

WHEREAS, _____ agrees to review the Water Connection Approval Policy above and agrees to be bound thereby and agrees that such terms and conditions contained therein shall be binding upon themselves and their successors and assigns and shall run with the land until such terms of the Water Connection Approval Policy have been fulfilled.

THEREFORE, Sierra Country Club shall furnish water pursuant to its Articles, Bylaws, Policies, and rules to _____ of the Lot being provided such water, only upon the conditions contained with the Water Connection Approval Policy above and _____ shall be bound by such terms and conditions contained within the Water Connection Approval Policy and by their signature below shall bind their successors and assigns and such shall run with the land until the conditions and terms contained in the Water Approval Policy have been fulfilled.

AGREED AND ACCEPTED BY:

Signature _____

Date: _____

Owner of Lot _____ legally described as follows:
[insert legal description]

Acknowledged by Sierra Country Club By:

Title: _____

Signature: _____

Date: _____

Printed Name: _____