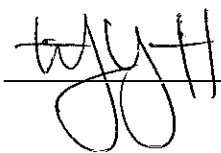


# OLD RANCH METROPOLITAN DISTRICT

## NON-POTABLE WATER RULES AND REGULATIONS

Approved  \_\_\_\_\_

ARTICLE I  
GENERAL

1.1 Authority

The Old Ranch Metropolitan District (the “District”) is a political subdivision of the State of Colorado and a body corporate with those powers of a quasi-municipal corporation, that are specifically granted for carrying out the objectives and purposes of the District.

1.2 Purpose

The purpose of this Rules and Regulations is to ensure an orderly and uniform administration of non-potable irrigation water operations in the Colorado Springs area of El Paso County, Colorado. These Rules and Regulations apply *only* to the Non-Potable Irrigation Water System (as defined herein), not to the potable water system, as that will be managed and controlled by the City of Colorado Springs or another public entity providing potable water service to the District.

1.3 Policy

The District possesses all of the powers of a special district under Colorado law, whether specifically granted, reasonably implied, or necessary or incidental to those powers specifically granted for carrying out the objectives and purposes of the District. The authority of the District to adopt by-laws, rates, rules and regulation is expressly conferred by Colorado statute. The Board of Directors of the District expressly finds and determines that the adoption of the following rates, rules, and regulations is necessary for the health, safety, prosperity, security, and general welfare of the inhabitants of the District and those within the District’s service area and will insure an orderly and uniform administration of the District’s affairs.

The Board of Directors of the District hereby declares that the Rules and Regulations hereinafter set forth will serve a public use and are necessary to promote the health, safety, prosperity, security, and general welfare of the inhabitants of the District.

1.4 Scope

These Rules and Regulations shall be treated and considered as comprehensive regulations governing the operations and functions of the District with regard to the Non-Potable Irrigation Water System.

1.5 Intent of Rules and Regulations

It is intended that these Rules and Regulations shall be liberally construed to affect the general purposes set forth herein, and that each and every part thereof is separate and distinct from all other parts. No omission or additional material set forth in these Rules and Regulations shall be construed as an alteration, waiver or deviation from any grant of

power, duty or responsibility, or limitation or restriction, imposed or conferred upon the Board of Directors by virtue of statutes now existing or subsequently amended, or under any contract or agreement existing between the District and any other governmental entity. Nothing contained herein shall be so construed as to prejudice or affect the right of the District to secure the full benefit and protection of any law which is now enacted or may subsequently be enacted by the Colorado General Assembly pertaining to the governmental or proprietary affairs of the District. Any ambiguity, conflict, omission or question of interpretation of these Rules and Regulations shall be determined in the sole discretion of the District's Board of Directors.

1.6 Amendment

It is specifically acknowledged that the District shall retain the power to amend these Rules and Regulations, with respect to the District, to reflect those changes determined to be necessary by the Board of Directors of the District. The District, exercising its amendment powers pursuant to this Section, shall not be required to provide prior notice of these amendments. These Rules and Regulations may be altered, amended or added to from time to time and such alterations, additions or amendments shall be binding and of full force and effect as of the date of their adoption by the District's Board of Directors.

1.7 Miscellaneous.

1.7.1 Usage and Titles. All words and phrases shall be construed and understood according to the common and approved usage of the language, but technical words and phrases and such others as may have acquired a particular and appropriate meaning in the law shall be construed and understood according to such particular and appropriate meaning. The title of any heading in these rules and regulations shall not be deemed in any way to restrict, qualify, or limit the effect of the provisions set forth in the section or subsection set forth under each heading.

1.7.2 Severability. Should any section, subsection, sentence, clause or phrase of these Rules and Regulations be judicially determined invalid or unenforceable, such judgment shall not effect, impair, or invalidate the remaining provisions of these Rules and Regulations, the intention being that the various sections and provisions hereof are severable.

1.7.3 Prior Offenses. Nothing in these Rules and Regulations shall affect any offense or act committed or done, or any obligation, penalty or forfeiture incurred by any person or under any contract or right established or occurring before the effective date of these Rules and Regulations.

1.7.4 No Damage for Failure to Enforce. Nothing herein contained shall create any right to damages against the District, its directors, officers, agents or employees for the District's failure to enforce any or all of these Rules and Regulations.

1.7.5 Availability of Service. Non-Potable Irrigation Water Service shall be available only in accordance with these Rules and Regulations and on the basis of the charges established therefore and subject to all penalties and charges for violation thereof, or any statutes applicable and subject to the availability of facilities and capacity.

1.7.6 Control and Operation of Facilities. All facilities and property of the District shall be under the management of the District Manager and the control of the Board of Directors. No other person shall have any right to enter upon, inspect, operate, adjust, change, alter, move, or relocate any portion of the District's facilities without the District's prior written consent.

1.7.7 Inspections. All inspections, observations, testing and reviews the District performs, whether of private premises to insure compliance with these Rules and Regulations or of the District's property and facilities, are performed for the sole and exclusive benefit of the District. No liability shall attach to the District by reason of any such inspections, observations, testing or reviews or by reason of any denial or issuance of any approval or permit for any work subject to the authority or jurisdiction of the District.

1.7.8 Ownership of Facilities. The District exercises all rights and responsibilities attendant to the facilities the District owns and, in the future, shall accept ownership responsibilities only for additional facilities which have been formally conveyed to and accepted by the District.

1.7.9 Ownership of Water Rights. The District shall acquire ownership or the right to use water rights necessary for provision of Non-Potable Irrigation Water Service by the District in order to provide Non-Potable Irrigation Water Service to the service area of the District. Future expansion of the District's service area through inclusions will require additional interests in water rights to be dedicated to the District, by or on behalf of property owners requesting inclusions. Such water rights shall be in accordance with inclusion and/or service requirements of the District and shall be sufficient to provide the District with more than adequate supply of water for the development contemplated, for the areas proposed to be served, and for all service obligations undertaken by the District.

## ARTICLE II DEFINITIONS

Unless the context specifically indicates otherwise, the meaning of the terms used herein shall be as follows:

- 2.1 “**Applicant**” means any person who applies to the District (as defined herein) for a service connection or service disconnection, main line extension or other such service agreement, or who attempts to have real property included within, or excluded from the District, as the case may be.

- 2.2 **“Board”** and **“Board of Directors”** mean the Board of Directors of Old Ranch Metropolitan District.
- 2.3 **“Constructor”** means the landowner, developer, subdivider, agency, or their affiliates actually paying for the construction of the lines.
- 2.4 **“Contractor”** means any person, firm or corporation authorized by the District to perform work and to furnish materials within the District.
- 2.5 **“Customer”** means any entity authorized to connect to and use the District’s Irrigation Water System under a permit the District issues.
- 2.6 **“District”** means Old Ranch Metropolitan District or as applicable the Upper Cottonwood Metropolitan District and Upper Cottonwood Metropolitan District Nos. 2-5.
- 2.7 **“District Engineer”** means that person or firm that has been authorized by the District to perform engineering services for the District.
- 2.8 **“Dwelling Unit”** means one or more habitable rooms arranged, occupied, or intended or designed to be occupied by not more than one family with facilities for living, cooking, sleeping and eating.
- 2.9 **“Equivalent Dwelling Unit”** or **“Single Family Equivalent Dwelling Unit”** means a use which is estimated to have an impact upon the Irrigation Water System equal to that of the average usage of a Dwelling Unit.
- 2.10 **“Gender”** The use of any gender shall be applicable to all genders.
- 2.11 **“Inspector”** means that person who, under the direction of the Manager, shall inspect all water connections, excavations, installations of and repairs to the Irrigation Water System and facilities of the District to ensure compliance with the Rules and Regulations.
- 2.12 **“Irrigation Water System”** or **“Non-Potable Irrigation Water System”** means any water main line, appurtenances, accessories or portion thereof owned, leased, or maintained by or for the District in connection with the District’s management, administration, control and/or provision of non-potable water service or irrigation water within the District’s boundaries.
- 2.13 **“Manager”** of the District means the person or entity retained by the Board to administer and supervise the affairs of the District and their employees.
- 2.14 **“Non-Potable Water”** is all non-potable water administered, managed, controlled or provided by the District for the Non-Potable Water System.
- 2.15 **“Permit”** means the written permission to connect to or enlarge the use for the Irrigation Water System of the District pursuant to the Rules and Regulations of the District.

- 2.16 **“Person”** means any entity of any nature, whether public or private.
- 2.17 **“Rules and Regulations”** means the Rules and Regulations of the District, including all amendments and policies as set forth in the District minutes and resolutions.
- 2.18 **“Service Line”** means any privately owned and maintained pipe, line or conduit used or to be used to provide irrigation water service from water main, whether the pipe, line or conduit is connected or not.
- 2.19 **“Shall or May”** Whenever “shall” is used herein, it shall be construed as a mandatory direction. Whenever “may” is used herein, it shall be construed as a permissible, but not mandatory direction.
- 2.20 **“Singular and Plural”** as pertains to these Rules and Regulations, the singular includes the plural and the plural the singular where ever applicable.
- 2.21 **“Stub-out”** shall mean any connection to a main line which extends from the main line and which is intended to facilitate service line connection to the Irrigation Water System, either directly to the main line or indirectly through a private main. A stub-out may extend to, but not through, the foundation, or exterior walls, or floor of any structure intended to be served. Any extension through the foundation or exterior wall shall be considered a tap, whether connected or not.
- 2.22 **“Tap” or “Point of Connection”** means the connecting of the service line to the Irrigation Water System, either directly to a main line, or stub-out from the main line, or indirectly through a private main line, which service line extends beyond the easement line or property line into the structure intended to be served, whether or not actually connected to the structure’s Irrigation Water System.
- 2.23 **“Tap Fee”** means the payment to the District of a fee for the privilege of connecting a particular use to the Irrigation Water System.
- 2.24 **“Water Main and/or Main Line”** means any pipe, piping, or system of piping used as a conduit for water in the Irrigation Water System and owned, operated, maintained, leased or controlled by the District.
- 2.25 **“Curb Stop”** means a water shutoff valve located in the public street, sidewalk, right-of-way or easement and which shall have a valve box extending to the ground surface.
- 2.26 Any Other Term not herein defined shall be defined as presented in the “Glossary - Water and Sewage Control Engineering”, A.P.H.A., A.W.W.A., A.S.C.E. and F.W.S.A., latest editions.

ARTICLE III  
OWNERSHIP AND OPERATION OF FACILITIES

3.1 Responsibilities of District

Except as otherwise provided by these Rules and Regulations, the District is responsible for the operation and maintenance of the Irrigation Water System, which operation and maintenance shall be carried out in a sound and economical manner, in accordance with these Rules and Regulations. It shall not be liable or responsible for inadequate service or interruption of service brought about by circumstances beyond its control.

3.2 Limitation of Liability of District

Except as provided by the Colorado Governmental Immunity Act, 24-10-101 *et seq.*, C.R.S., it is expressly stipulated that no claim for damage shall be made against the District by reason of the following: breakage of any water main line by District personnel; interruption of water service and the conditions resulting therefrom; breaking of any main line, service line, valve, pipe, or meter; failure of the water supply; shutting off or turning on water; making of connections or extensions; damage caused by water running or escaping from open or defective faucets; burst service lines or other facilities the District does not own; damage to sprinkler systems or other appliances or apparatuses, devices or equipment used for irrigation of property, resulting from shutting water off, or for turning it on, or from inadequate, excessive or sporadic pressures; or for doing anything to the system of the District deemed necessary by the Board of Directors or their agents.

3.3 Rights and Authority

Except if required and as provided by the Colorado Governmental Immunity Act, the District shall have no responsibility for notification to customers of any of the foregoing conditions. All irrigation water users within the District shall be obligated to connect to District's Irrigation Water System unless otherwise agreed to by the District and the potable water service provider. The District reserves the right to discontinue, temporarily, service to any property, at any time, for any reason deemed necessary or appropriate.

The District shall have the right to revoke service to any property for violations of these Rules and Regulations in accordance with the procedures set forth in these Rules and Regulations.

The District reserves the right to terminate service to any user of the Irrigation Water System. Unless otherwise provided herein, the District shall give written notice to such user of the District's intention to terminate service. Under no circumstances shall any user be entitled to or obtain, claim, or assert any perpetual right to irrigation water service from the District or in any District easements, mains or connections, whether under contract or otherwise, and such user shall be bound by all rules and regulations of the

District as altered or amended from time to time governing the administration and use of, and charges for irrigation water service from, the District's Irrigation Water System.

Service limitations and prohibitions under any law or which may be contained within any contractual agreement of the District with any other governmental body shall also constitute prohibitions and limitations upon any user of the facilities of the District, except as may be provided by special permit.

### 3.4 Ownership of Facilities

All existing and future main lines and treatment works connected with and forming an integral part of the Irrigation Water System shall become and are the property of the District, or leased by the District, unless any contract provides otherwise. Said ownership will remain valid whether the main lines and treatment works are constructed, financed, paid for, or otherwise acquired by the District, or by other persons.

3.4.1 Ownership of Irrigation Water Facilities. For irrigation water, the District shall own and is responsible for the maintenance of the water service line, up to and including the curb stop valve or the customer's property line, whichever is closer to the water main. The customer is responsible for the maintenance of the remaining portion of the service line serving his property.

3.4.2. Ownership of Irrigation Water Meters. Notwithstanding the above, all irrigation water meters and shut-off valves shall become and are the District's property. Said ownership shall remain valid whether the meters and/or shut-off valves are installed, financed, paid for, repaired or maintained by another person or whether the meters and/or shut-off valves are located on a privately owned and maintained service line.

### 3.5 Right of Entry, Inspection and Maintenance Powers and Authority of District Agents

Authorized employees of the District, the District Manager, or other personnel authorized by the District Manager, bearing proper credentials and identification, shall be permitted by the customer/owner to enter upon all properties at all reasonable times for the purpose of installation, replacement, repair, maintenance, inspection, observation, measurement, sampling, and testing of any water meter, meter pit if one exists, curb stop valve and/or box, radio frequency device if one exists, sump pump, water service lines and District easements in accordance with the provisions of these Rules and Regulations. The granting of Right of Entry by the customer/owner is a condition precedent and a condition subsequent to the provision of water service by the District. Refusal to permit such access to District personnel in the performance of their duties may result in immediate termination, and/or cause additional charges to the customer at the discretion of the District Manager, of water service to the premises. Failure to permit such inspections, observations, measurements, samplings and/or testings upon the request, in writing, of the Manager may result in a finding that permission is being denied to avoid



discovery of a violation that may result in the disconnection of service to the property of the party failing to permit such activity.

3.6 Modification, Waiver and Suspension of Rules

The Board or the Manager, acting on instructions of the Board, shall have the sole authority to waive, suspend, or modify these Rules and Regulations, and any such waiver, suspension or modification must be in writing, signed by the Board or the Manager. Such waiver shall not be deemed an amendment of the Rules and Regulations. No waiver will be deemed a continuing waiver.

ARTICLE IV  
USE OF IRRIGATION WATER SYSTEMS

Irrigation water services will be furnished to property included within the District subject to the District's Rules and Regulations and subject to fees, rates, charges and tolls as provided herein and as imposed by the District. It is currently contemplated that irrigation water under this Article IV is being provided by the District for the sole use of irrigating landscaping within the Service Area of the District by use of an approved tap and meter.

4.1 Unauthorized Tampering with Systems

4.1.1 Unauthorized Use. No unauthorized person shall uncover, use, alter, disturb, or make any connection with, or opening onto, use, alter, or disturb the Irrigation Water System without first obtaining a written permit from the District. Unauthorized uses of or tampering with the District's Irrigation Water System include, but are not limited to, change in customer's equipment, service or use of property, as defined in Section 5.7, an unauthorized turn-on or turn-off of irrigation water service, burying valve boxes, and modifying any irrigation water meter.

4.1.2 Malicious Damage to System. No person shall maliciously, willfully, or negligently, break, damage, destroy, cover, uncover, deface or tamper with any portion of the District's Irrigation Water System.

4.1.3 Violators Prosecuted. Any person who shall violate the provisions of this Section 4.1 shall be prosecuted to the full extent of Colorado law.

4.1.4 Violators Fined. Any person violating any of the provisions of these Rules and Regulations shall become liable to the District for payment of a \$1,000.00 fine, plus any expense, loss or damage occasioned by reason of such violation. Such costs shall constitute a perpetual lien upon the violator's property, as allowed by Section 32-1-1001, C.R.S., *as amended*, or a perpetual lien upon the property concerning which the violator was receiving services at the time of the violation in question, whichever the Manager deems appropriate.

## 4.2 Use of Irrigation Water System

4.2.1 Notice of Changes and Repairs of Leaks. The customer shall notify the District in writing prior to any expansion or addition to the service or use of the property served by the District's Irrigation Water System upon any change of ownership of said property, and the customer shall further comply with Section 5.8 of these Rules and Regulations. Each customer shall be responsible for all costs associated with the construction and maintenance of the length of the service line to the curb stop or property line, whichever is closer to the main. Service lines shall be constructed in accordance with these Rules and Regulations.

The customer shall repair leaks or breaks in the service line within seventy-two (72) hours of obtaining knowledge of a leak or from the time the District notifies the customer of such condition. If satisfactory progress toward repairing said leak has not been completed within the same time period, the Manager shall shut off the service until the leaks or breaks have been repaired; in addition, the District shall have the right to effect the repair, and the costs therefore shall constitute a lien on and against the property of such customer, security payment of such cost, as provided for by Section 32-1-1001, C.R.S.

4.2.2 Cross Connection Control. It is not intended that the District system will be connected to a potable water system. Connections of the non-potable water system to the potable water system shall be expressly prohibited.

4.2.3 Stop and Waste Type Valve. No stop and waste type valve is permitted in conjunction with a customer's service line. It is the responsibility of the customer to bury the service line with sufficient cover to prevent it from freezing.

4.2.4 Safety Devices. Each customer having sprinkler systems, appliances, apparatuses, and/or other devices on their premises for irrigation, depending on pressure or water in pipes, or on a continual supply of water, shall provide, at his own expense, suitable safety devices to protect himself and his property against a stoppage of water supply or loss of pressure. The District expressly disclaims any liability or responsibility for any damage resulting from a customer's failure to provide such appropriate protection.

4.2.5 Irrigation Water Meters Required. No connection shall be made to the District's Irrigation Water System without an irrigation water meter having been installed to account for the usage of the area or unit served by the District's Irrigation Water System. All irrigation water meters shall have devices for remote reading. The irrigation water meter shall be owned by the District and location of the meter shall be as determined by the District. The District shall install the initial meter and shall have the right to test, remove, repair or replace any and all irrigation water meters. If any meter is suspected to be defective, the District shall diligently pursue repair or replacement of said meter at the District's expense unless the meter is damaged by action of the customer. In

this case, the cost for repair or replacement shall be added to the service charge bill. The irrigation water meters referred to in this Section and throughout these Rules and Regulations are separate from the water meters measuring the use of potable water from the City of Colorado Springs or other public entity providing potable water service to the District.

4.2.6 Required Use of Non-Potable Water System. It is unlawful to irrigate land within Old Ranch Metropolitan District that is capable of receiving Non-Potable service from the District, other than with the Non-Potable Water, unless approved by the District and/or the potable water service provider, as the circumstances may dictate.

4.2.7 Sumps and Water Wells Prohibited. After the effective date of these Rules and Regulations the construction of any water well or sump within the District is prohibited, unless accepted in writing by the District.

4.2.8 Pressure Reducing Valve (“PRV”). A PRV may be installed in service lines, ensuring that the irrigation water meter and any sprinkler or other type of irrigation system are protected from fluctuating water main delivery pressures. The pressure setting of the PRV shall not exceed 150 PSI without written permission from the District.

#### 4.3 Inactive Service.

4.3.1. Definition. Inactive Service means that the water service line for the licensed premises is connected to a Water Main but the water service meter is not set and the water service line is not used to deliver water to the licensed premises. Inactive Service occurs where the service line is constructed initially only to the valve at the property line for the purpose of installing the service line prior to the paving of the street or where a regular residential or commercial tap is converted to inactive status commencing twelve (12) months after the date the District approves the application for such status.

4.3.2 Availability. Available to Applicants within the boundaries of the District or any Contracting District.

4.3.3 Inactive Charges. The monthly charge for Inactive Water Service shall be at a rate determined by the District and shall commence twelve (12) months after the date the application for Inactive Service is granted and shall continue until such time as water service is activated or the inactive water tap is invalidated.

#### 4.4 Work on Irrigation Water System

4.4.1. Permit Required. Before performing any work, including a connection or disconnection or an extension of the Irrigation Water System, the Applicant shall obtain a permit from the District, shall pay the prescribed fee as established from time to time by the Board, and shall arrange for proper inspection by the District.

4.4.2. Application for Permit. Application for such permit shall be made to the District on the form or forms the District furnishes for such purpose, which shall provide a description of the work to be performed, the owner and legal description and address of the property to be served, the meter size, the proposed usage, and estimated hourly and daily water consumption (as an average and maximum) for any nonresidential usage, and such other information as the District may require. Upon approval of the application, payment of all applicable fees and after full compliance with all other relevant rules and regulations of the District, the District Manager shall issue the permit requested under the application.

4.4.3. Payment of Fees. Before the issuance of any permit under this Section 4.4, all fees, costs and charges the District requires shall first be paid. The Board may, in its discretion, from time to time increase or decrease such fees and charges as it deems in the best interests of the District; provided that such fees and charges shall be uniform for all properties within the same classification. The Board may establish different fees and charges for properties classified by type, use, or quantity of water to be withdrawn from the Irrigation Water System.

4.4.4. Payment of Construction and Connection Costs. In addition to the payment of fees for the permit, the Applicant is solely responsible for the costs to construct extension lines and services lines and for the costs associated with connection to the District's Irrigation Water System.

4.4.5. Denial of Application. Applications to work on or connect to the Irrigation Water System shall be granted by action of the Board or District Manager. The Board reserves the right to deny applications to work on or connect to the Irrigation Water System, if, in its discretion, it deems such denial is in the best interests of the District, it is not practical to serve Applicant with irrigation water, and/or approval may have a materially adverse affect on the District's Irrigation Water System or constituents.

4.4.6. Appeal Process. If an application has been denied by the Manager, the Applicant may appeal such decision to the Board, and the Board shall hear such appeal at its next regular meeting. The action of the Board at such hearing shall be final. Only the Board shall prescribe the fees, conditions and requirements necessary for obtaining a permit.

## ARTICLE V APPLICATION FOR SERVICE

### 5.1 Inclusion

Service will be furnished subject to the District's Rules and Regulations and only to property included within and subject to the Rules and Regulations of and taxation by the District. It shall be incumbent upon the Applicant to furnish satisfactory evidence of inclusion whenever the District requests such evidence. Satisfactory evidence shall consist of tax receipt, or certification in lieu thereof, received from and signed by the County Treasurer. A person owning land within Service Area of the District and/or who

desires service must first dedicate and convey the water required to service all of his land serviceable by the Irrigation Water System for the parcel on which service is desired to the applicable District. A formal request for inclusion within the applicable District shall be made to the applicable District, on its standard form, by the Applicant, accompanied by a non-refundable payment of One Thousand Dollars (\$1,000.00) for legal fees and the estimated costs of publication. Any additional costs or legal fees which may occur shall be assessed and paid prior to approval of inclusion by the Board. Until paid, such costs and fees shall be a lien upon the property in question.

5.1.1 Inclusion - Procedures. The procedure for inclusion is specified under Colorado statute. That procedure is summarized here in order that the person petitioning for inclusion may be advised of the general requirements.

- a. The Applicant desiring to include lands situated outside District boundaries shall first contact the District Manager in order to determine whether or not the District's facilities are physically capable of serving such property.
- b. Once it is decided that the District's facilities may serve such property, the Applicant (known as the petitioner) shall furnish a complete and accurate legal description of such property to the District on petition forms the District provides. The petition shall be submitted by the fee owner or owners of such property and acknowledged in the same manner as required for the conveyance of land. The petition shall be accomplished with the aforementioned non-refundable payment of One Thousand Dollars (\$1,000.00) payment.
- c. The District's attorney will then review the petition to be certain it meets all legal requirements. The petition will be presented to the Board at a regular meeting; the Applicant may attend such a meeting to formally present the petition. Once presented to the Board, the Board will cause the petition to be publicized in a newspaper of local circulation in the District, setting forth the time and place for a formal hearing on the petition. The newspaper publication requires about thirty (30) days to complete. No person signing such petition shall be permitted to withdraw the petition after submission to the District without the Board's consent.
- d. Upon completion of publication and payment of the prescribed fees, the Board will, at the public hearing, approve or deny the petition. The Board's decision shall be final and conclusive. If approved, the Board will direct the District's attorney to obtain a court decree ordering the inclusion of the petitioned property into the District. The Board may attach any terms and conditions considered necessary by the Board, in its absolute discretion, to the inclusion of any property into the District. If such terms and conditions are imposed by the Board, then the inclusion of such property shall be subject to any such terms and conditions. A certified copy of the court order will then be recorded in the County Clerk and Recorder's office, at which time the property becomes included within the District's boundaries; the County Assessor may also be

provided with a copy of such order. The entire process ordinarily takes from forty (40) to sixty (60) days after the petition has been initially submitted to the Board.

## 5.2 Exclusion of Property

Real property located within the District may be excluded from the District upon proper petition being filed by the fee owner or owners of the property sought to be excluded and payment of the prescribed fees. A public hearing shall be held upon the petition for exclusion after publication of notice. The District will furnish petition forms. Exclusion of property from the District shall not excuse the liability of such property from the charge or lien of any bonds existing at the time of filing the exclusion petition. All unpaid fees, charges, taxes and liens shall be fully paid by the Applicant at the time of filing the petition. It shall be the policy of the Board to grant exclusions only, (a) if the District is unable to serve the property; (b) if in serving the property, the District would be duplicating existing services; or (c) the original inclusion of the property was improper. The decision of the Board shall be made at the public hearing, and the Board's decision shall be final and conclusive. The Board may attach any terms and conditions considered necessary by the Board, in its absolute discretion, to the exclusion of any property from the District. If such terms and conditions are imposed by the Board, then the exclusion of such property shall be subject to any such terms and conditions.

## 5.3 Service Outside the District

No service shall ever be provided to property outside of the District, except upon the express written consent of the District. Charges for furnishing service outside of the District shall be at the discretion of the Board of Directors, but no service shall be furnished to property outside of the District unless the charge therefore equals at least the cost of service, plus the estimated mill levy and tap fees for which such property would be responsible if it were a part of the District. In every case where the District furnishes service to property outside the District, the District reserves the right to discontinue the service when, in the judgment of the Board of Directors, it is in the best interest of the District to do so.

## 5.4 Application for Service

Application for service must be filed with the District on forms the District provides and accompanied by appropriate fees prior to any action to connect to the Irrigation Water System. Only upon authorized approval of the application and a receipt therefore may a connection to the Irrigation Water System be made. The location of the irrigation water meters and connection to the Irrigation Water System shall be indicated on all applications for service.

5.4.1 Sprinkler System. Landscape sprinkler systems supplied by the Irrigation Water System must be metered and meet the requirements of all applicable City, County, and State codes.

5.4.2 Winter Taps. Taps may be made by appointment, during the winter months, at the District's sole discretion.

5.4.3 Additional Tap Information Required. All information requested on the tap application form must be completed. In addition, the layout of valves and meters for the Irrigation Water System, and a diagram of the curb stop valve box location must be included. A site plan or improvement plan shall accompany the tap permit application showing the location of the area to be irrigated relative to property lines.

5.4.4 Reassessment of Tap Fees. Should any information disclosed on the application prove at any time to be false, or should the Applicant omit any information, the District shall have the right to reassess the tap fee originally charged at the rate current to the District's discovery of the false or omitted information, and/or disconnect the service in question, and/or back-charge the property in question for service fees that may be due and owing, and/or charge any other or additional fee or penalty specified in these Rules and Regulations. Any reassessment shall be due and payable, together with any penalties or other additional fees charged, and together with interest at the maximum legal rate on the entire balance, upon and from the date of the original application.

5.4.5 Water Dedication Requirements. In addition to meeting the inclusion requirements set forth in section 5.1, Applicants for inclusion shall be required to dedicate water rights to the District necessary for provision of irrigation water service to the property proposed to be included in the District and the proposed development within that area to be served by the District's Irrigation Water System. The requirements will be based upon the proposed use and calculation of approximately 120% of the water required to serve the proposed inclusion property and its proposed development unless otherwise determined by the Board of Directors. The District shall own the water rights for the beneficial use of the inclusion property and the District. The water shall be used for irrigating landscaping within the Service Area of the District and/or by use of an approved tap and meter. In the sole discretion of the District, the District may accept cash in lieu of the raw water dedication requirement at the current market rate of CBT. The acceptance of cash in-lieu shall be at the sole discretion and determination of the District.

## 5.5 Denial of Application

The District reserves the exclusive right to deny application for service when, in the opinion of the Board and/or Manager, the service applied for would create an excessive seasonal, or other, demand on the facilities. Denial may also be based upon an unresolved obligation between the District and the Applicant, inadequate documentation of easements for main lines serving the property, or any other reason as determined by the Board of Directors or Manager.

## 5.6 Cancellation of Application

The District reserves the right to revoke any prior approval of an application before service has been provided, and thereafter for any violation of these Rules and Regulations.

5.7 Moved or Destroyed Buildings

When a building is moved or destroyed, the original tap authorization shall remain, provided that a written request is made to, and approved by, the Board or Manager prior to cessation of payment of service charges.

5.7.1 Abandoned Service Line. When a service line is abandoned permanently, the property owner or customer shall valve the water supply off at the main line (corporation stop valve).

5.8 Change in Customer's Equipment, Service, or Use of Property

No expansion of or addition to the customer's service or use of property served shall be made without the prior written notification to and approval by the District. Any such change which, in the opinion of the District, will increase the burden placed on the District's Irrigation Water System by the customer shall require a redetermination of the tap fee and monthly service charge, and a payment by the customer of any additional tap fee and monthly service charge resulting from the redetermination. Subject to Section 5.6, above, tap fees previously paid with respect to the property in question shall be credited against the redetermined tap fee so that only the unpaid portion of any redetermined tap fee shall be due; provided, however, that redeterminations resulting in a conclusion that the tap fee, if assessed currently, would be in an amount less than that originally paid shall not result in a refund to the customer; and provided further that when an expansion or change in use occurs which results in additional fees due, a credit for the existing use right shall be given.

5.8.1 Unauthorized Connection Fee. Any violation of this Section shall result in the assessment of an unauthorized connection fee, as provided by Section 5.8 of these Rules and Regulations, and the District shall take those steps authorized by these Rules and Regulations and Colorado law regarding the collection of said fees.

5.8.2 Inspection Required. The District shall notify any customer the District believes to have changed equipment, service, or use of his property in violation of this Section and shall be afforded twenty (20) days from the date upon which the notice is mailed in which to respond to the District's notice. The customer's response must include permission to make such inspection of the property in question as the Board of Directors or District Manager or representatives deem necessary to establish clearly the nature of equipment, service and use of the property in question. Failure to respond may result in the District discontinuing service to the property.

5.8.3 Redetermination of Tap Fees. Inspection shall be made of the property in question. Following inspection, the Manager shall make a determination as to the change



in the customer's equipment, service or use of the property in question, and shall redetermine any additional tap fees and service charges due. In the event the decision of the Board of Directors or Manager is deemed unsatisfactory to the customer, the customer may present a complaint in accordance with the Hearing and Appeal Procedures, Article IX, of these Rules and Regulations.

5.9 Unauthorized Connections and Fees

No person shall be allowed to connect onto the Irrigation Water System or to enlarge or otherwise change equipment, service or use of property without prior payment of tap fees, approval of application for service, and adequate District supervision and inspection of the tap. Any such connection, enlargement, or change without payment, approval, supervision and inspection shall be deemed an unauthorized connection. Upon the discovery of any unauthorized connections, the then-current tap fee shall become immediately due and payable, and the property shall automatically be assessed an additional unauthorized connection fee equal to the then current tap fee per equivalent dwelling unit, as liquidated damages toward the District's costs associated with such unauthorized connections.

The District shall send written notice to the owner of the property benefited by such connections stating that an unauthorized connection has been made between the subject property and the District's facilities. The owner shall then have twenty (20) days from the date the notice is mailed to pay the then-current tap fee or proceed in accordance with the provisions of Section 5.8 of these Rules and Regulations.

5.10 Revocation of Service

The District shall revoke service upon non-payment of any valid fees or charges owing to the District. In the event of non-payment, the customer shall be given not less than twenty (20) days advance notice in writing of the revocation, which notice shall set forth:

1. The reason for the revocation;
2. That the customer has the right to contact the District, and the manner in which the District may be contacted for the purpose of resolving the obligations; and
3. That there exists an opportunity for a hearing in accordance with Article IX of these Rules and Regulations.

If the District does not receive payment of the outstanding obligation or a request for a hearing within twenty (20) days of the date of mailing of the revocation notice, the District Manager shall disconnect the service and the customer shall be assessed the cost of the disconnection. While the service is disconnected, the customer shall continue to be assessed the base service charges for irrigation water.

5.11 Revocation of Tap Rights

The right to connect the District's Irrigation Water System and receive services under Section 5.3 above shall be revocable by the District upon non-payment of any fees owing to the District and remaining unpaid for a period of thirty (30) days, and whether or not the customer owning the right to connect has actually connected to the District's Irrigation Water System. Such revocations shall be conducted in accordance with Section 5.9, above. If the right to connect to the District's Irrigation Water System is revoked, the customer may reacquire such tap rights only by reapplying for service in accordance with Section 5.3, above, and after paying all fees due and owing the District and the then-current tap fees charged by the District under these Rules and Regulations.

5.12 Turn-ons/Turn-offs of Service

Only District personnel shall perform all turn-ons and turn-offs of irrigation water service through a shut-off valve on a service line that has been connected to the District's Irrigation Water System pursuant to a written permit issued by the District, regardless of the ownership of the shut-off valve or service line and regardless of the circumstances respecting the turn-on or turn-off. The District shall assess a single turn-off/turn-on charge in the amount of \$50.00 for any such turn-off and turn-on performed except when initial service is provided and when the service is performed for customers requiring maintenance to their service lines, in which case there shall be no charge. The District will provide this service only for a tap for new construction, one time prior to the occupancy of the building located on the property served.

The Board or Manager, in its/his sole discretion, may grant or deny all other requests for a turn-off or turn-on of the District's service. In new construction, at the time the irrigation water meter is set, service charges begin unless the District is requested to perform the turn-off. In this event the customer will be charged \$50.00 when service is turned on.

ARTICLE VI  
CONSTRUCTION OF SERVICE LINES

6.1 Compliance with Rules and Regulations

The requirements of these Rules and Regulations, including the permit application procedure provided in Section 4.4, and the Appendices attached hereto, are applicable to the construction of all service lines.

6.2 Inspection and Tapping Charges

A representative of the District shall inspect all taps and all service lines the District or its authorized representative makes. All irrigation water service lines are to be tested under normal operating pressure. Constructors of service lines shall call the District to schedule

an open ditch inspection of all service lines. If said inspection is not made within twenty-four (24) hours of the call, excluding weekends and holidays, construction may proceed. There shall be a charge for all inspections as determined from time to time by the Board. Further information regarding inspections and the charges for inspections may be obtained from the Board of Directors or at the District Manager's office.

6.3 Separate Service Lines Required for Residential Property

A separate and independent service line shall be provided for every irrigation system, and shall be installed at the expense of the property owner. A curb stop shall be located at the property line on all service lines. Each portion of a multi-unit property shall have a curb stop at the property line and shall have a separate irrigation water meter and service line. The Board of Directors or Manager, in the exercise of its/his sole discretion, may provide an exemption from the above requirements for outdoor common space areas that are part of a condominium or other multi-family dwelling association. In such a case, the District shall bill the association for service charges the District assesses for irrigation water usage in the association. In all cases where individual units are not separately metered, billing shall be to one entity for service to all units serviced through the same meter or service line, and payment for less than all units shall be considered non-payment, allowing the District to terminate service.

6.4 Construction and Connection

The contractor shall notify the District when the service line is ready for inspection and connection to the District's main. One working day notice is required. District authorized personnel shall make the connection to the main. All contractors, plumbers, and others doing work on any main, service lines, or structures in the District shall comply with County, State, or local regulations on excavation, backfill, compaction, and restoration of surface. All permits, fees, and licenses shall be paid for by the contractor, plumber, or others doing work in the District prior to the start of construction.

All excavations for service installation shall be adequately guarded with barricades and lights so as to protect the public from hazard. Streets, sidewalks, parkways, and other public or private property disturbed in the course of the work shall be restored in a manner satisfactory to the District. The plumber, contractor, or others doing work for the District shall pay all daily inspection fees on construction required by any governmental agency, including the District.

ARTICLE VII  
MAIN LINE EXTENSIONS

7.1 Compliance with Rules and Regulations

Main line extensions shall comply with the requirements of these Rules and Regulations, including the permit application procedure provided in Section 4.4, and District standard specifications for service line construction.

## 7.2 District Main Line Extensions

The District has the right to construct all main lines within the District. Developers who desire to construct such main lines prior to the date planned by the District for their construction may do so as provided in Section 7.4 herein.

## 7.3 Procedure for District Main Line Extensions

The District may construct any main line if the Board deems it in the best interest of the District to do so. All main line extensions which are so authorized shall be bid, as provided by State law, and contracted for by the Board, with the constructor installing the main lines being responsible to the Board. The District, through its engineer, shall supervise construction activity and coordinate all matters pertaining to the completion of the subject project, including periodic and final payments to the constructor, inspection, and as-built drawings.

7.3.1 Performance Bonds and Two Year Warranty. Pursuant to Section 38-26-105 and 38-26-106, C.R.S., the constructor on all construction the District contracts shall furnish to the District performance and payment bonds equal to the contract price at a minimum. The District shall accept all main lines upon completion of construction, subject to a two (2) year warranty period during which the constructor shall promptly, without cost to the District, correct any defective work. The constructor shall pay all daily inspection fees required by any governmental authority, including the District.

Constructors who have completed construction of main line extensions shall, before the District accepts the main lines, deed the main lines and all appurtenances to the District free and clear of all liens and encumbrances, and furnish to the District a surety bond or other acceptable collateral which shall cover all maintenance for two (2) years from the date of acceptance of the main lines by the District. Prior to the acceptance of the main lines by the District, the Constructor shall provide to the District reproducible as-built drawings including stub-out locations, coordinates of manholes, rim and invert elevations, and easements.

## 7.4 Procedure for Main Line Extension by Developers

The District has no obligation to extend any main line. In the discretion of the Board of Directors or District Manager, the District may permit an Applicant to construct, at the sole expense of the Applicant, main lines prior to their construction by the District. The Applicant shall enter into a written main line extension agreement with the District prior to proceeding with any extension.

7.4.1 Application for Approval. All Applicants desiring to construct a main line within the District shall first make formal application to the Board of Directors or District Manager for approval. This application shall be in writing, and shall contain a legal description of the property to be served by the main line and plans for such extension, and any other information the District requires. The staff shall then submit the recommended plans, with appropriate documentation, to the Board or District Manager for final approval. Said plans shall be reviewed for compliance with the District's specifications, and with other specifications and requirements appropriate to the situation. The Applicant shall pay for the cost of such study.

7.4.2 Deposits with the District. Prior to the execution of the main line extension agreement with the District, Applicant shall deposit with the District an amount sufficient to compensate the District for engineering fees, legal fees, and other costs, except direct construction costs, anticipated to be incurred by the District as a result of the application and the construction of the main line.

7.4.3 Performance and Payment Bonds. All contracts the Applicant enters into for construction of any part of a main line shall be assignable to the District. All such contracts that an Applicant proposes to assign to the District shall include performance and payment bonds to be issued by the contractor to the District pursuant to Sections 38-26-105 and 38-26-106, C.R.S. Said bonds shall be at a minimum equal to the contract price for the construction contracted for by the Applicant. All main lines shall be constructed according to applicable District, County, and State specifications. All main line extensions within the District shall be made under the supervision of the District staff at the Applicant's expense. Similarly, the Applicant shall pay all daily inspection fees on mains required by any governmental agency, including the District. Such costs may be subject to cost recovery if so designated in the cost recovery contract.

7.4.4 Special Structures Designed by District Engineer. Special structures such as pumping stations, pressure reducing valves, meter vaults, etc., required to ensure proper operation of the extensions, shall be constructed from designs of the District engineer or such other engineers as may be approved by the Board.

7.4.5 Oversizing of Main Lines. The Applicant shall be responsible for oversizing main line extensions as required by the District, at the District's expense, subject to future cost recovery by the District from future extenders. Specifically, a future extender may be required to reimburse the District the cost of oversizing, including reasonable interest, upon connecting a further extension.

7.4.6 Documentation Required. Applicants who have completed construction of main lines shall, before the District accepts the main lines, deed the main lines and appurtenances to the District, free and clear of all liens and encumbrances, and furnish to the District bonds which shall cover all maintenance for one (1) year from the District's date of acceptance of the main lines. Prior to the District's acceptance of the main lines, the Applicant shall provide the District with:

1. All easements necessary accompanying the main lines;
2. Four (4) Mylar as-built drawings; and
3. A statement of the certified costs of the main lines.

7.4.7 Contract Required. No reimbursement or recovery of costs shall be permitted for main line extensions, except as provided by fully executed contracts with the District. The District shall, in its sole discretion, determine when reimbursement may be made for main line extensions.

#### 7.5 Main Line Sizes

The District shall determine the size of the main line required to serve any area served by the District's Irrigation Water System.

#### 7.6 Locations of Main Line Extensions

Main lines shall be installed in roads or street rights-of-way, as well as in easements granted to the District. Where required, facilities must cross land not being subdivided, or where such land is under the Applicant's control for the granting of public rights-of-way, each Applicant who desires service will, in consultation with, and with the approval of the District, plat and grant to the District appropriate rights-of-way and easements in which will be constructed such facilities.

The District shall maintain sole discretion over the location of any main line extensions, including control over any parallel lines.

If a public right-of-way or street is not sufficiently wide to permit the installation of a water main, the District may require that an additional easement be provided.

### ARTICLE VIII RATES AND CHARGES

#### 8.1 General

The information contained in this Article is pertinent to all charges of whatever nature to be levied for the provision of irrigation water service. Said rates and charges as herein established are in existence and effect at this time, and shall remain in effect until modified by the Board under the provisions of these Rules and Regulations, and under the applicable statutes of the State of Colorado. Nothing contained herein shall limit the Board from modifying rates and charges, or from modifying any classification.

#### 8.2 Application of this Article

The rates, charges, and other information shown herein shall apply only to customers inside the District, and shall in no way obligate the District with respect to services provided outside the District's boundaries.

### 8.3 Classification of Customers

For the purpose of levying fair, reasonable, uniform, and equitable charges, the following classifications and related definitions are provided:

8.3.1 Single-Family Residential Unit. Includes single-family unit; a patio home is included under the definition of single-family residential unit.

8.3.2 Multi-Family Unit. Includes duplex and clustered units, such as multi-family apartments, condominiums and town homes.

8.3.3 School Campus Irrigation. Includes irrigation of outdoor recreation and open space areas.

8.3.4 Commercial, Industrial Service. All non-residential uses which are not included under Sections 8.3.1, 8.3.2 or 8.3.3. With regard to commercial and industrial users, irrigation water cannot be used for processing, treatment or any other use outside of landscape irrigation and only by use of an approved tap and meter. Any modification to this restriction is subject to the express written approval of the District.

### 8.4 Tap Fee

A tap fee may be charged to all irrigation water service customers of the District. Such fee is the Applicant's proportionate share of the Irrigation Water System cost in relation to the Applicant's use. This one-time tap fee may be assessed by and paid for the connection of a service line or user to the District's Irrigation Water System. The District will review the cost associated with the tap annually and adjust fees accordingly to the actual cost of materials and type of user, including industrial and commercial users. If imposed, the tap fee shall be assessed and paid before the permit for service is issued. Tap fees shall be assessed as provided for in the schedule of fees and charges attached hereto as Appendix B & B-1; provided, however, that:

8.4.1 Prepaid Tap Fees. Tap fees may be prepaid, and tap permits issued, anytime in advance of connection, in which case the commencement of service charges shall be governed by Section 8.6 of these Rules and Regulations. No refund of tap fees will be paid.

8.4.2 Factors and Usage. The fees and charges reflected in Appendix B & B-1 are based upon factors of usage and physical structure and upon the application by the Manager of the District of those factors to the facts and circumstances surrounding the application.

8.4.3 Disputed Tap Application. If a dispute arises between the District and the Applicant regarding the calculation of tap fees or the nature and use of the structure as it

applies to Appendix B & B-1, the dispute will be settled in accordance with Article IX of these Rules and Regulations.

#### 8.5 Transfer of Tap Fees

No tap fee paid on behalf of one property, or any portion thereof, may be transferred to any other property unless:

8.5.1 Common Owner of Property. The owner requesting the transfer is the common owner of the property for which the tap fee has been paid and the property to which the transfer of the tap fee, or portion thereof, is being requested. Both properties are in the District.

8.5.2 Good Credit. The owner requesting the transfer has no outstanding unpaid accounts with the District and has previously maintained a good credit with the District.

8.5.3 No Previous Connection to System. The property to which the tap fee initially applied has never been connected to the District's Irrigation Water System.

8.5.4 Payment of Difference. The owner requesting the transfer shall pay to the District the difference between the tap fee which would otherwise be charged on the date the transfer is requested for the property to which transfer is being sought, and the tap fee previously paid, but in no event shall the District make a credit or refund. In the event an owner transfers only a portion of the total sum previously paid as a tap fee, the owner shall retain a credit, subject to the provisions of Section 5.10, for any non-transferred portion of the previously paid fee.

8.5.5 Approval in the Discretion of District. Any approval of a request for a transfer of a tap or fees shall be in the District's sole discretion.

#### 8.6 Service Charge

Service charges shall be as reflected in the Schedule of Fees and Charges, attached hereto as Appendix B & B-1. Service charges will begin when irrigation water service is turned on to the property on which the building is located.

Monthly service charges shall be suspended during any month(s) in which service through a newly constructed tap to a property on which a building is located prior to the building's occupancy has been turned-off in accordance with Section 5.11 of these Rules and Regulations.

#### 8.7 Amended Tap Fees

In those situations where a prospective user applies for a permit for service to a property or use not defined in the preceding Article; or where, in the District Manager's opinion, said property represents a classification not contemplated in the establishment of the



previously defined tap fee, the Board or District Manager shall, in its/his sole discretion, establish a fair, reasonable, and equitable tap fee for said property.

8.8 Amended Service Charges

In those situations where, in the Board's or Manager's sole discretion, the service charges shown in the previous Articles do not represent a fair, reasonable, and equitable charge for the intended use, the Board or Manager, in its/his sole discretion, may adjust said rates.

8.9 Payment of Service Charges

It is the policy of the District to bill all monthly service charges in arrears.

When a condominium or other multi-unit dwelling association exists for a number of units receiving service for irrigation of outdoor common space for such units which do not have individual irrigation water service from the District, said association shall receive an invoice for the outdoor common space serviced by the association.

In no instance shall the District bill individual owners within a multi-unit project without separate irrigation water meters, curb stop, shut-off valves, and service lines. The District shall have the right to issue only one bill for irrigation water supplied to a multi-unit structure or development. Any structure with more than one living unit off the service line, which is not separately metered, shall establish one responsible party for irrigation water bills.

The customer shall pay to the District within ten (10) days after the billing date the full amount of that statement. Where the customer believes said statement is in error, the customer must file, in writing, a notice to the District of the presumed error, and request a clarification from the Manager. Upon review by the Manager, and resubmittal and/or revision of the statement, payment shall be due no later than ten (10) days from the billing date of the resubmitted statement.

8.10 Penalty for Late Payment

At any time the customer is fifteen (15) days tardy in payment of any charges due the District, the District shall assess an interest charge at the rate of one percent (1%) per month on the unpaid balance. The District shall further have the right, in its sole discretion, to terminate service to any customer who becomes thirty (30) days or more tardy in payment for scheduled services, following the opportunity for a hearing as outlined herein.

The District shall assess to any customer who is tardy in payment of his account, all legal, court, disconnection, and other costs necessary to or incidental to the collection of said account.

Until paid, all such fees, rates, penalties, or charges shall constitute a perpetual lien on and against the property served, and any such lien may be foreclosed in the same manner as provided by the laws of this state for the foreclosure of mechanics' liens.

8.11 Foreclosure Proceedings/Attorney's Fees

At any time it becomes necessary after other efforts (letters, posted notices) to collect delinquent payments of any fee or charge imposed by the District under these Rules and Regulations and/or Colorado law, the District may then initiate foreclosure proceedings as provided for by Section 32-1-1001 (1)(j), C.R.S. All of the provisions of these Rules and Regulations to the contrary notwithstanding, all customers/users of the District's Irrigation Water System hereby agrees to be bound by these Rules and Regulations as a matter of contract and for which there is good and valuable consideration. Further, in the event the District shall commence a foreclosure action or proceedings to collect any payments of whatsoever nature due and payable to the District, then in said event the party being foreclosed upon agrees hereby to the payment of any and all costs incurred in connection with said foreclosure proceedings including, but not limited to, reasonable attorney's fees which the court shall tax as a part of the costs of such foreclosure proceedings. In the event payment is made by the customer prior to the foreclosure sale, said attorney's fees and any and all other fees outstanding against the subject account and relating to the subject real property, must also be paid as a pre-condition to the resumption of service to the subject property.

8.12 Certificate of Amounts of County Treasurer

In addition to any other means of collecting delinquent fees, rates, tolls, penalties, charges or assessments made or levied solely for water services (including charges for availability of such service), the District may certify the delinquent amounts to the county treasurer for collection in the same manner as property taxes, in accordance with the provisions of statute, as amended. The District shall charge a fee for the administrative costs of this collection method, which fee shall be added to all delinquent amounts, including other penalties and interest charges, before certification.

8.13 Required Equipment

All irrigation water service lines shall be metered with equipment compatible with the Irrigation Water System and as approved by the District. Once installed, the service will be inspected and tested for compatibility with the District's Irrigation Water System. Upon approval, the District will activate service.

ARTICLE IX  
HEARING AND APPEAL PROCEDURES

9.1 Application

The hearing and appeal procedures established by this Section shall apply to all complaints concerning the interpretation, application or enforcement of the Rules and

Regulations of the District, and contracts related thereto, as they now exist or may hereafter be amended. The hearing and appeal procedures established by this Section shall not apply to the following complaints:

1. Complaints which arise with regard to personnel matters, which complaints shall be governed exclusively by the District's personnel rules as the same may be amended from time to time.
2. Any other complaint which does not concern the interpretation, application, or enforcement of the Rules and Regulations of the District, or contracts related thereto.

#### 9.2 Initial Complaint - Resolution

Complaints concerning the interpretation, application, or enforcement of Rules and Regulations of the District must be presented to the Board or Manager, or such representative as it/he may designate. Upon receipt of a complaint, the Board or Manager or its/his representative, after a full and complete review of the allegations contained in the complaint, shall take such action and/or make such determination as may be warranted and shall notify the complainant of the action or determination by mail within twenty (20) days after receipt of the complaint.

#### 9.3 Hearing

In the event the decision of the Manager or his representative is deemed unsatisfactory to the complainant, a written request for hearing may be submitted to the Manager or such hearing officer as the Manager may appoint, within twenty (20) days from the date of written notice of the decision was mailed.

Upon receipt of the request, if it be timely and if any and all other prerequisites prescribed by these Rules and Regulations have been met, the Manager or hearing officer shall conduct a hearing at the District's convenience, but attempt to do so within twenty (20) days after the receipt of the request for hearing. The hearing shall be conducted in accordance with and subject to all pertinent provisions of these Rules and Regulations. If the Manager renders a final decision against the customer, the out-of-pocket costs of the hearing shall be assessed against the customer.

#### 9.4 Conduct of Hearing

At the hearing, the Manager or hearing officer shall preside. The complainant and representatives of the District shall be permitted to appear in person, and the complainant may be represented by any person of his choice or by legal counsel.

The complainant or his representatives and the District representatives shall have the right to present evidence and arguments; the right to confront and cross-examine any person; and the right to oppose any testimony or statement that may be relied upon in

support of or in opposition to the matter complained of. The Manager or hearing officer may receive and consider any evidence which has probative value commonly accepted by reasonable and prudent persons in the conduct of their affairs.

The Manager or hearing officer shall determine whether clear and convincing grounds exist to alter, amend, defer, or cancel the interpretation, application, and/or enforcement of the Rules and Regulations that are the subject of the complaint. The decision shall be based upon evidence presented at the hearing. The burden of showing that the required grounds exist to alter, amend, defer, or cancel the action shall be upon the complainant.

9.5 Findings

Subsequent to the hearing, the Manager or hearing officer shall make written Findings and an Order disposing of the matter and shall mail a copy thereof to the complainant not later than ten (10) days after the date of the hearing.

9.6 Appeals to the Board

In the event the complainant disagrees with the Findings and Order of the Manager or hearing officer, the complainant may, within twenty (20) days from the date of mailing of the Findings and Order, file with the District a written request for an appeal thereof to the Board. The request for an appeal shall set forth, with specificity, the facts or exhibits presented at the hearing upon which the complainant relies and shall contain a brief statement of the complaint's reasons for the appeal. In response, the Manager or hearing officer shall compile a written record of the appeal consisting of:

1. Minutes of the hearing;
2. All exhibits or other physical evidence offered and reviewed at the hearing;
3. A copy of the written Findings and Order; and
4. Additional written comments which the Manager of the District may wish to submit in response to the written request for appeal.

ARTICLE X.  
MISCELLANEOUS PROVISIONS

10.1 Claims Against the District.

In the event any person claims to have suffered an injury of any kind by the District or by a director or employee thereof, such person shall, within 180 days after the discovery of such injury, advise the secretary of the District by written notice of intent to make a claim. In the notice, such person shall accurately describe the date, time, location and circumstance of the event complained of; the name and address of the person or persons entitled to relief; and name of any public employees involved; a statement of the nature and extent of the injury claimed to have been suffered; and the amount of monetary damages suffered and the relief requested. Unless expressly asserted as herein provided within the maximum 180-day period, no claim for any injury shall be recognized by the District, and any claim, unless

timely made, shall be deemed waived by such person otherwise entitled to assert the same and shall thereafter be barred. The provisions of the Colorado Governmental Immunity Act shall control any proceeding hereunder.

10.2. Construction of Rules and Regulations.

10.2.1 Interpretation. Any dispute over interpretation of the rules and regulations, or concerning their application in any particular case, shall be submitted to the Board and its decision shall be final and conclusive.

10.2.2 Headings. The headings which appear in the rules and regulations are for the purpose of identification and do not constitute any part of the rules and regulations.

10.2.3 Severability. If any provisions of the rules and regulations are held invalid for any reason by a court of competent jurisdiction as part of a judgment, judicial decree, court order or otherwise, such adjudication shall not affect in any manner or particular any of the provisions contained in the rules and regulations, and the remaining rules and regulations shall remain in full force and effect.

10.2.4 Change of Rules and Regulations. The Board shall have the right and authority to change the rules and regulations at any time in the manner now or hereafter provided by law.

10.2.5 Limitation. The rules and regulations are an implementation on the part of the Board of certain powers conferred by statute. The rules and regulations are not to be construed as a limitation upon any general or specific power of the Board, or as an expression by the Board of only certain limited powers which it intends to use.

**APPENDIX A  
SERVICE LINE CONSTRUCTION**

A.1 Rules and Regulations

The Applicant, contractor, and property owner are responsible for knowledge of all provisions of the Rules and Regulations. The items below are restated for emphasis:

Tap Fees Tap fees must be paid prior to the scheduling of any inspections by the District.

Service Charges Service Charges begin as of the date of turn on.

Unauthorized Tap ANY CHANGE IN USE, CONVERSION OF ADDITIONAL

UNITS OR CONNECTION OF NEW STRUCTURE MADE WITHOUT PAYMENT OF A TAP FEE WILL BE CONSIDERED AN “UNAUTHORIZED TAP.”

The occurrence of an unauthorized tap is subject to a penalty charge, as well as payment of the appropriate tap fee.

Property

Owner

The property owner shall be held responsible in the event of nonpayment of all fees and charges due the District.

A.2 Standards for Service Lines

Prior to service line construction, the constructor shall familiarize himself with the District standards and specifications. The owner or constructor shall obtain approval for the location of the service line and submit appropriate sets construction documents and inform the District’s personnel of intended schedule for construction.

Constructors shall apply for all permits. All permits, fees and licenses shall be paid for by the constructor plumber, or other doing the work in the District prior to the start of construction.

A.3 Excavation

All excavation required for the installation of service lines shall be open trench work unless otherwise approved by the Manager.

Pipe laying and backfill shall be performed in accordance with the City, County or State requirements. No excavation shall remain open for more than forty-eight (48) hours and all District mains are required to be covered overnight unless otherwise approved by the Manager.

Where a street cut is required, the contractor shall rebuild the road base in accordance with applicable City, County, or State regulations on excavation, backfill, compaction and restoration of service. All excavation for all service lines shall be adequately guarded with barricades and lights so as to protect the public from hazard. Streets, sidewalks, parkways and other public and private property disturbed in the course of the work shall be restored in a manner satisfactory to the District.

All backfill shall be maintained in a satisfactory condition and all places showing signs of settlement shall be filled and maintained during construction for a period of one year following completion of construction. When the District notifies an Applicant that a backfill is hazardous, he shall correct such hazardous conditions at once.

A.4 Tapping the Main

The District's representative is authorized to make taps onto the District's irrigation water mains. The Applicants of the irrigation water service permit shall notify the District when the service is ready for inspection and connection to the main. Appointments for inspection and connection should be scheduled twenty-four (24) hours in advance. Contractor shall provide two (2) workers to assist the District in making the taps on to the main.

#### A.5 Inspections

The Applicant for the irrigation service line permit shall notify the District when the service is ready for inspection. Appointments for inspection and connection should be scheduled twenty-four (48) hours in advance. The connection shall be made by qualified personnel. The District's representative shall inspect all service lines, and the District's representative shall have the authority to halt construction when, in his opinion, the District's Rules and Regulations for proper construction practices are being violated. Whenever any such violations occur, the District's representative shall, in writing, order further construction to cease until all deficiencies are corrected. No service lines shall be covered without the District representative's approval. Anyone making any installation without such approval shall be required to remove all soil or any other covering over the service line to allow its inspection.

#### A.6 Water Service Lines

##### Water Service

##### Lines

Alignment of the water service line shall be located so as to take the shortest, most direct route, preferably perpendicular from the main to the building. No water service line shall be laid parallel to any bearing wall which might be thereby weakened. The water service shall be laid at a uniform grade in a straight alignment.

##### Pressure Test

##### Required

Under supervision of the District representative, the water service line is to be water pressure tested at 150% of normal operating pressure from the water main to the building before backfill begins.

##### Curb Stop

The service line shall have two curb stop control valves. One located at the corporation stop on the irrigation water system mainline and the second located at the property line, or as otherwise approved by the District with easy access to the District. Curb stop shall comply with the standards and specifications and accessible from, surface and located at property or easement line. The curb stop curb boxes shall be installed per the standard drawings herein and must be installed prior to any irrigation system metering.

There shall be no splices between the curb stop and the main.

Stub-Out When water service lines are stubbed-out to property lines, the stub-out shall be valved off and plugged, with a valve box installed to the ground surface. If no irrigation water stub-out exists, District personnel or an approved contractor will make all taps up to two (2) inches.

Owner's Responsibility The District is responsible for the maintenance of the water service line, up to and including the curb stop valve or the owner's property line, whichever is closer to the main. The customer is responsible for the maintenance of the remaining portion of the service line serving the property.

Water Service Line Specification Service lines shall be constructed with type and method approved by the District. All taps larger than two (2) inches will be made by an approved contractor and inspected by District personnel. Inspection of water service line is required. Inspection will be made with the service line under pressure. The District will record the actual location and depth of water service lines.

Irrigation Water Meters And Remotes All water service lines shall have an irrigation water meter before irrigation water is turned on. The District shall inspect all water meters and facilitate connection to the District Irrigation Water System. The cost of the meter shall be borne by the customer.

All meters must be in accordance with the current specification requirements of the District (see attached chart).

It shall be the builder's/contractor's responsibility to protect the meters from freezing or other physical damage during construction. After completion of the construction and acceptance by the owner, it shall be the owner's responsibility to protect the meter from freezing, from damage due to high water pressure (i.e. PRV), and other physical damage.

Irrigation water will remain turned off at curb stop until irrigation water meters are installed and connection to the District Irrigation Water System has been completed. All irrigation water is to be metered by the District Irrigation Water System, including that used during construction.

Pressure Reducing Shut off



Valves Contractor will install shut off valves on the inlet and outlet sides of the PRV to facilitate future repairs.

Construction CONSTRUCTION SHALL BE IN ACCORDANCE WITH ALL APPLICABLE UNIFORM BUILDING CODES AND LOCAL BUILDING CODES.

Irrigation

Water

Turn On Irrigation water turn-on will be made by District personnel only. Any service turned on by other than authorized personnel shall be considered illegal system tampering and subject to fees and penalties.

All irrigation water shall be metered.

## **APPENDIX B**

### **IRRIGATION WATER SERVICE CHARGES SCHEDULE AND CONSERVATION RULES**

#### **SINGLE FAMILY PRIMARY IRRIGATION WATER SERVICE RATES**

Summer Rate: \$7.219 per 1000 gallons, per single family residential lot. The summer season is May 1 of each year through October 31st.

Winter Rate: \$5.320 per 1000 gallons, per single family residential lot. The winter season is November 1 of each year through April 31st.

Additional costs for residential tap fees are attached as Exhibit B-1.

#### **COMMERCIAL IRRIGATION WATER SERVICE RATES**

Summer Rate: \$7.219 per 1000 gallons, per user tap. The summer season is May 1 of each year through October 31st.

Winter Rate: \$5.320 per 1000 gallons, per user tap. The winter season is November 1 of each year through April 31st.

Additional costs for commercial tap fees are attached as Exhibit B-1.

#### **HOMEOWNER ASSOCIATION PRIMARY IRRIGATION WATER SERVICE RATES**

Summer Rate: \$7.219 per 1000 gallons, per user tap. The summer season is May 1 of each year through October 31st.

Winter Rate: \$5.320 per 1000 gallons, per user tap. The winter season is November 1 of each year through April 31st.

Additional costs for residential tap fees are attached as Exhibit B-1.

## **WATERING SCHEDULE, IRRIGATION WATER SYSTEM – RESTRICTIONS OF USE**

If conditions of supply so limit the water supply of the District's Irrigation Water System that unrestricted water use may endanger the adequacy of that supply, the Board of Directors, exercising its discretion in the protection of the public health, safety, and welfare, may adopt the following emergency water use restrictions and such additional regulations and restrictions as are reasonably calculated under all conditions to conserve and protect that supply and to ensure a regular flow of water through the system. Emergency water use regulations and restrictions shall remain in force and effect until the Board determines that the conditions requiring their imposition no longer exist. A day constitutes a 24 hour day from 12:00 am to 11:59 am.

**In General:** Irrigation sprinklers should only be operated between the hours of 7 p.m. and 9 a.m.

Drip irrigation systems may be operated between the hours of 6 p.m. and 11 a.m.

**Phase I:** Watering allowed 3 days per week on Tuesday, Thursday and Saturday for even numbered addresses; Wednesday, Friday and Sunday for odd numbered addresses.

**Phase II:** Watering allowed two days per week on Tuesdays and Fridays for even numbered addresses and Mondays and Thursdays for odd numbered addresses. Watering on Wednesdays and Saturdays for Open space and Parks.

**Phase III:** Watering allowed one day per week. Tuesdays for even numbered addresses and Fridays for odd numbered addresses.

**Phase IV:** No watering except by Special Permit\* issued by the District.

\* Special Permits may be issued to allow for special circumstances, including sod watering.

**APPENDIX B-1**

**FEE SCHEDULE - COMMERCIAL AND RESIDENTIAL TAP COSTS  
FOR NON-POTABLE WATER SYSTEM**

Water Connection Size	TAP FEE (One Time Fee)
1" and less	\$5,300
2"	\$ 10,714
3"	\$ 23,614
4"	\$37,680
6"	\$75,167

**Tap Fee**

A one time tap fee shall be assessed and paid to the District for the privilege of connecting a particular use to the Non-Potable Water System. The District will review the cost associated with the tap annually and adjust fees accordingly to the actual cost of materials and type of user, including industrial and commercial users. A waiver of tap fees may be considered at the discretion of the District.

**Plan Review Application**

\$1,000.00 per tap as needed; multiple taps or system expansion review costs will be negotiated at time of plan review application. If more than two construction plan reviews are necessary, or if the plans have details, complicated issues and materials or extraordinary expenses related to the review and approval, the Applicant will be charged for any additional costs.

**Water Connection Permit/Availability of Service Certificate**

One inspection is part of the Permit cost. A charge of \$50.00 will be assessed for each additional inspection if required. A charge of \$100.00 is assessed for an emergency inspection.

**User Fee**

A monthly charge for use of the District system shall be assessed and collected from each user based upon the size of their tap, water usage and rates and expenses in administering service to the Applicant. Such rates shall be determined on an annual basis and based upon actual costs and expenses incurred in provision of service to the users of the District system.