

EAST LARIMER COUNTY WATER DISTRICT RULES AND REGULATIONS

ARTICLE 1 – GENERAL

1.1 PURPOSE

These Rules and Regulations are promulgated and adopted pursuant to the provisions of C.R.S. § 32-1-1001(1)(m) to promote the orderly management and operation of the District and in furtherance of the health, safety, and general welfare of the District’s Customers and property owners within the District’s boundaries. These Rules and Regulations provide the policies, practices and procedures of the District for carrying on the business, objects, and affairs of the Board and the District. These Rules and Regulations are not intended to contain every policy of the District, but they do state the District polices on the matters addressed in these Rules and Regulations.

1.2 CONTRACTUAL RIGHTS

These Rules and Regulations do not create contractual rights in any Person, nor are they intended to do so. These Rules and Regulations shall not be construed to create any obligations on the District beyond those required by law.

1.3 MODIFICATION

These Rules and Regulations are subject to amendment and modification by the Board of Directors of the District without prior notice or approval by the public except where notice is specifically required by law.

1.4 CONTROL AND REPLACEMENT

These Rules and Regulations shall be deemed controlling with respect to the policies, procedures and other matters addressed by these Rules and Regulations and shall replace all prior statements of policy on the same issues, provided that nothing contained in these Rules and Regulations shall be construed to limit any right or power granted to the District by any statute or regulation.

1.5 VALIDITY

If any clause, sentence, paragraph, section, or portion of these Rules and Regulations shall be adjudged invalid by a court of competent jurisdiction for any reason, such judgment shall not affect, impair, or invalidate the remainder of these Rules and Regulations.

1.6 AUTHORITY OF EMPLOYEES AND AGENTS

No employee or agent of the District shall have the right or authority to bind the District by any promise, agreement, or representation in conflict with these Rules and Regulations.

ARTICLE 2 – DEFINITIONS

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

“Annual Allotment” shall mean and refer to the maximum volume of water delivered by the District to a Water Tap during each Water Year prior to the imposition of a Conservation Charge, as provided in Section 11.4 below .

“Board of Directors” or **“Board”** shall mean and refer to the Board of Directors of the District.

“Connection Charges” shall mean and refer to the applicable charges and dedication requirements, service connection charges, inspection fees, raw water requirements, Plant Investment Fees, and water meter installation charges.

“Construction Standards” shall mean and refer to the most current version of the District’s Standard Construction Specifications for Water Mains.

“Cross-Connection Control and Backflow Prevention Manual” shall mean and refer to the District’s most current version of the document that defines the basic requirements for the installation, maintenance, testing and inspection of backflow prevention assemblies and cross connections.

“Customer” shall mean and refer to the Person who is responsible for the payment of monthly service charges, including charges for Water Taps that are inactivated, and may include tenants, Owners, or property owners’ associations.

“Customer’s Service Line” shall mean the Customer Service Line identified on the District’s standard detail drawings for service to a Premises available on the District Website or at the District Office.

“Design Standards” shall mean and refer to the most current version of the District’s Water Distribution System Design Criteria Manual.

“Developer” shall mean and refer to the Person who is responsible for extending the District’s System to provide Water Service to such Person’s property.

“Distribution System” shall mean and refer to the network of conduits, reservoirs, pump stations, and other appurtenances necessary for the delivery of water from the Source to the User’s System.

“District” shall mean and refer to East Larimer County Water District, a quasi-municipal corporation and political subdivision of the State of Colorado.

“District Office” shall mean the current location of the offices of the District, which currently are located at 232 South Link Lane, Fort Collins, Colorado 80524 and is open 8:00 a.m. to 4:30 p.m., Monday through Friday, except on designated holidays.

“District Website” shall mean and refer to the website maintained by the District having the URL www.elcowater.org.

“District’s Service Line” or “District’s Service Connection” shall mean and refer to the pipes, valves, fittings, meter pit, water meter, and all appurtenances from the Water Main owned by the District and terminating at the Customer’s Service Line.

“District’s System” shall mean and refer to the network of conduits, reservoirs, pump stations, and other appurtenances necessary for the delivery of water from the Source to the User’s System and shall include all those facilities of the water system owned and operated by the District, including the Meter Assembly and all of the District’s Service Lines connected thereto.

“Fire Service Line” shall mean and refer to the water line dedicated exclusively for fire protection and shall start immediately on the User’s side of the control valve connected to the District’s Water Main.

“General Manager” shall mean and refer to the General Manager of the District or any designee thereof appointed by the Board of Directors.

“Graywater” shall mean and refer to that portion of wastewater that, before being treated or combined with other wastewater, is collected from fixtures within residential, commercial, or industrial buildings or institutional facilities for the purpose of being put to beneficial uses. Sources of graywater may include discharges from bathroom and laundry room sinks, bathtubs, showers and laundry machines which has been used but not discharged into the wastewater system and has been collected into a receptacle by a Customer/Owner for re-use for irrigation or other purposes.

“Meter Assembly” shall mean and refer to the water meter, meter pit and/or vault, valves, tailpiece, by-pass, yoke, meter setter and other appurtenances to which the Customer’s Service Line is connected.

“Non-Single Family Residential” as used in Article 16 below, shall mean commercial, industrial, Fire Service Lines, irrigation, multi-family residential and/or all other service connections not described as “Single Family Residential”.

“Owner” shall mean and refer to any Person who is the deeded owner of the Premises served or to be served by a Water Tap.

“Parcel” shall mean and refer to a separate legal lot identified as a separate parcel of real property in the records of the County Assessor’s Office.

“Person” shall mean and refer to an individual, partnership, firm, limited liability company, corporation, trust, association, political subdivision, public body (state or federal), or other legal or governmental entity.

“Plant Investment Fee” shall mean and refer to the fee levied by the District for the purpose of expanding the District’s System as development increases demand for District services.

“Premises” shall mean and refer to each Parcel which receives Water Service from the District.

“Raw Water Requirements” or “RWR” shall mean and refer to the volume of raw water required to satisfy the Annual Allotment as determined by the District and provided in the Tap Fee Schedule available on the District Website or at the District Office.

“Service Area” shall mean and refer to that area included within the boundaries of the District, and such other geographic areas in which the District, in the discretion of its Board of Directors, shall provide Water Service.

“Schedule of Fees and Charges” shall mean the schedule of current fees, rates, tolls, penalties, and charges approved by the Board and imposed by the District, including those fees set forth in the Water Rate Schedule, Tap Fee Schedule, Miscellaneous Charges Schedule, and Development Fee Schedule, which may be amended from time to time and are available on the District Website or at the District Office.

“Single Family Residential” shall mean: (1) a single living unit that is supplied by its own separate water service line; or (2) multiple living units where each individual living unit is supplied by a separate water service line; or (3) two or more separate single living units supplied by a common water service line, except as used in Article 16, the terms Single Family Residential shall be limited to (1) a single living unit that is supplied by its own separate water service line; or (2) multiple living units where each individual living unit is supplied by a separate water service

line; or (3) two separate single living units supplied by a common water service line.

“Source” shall mean and refer to all components of the facilities utilized in the production, treatment, storage, and delivery of water to the District’s System.

“User” shall mean and refer to a Person utilizing water from a Water Tap or Fire Service Line on the Premises and may include the Owner, a Customer, a tenant, or property owners’ association.

“User’s System” shall mean and refer to those parts of the facilities beyond the termination of the District’s System which are utilized in conveying potable water to the point of use. (Domestic and irrigation systems start immediately on the User’s side of the water meter. The Fire Service Line system starts immediately on the User’s side of the control valve connected to the District’s Water Main).

“Water Main” shall mean and refer to any pipe located in the street, alley, right-of-way, or within an easement granted to the District or to the public, which pipe is owned or maintained by the District for the purpose of distributing water to Users and supplying water to fire hydrants.

“Water Service” shall mean and refer to the delivery of water to a User.

“Water Tap” shall mean and refer to the physical connection of the District’s System, including all rights for Water Service granted upon payment and satisfaction of all applicable Connection Charges.

ARTICLE 3 – AUTHORITY

The District is a quasi-municipal corporation and political subdivision of the State of Colorado operating under the authority of the Special District Act, C.R.S. 32-1-101, et. seq., which is authorized to exercise all rights and powers enumerated in the Special District Act.

ARTICLE 4 – COMPLIANCE

4.1 GRANT OF ACCESS

By requesting and receiving Water Service from the District, every Customer, User and Owner shall be deemed to have granted a license to the District, its agents, employees, and representatives, at all reasonable times to enter upon the Premises receiving Water Service and upon the District’s easements for the purpose of installation, replacement, repair, maintenance, inspection, observation, measurement, sampling, and testing of the Meter Assembly, backflow prevention assemblies and cross connections, and all other components of the User’s System and Customer’ Service Line in accordance with the provisions of these Rules and Regulations. The granting of such access and right of entry

is a condition precedent and a condition subsequent to the provision of Water Service to the Premises by the District. Refusal to permit such access to District personnel in the performance of their duties may result in immediate termination of Water Service and/or the imposition of additional charges to the Customer/Owner at the discretion of the General Manager.

4.2 OBSTRUCTION OF EASEMENTS OR RIGHTS-OF-WAY

No Person shall obstruct easements or rights-of-way containing any part of the District's System in any manner that may prevent unrestricted access to and use of the easements or rights-of-way by duly authorized employees, agents, or representatives of the District unless such obstructions are specifically permitted, as applicable, by the public authority having jurisdiction of public rights-of-way or under the terms of the agreement granting the easement to the District.

4.3 TERMINATION OF WATER SERVICE FOR NON-COMPLIANCE

Except as otherwise provided by these Rules and Regulations, the District may refuse to supply water or may terminate Water Service to any Premises or structure located therein where the User or Customer fails, after reasonable notice, to comply with the Rules and Regulations of the District within the time period specified in the written notice.

ARTICLE 5 – WATER SERVICE AVAILABILITY AND USE RESTRICTIONS

5.1 DELIVERY PRESSURE

The District will normally deliver water at a pressure of between twenty-five (25) and one hundred forty-five (145) pounds per square inch (p.s.i.). In the event the District cannot maintain a delivery pressure of twenty-five (25) p.s.i. or more, the Customer will be responsible for the installation of a booster pump or pressure tank.

5.2 BACKFLOW PREVENTION ASSEMBLY

If required under Article 16 of these Rules and Regulations, the Owner is responsible to install an approved backflow prevention assembly as required by the Cross-Connection Control and Backflow Prevention Manual for backflow prevention.

5.3 CONNECTION WITHIN DISTRICT BOUNDARIES REQUIRED WHEN DISTRICT SERVICE IS AVAILABLE

As provided in C.R.S., 32-1-1006, if the Board determines such is required for the protection of public health, the District may compel the Owner of a Premises located within the boundaries of the District to connect the Premises to the District's System within twenty (20) days after written notice is sent to such Owner by certified mail whenever, and at such time, a Water Main is located within four hundred feet of such Premises and the District's

System and Source have sufficient capacity. If such connection is not begun within such twenty (20) days, the Board may thereafter connect the Premises to the Water Main, and the District shall have a perpetual lien on and against the Premises for the cost of making the connection, and any such lien may be foreclosed in the same manner as provided by the laws of Colorado for the foreclosure of mechanics' liens.

5.4 REQUEST FOR DISTRICT TO PROVIDE WATER SERVICE

Except as provided in Article 5.11 below with regard to Water Service provided by a well, and subject to compliance with all other requirements for the District to provide Water Service to a Parcel, as provided in these Rules and Regulations, any Person desiring Water Service to a Parcel within the boundaries of the District must request such Water Service from the District.

5.5 SERVICE OUTSIDE THE DISTRICT BOUNDARIES

The District shall not be required to provide water for use outside the boundaries of the District without the approval of the Board and, if the Premises is within the legal boundaries of another special district that provides Water Service, such special district has given its consent to the provision of Water Service to the Premises by the District.

5.6 INCLUSION PROCESS

5.6.1 PETITION FOR INCLUSION

If an Owner desires the District to provide Water Service to any Premises that are capable of receiving Water Service from the District, but the Premises are located outside the District's boundaries, and the Owner desires to include the Premises within the District's boundaries, the Owner shall file with the District a petition in a form that complies with the requirements of C.R.S. § 32-1-401(a). The petition shall include an accurate legal description of the property to be included, and the Inclusion Fee, as set forth in the Schedule of Fees and Charges. Any additional costs of preparing documents, legal review, engineering review, and any other costs, including an election, if necessary, shall be borne by the applicant.

5.6.2 FEASIBILITY STUDY. For a new development, the Board may require a feasibility study to be conducted prior to or concurrently with the inclusion process. All costs of such study shall be borne by the Owner. The Board will determine whether the District's providing of Water Service to the proposed development is feasible and under what terms and conditions the Owner may be allowed to proceed.

a. If requested by the District, the Owner shall provide the following information to the District to assist the District in performing the feasibility study:

(i) Conceptual plans, and projections for the anticipated development, including projected land uses and densities at full development;

(ii) Conceptual plans for water lines and infrastructure other than the District's System, which will serve the development; and

(iii) Other information requested by the General Manager

b. Upon receipt of all requested information, the General Manager shall analyze the impact of the proposed development or inclusion upon the District's System and notify the Owner in writing whether the anticipated development will require any expansion or addition of the District's System and for any such expansion or addition, its size and scope, the estimated cost, including contingencies, construction administration costs, and land acquisition costs. The General Manager's determination or recommendation shall not be binding on the Board but may be considered by the Board within the Board's discretion.

5.6.3 OTHER AGREEMENTS AND EASEMENTS. If other agreements and/or easements will be required, the General Manager will notify the Owner/Developer in writing.

5.6.4 BOARD DETERMINATION. The inclusion process shall be conducted according to the requirements and procedure provided in C.R.S. § 32-1-401. After the petition for inclusion, the Inclusion Fee, and any other documents required by the General Manager have been submitted to the District, the Board will hold a public hearing at which the Board will review the petition and all materials submitted and make a determination to grant the petition, with or without conditions, or deny the petition. If the petition is granted, the District will seek a court order for inclusion of the property in the District. Upon the granting and recording of the court order, the property will be included in the District. If the Board denies the petition or the Court denies the issuance of the requested order, the District shall not be required to refund or reimburse, or be liable for, any fees or costs incurred by the Owner/Developer.

5.7 EXCLUSION PROCESS

5.7.1 PETITION FOR EXCLUSION

If the Premises is located within the District's boundaries, and the Owner desires to exclude the Premises from the District's boundaries, the Owner shall file with the District a petition in a form that complies with the requirements of C.R.S. § 32-1-501. The petition shall include an accurate legal description of the property to be excluded, and the Exclusion Fee, as set forth in the Schedule of Fees and Charges. Any additional costs of preparing documents, legal review, engineering review, and any other costs of the process shall be borne by the applicant.

5.7.2 BOARD DETERMINATION. The exclusion process shall be conducted according to the requirements and procedure provided in C.R.S. § 32-1-501. After the petition for exclusion, the Exclusion Fee, and any other documents required by the General Manager have been submitted to the District, the Board will hold a public hearing at which the Board will review the petition and all materials submitted, the Board will consider and make findings upon all applicable factors stated in C.R.S. § 32-1-501(3) and make a determination to grant the petition, with or without conditions, or deny the petition. If the petition is granted, the District will seek a court order for exclusion of the property in the District. Upon the granting and recording of the court order, the property will be excluded from the District. If the Board denies the petition or the Court denies the issuance of the requested order, the District shall not be required to refund or reimburse, or be liable for, any fees or costs incurred by the Owner/Developer.

5.8 USE RESTRICTED TO PREMISES

Except with the prior written authorization of the District, no Customer or User shall use, or permit the use of, any water furnished by the District on any Premises other than that specified in the User's application for service, nor shall any User resell or distribute any water furnished by the District for resale to any Person.

5.9 WASTE PROHIBITED

No User shall knowingly permit leaks or waste of water. In the event water is wastefully or negligently used on the Premises by a User, the District may terminate Water Service within five (5) days following written notification or exercise any remedy provided in Article 21 below.

5.10 USE OF GRAYWATER

Other than for the limited purpose of toilet flushing, no Customer or Owner shall make use of Graywater for any purpose including watering indoor or outdoor plants, shrubs, trees, bushes, grass or other vegetation. If a Customer or Owner is planning to use Graywater for toilet flushing, they must notify the District so that the District can verify an approved backflow prevention assembly has been installed according to the Cross-Connection Control and Backflow Prevention Manual for backflow prevention. If District personnel discover that a Customer or Owner is using Graywater for any purpose other than toilet flushing, the District shall give written notice to the Customer and/or Owner specifying the nature of the violation and the steps required to correct the violation. Failure to respond or make corrections within the specified time will result in a penalty, or if necessary, termination of Water Service, in accordance with the enforcement procedures provided in Article 21 below.

5.11 EXEMPT WATER WELLS

A new water well that is an exempt water well, as defined by the regulations of the Colorado Division of Water Resources, may not be installed or utilized within the District's service area upon any Premises receiving Water Service without the written authorization of the General Manager, which may be subject to such terms and conditions as the General Manager may determine, in his or her sole discretion. The District may require a feasibility or other study to determine the impact of such a well on the District's System, the cost of which shall be borne or paid by the applicant. If an exempt water well is approved by the State Engineers Office, the District shall not be responsible for maintenance of, or any hazards created by, the water well facility and shall be subject to the right of access and entry upon the Premises at reasonable times to inspect the water well to verify that the well or well facility does not pose a threat to the health or safety of others in the District. The District will not supply Water Service to any Premises upon which an exempt well is located unless all requirements provided in this subsection and the Cross Connection Control Manual, including the installation of a backflow prevention assembly, have been fully satisfied. Installation of an unapproved exempt water well shall be a violation of these Rules and Regulations.

ARTICLE 6 – DROUGHT RESTRICTIONS

6.1 DROUGHT CONDITIONS

Drought conditions are not uncommon in the Service Area of the District. The Board, in its sole discretion, may make a determination that drought conditions exist.

6.2 LIMITATIONS IMPOSED DURING DROUGHT

Whenever the Board determines that drought conditions exist, the District may take such action as it deems necessary or advisable to ensure the efficient use and conservation of limited water supplies. The District may adopt rules, regulations, and prohibitions established by the District relative to water rationing, time of use schedules, limitation of use, and such other measures as it deems necessary or appropriate for the conservation of limited water supplies, insuring continued water availability, and appropriate utilization of limited water resources.

6.3 RESPONSIBILITIES OF USERS DURING DROUGHT

It shall be the responsibility of all Users to carefully observe all rules, regulations, and prohibitions established by the District whenever the Board shall determine that drought conditions exist. The unavailability of water or limitation of water use at certain times shall not relieve the Customer from the payment of all fees and charges established by the District pursuant to the Schedule of Fees and Charges.

ARTICLE 7 – WATER TAPS

7.1 TRANSFER

Water Taps shall not be transferred for use on any Parcel other than the Parcel to which the Water Taps were originally assigned without the prior written authorization of the Board, which approval shall be within the sole and absolute discretion of the Board. If the transfer of a Water Tap from one Parcel to another Parcel is permitted by the Board, the Water Taps shall, pending installation on the new Parcel, be subject to minimum monthly charges even though no Water Service is then being provided to the new Parcel.

7.2 COMMENCEMENT OF CHARGES

Fees and charges payable to the District shall commence as of the date of payment of the Plant Investment Fee to the District, with the first billing being rendered on or about the first day of the next billing period following the payment of the Plant Investment Fee by the Customer.

7.3 TIMELY INSTALLATION

A Water Tap and Meter Assembly must be installed within twenty-four (24) months following the date of payment of the Plant Investment Fee. Upon any failure to do so, the District may, at its sole option and election, refund such payment to the Person who paid the Plant Investment Fee. Whereupon any Person requesting Water Service thereafter shall be required to comply with the District's then existing requirements with respect to the satisfaction of payment of the Plant Investment fee.

7.4 SEPARATE WATER TAPS REQUIRED

Except as follows, all Parcels receiving Water Service from the District shall be required to obtain a separate Water Tap serving only that Parcel. A property owners' association which is responsible for the payment of Water Service for condominium units or townhome units shall be permitted to have one (1) or more master Water Tap(s) serving multiple condominium units or multiple townhome units. In addition, a property owners' association which is responsible for the irrigation of common landscaping may be permitted to have one (1) or more master Water Tap(s) serving common areas requiring landscape irrigation, but such Water Tap(s) may not be used to provide Water Service to any multi-family or single-family residential dwellings. Such property owners' association shall satisfy the requirements of the District which are adopted by the Board of Directors from time to time to ensure the ability of the property owners' association to collect and pay for Water Service used by individual condominium units, individual townhome units and/or for the irrigation of common landscaping. Such requirements shall include, but not be limited to, evidence of the existence of covenants, conditions, and restrictions affecting such Parcels which require the collection by the property owners' association of sufficient funds to pay all fees and charges to the District for the Water Service and the establishment

of lien rights for the benefit of the property owners' association in the event of the failure by owners of residential dwellings benefited by such master Water Tap(s) to pay fees and assessments owing to the property owners' association. In the case of a Parcel with multiple Users, additional Water Taps may be required by the District.

7.5 A WATER TAP IS AN APPURTENANCE TO A PARCEL

In the event that the Parcel served by a Water Tap is conveyed or transferred to a new Owner, such Water Tap shall be deemed transferred with said Parcel whether such conveyance or transfer is the result of a voluntary or involuntary transfer, including judicial order or decree, public trustee's sale, sheriff's sale, treasurer's sale, or otherwise. Subject to compliance with these Rules and Regulations, the District may recognize such transferee as the Owner of said Water Tap without having first obtained an assignment of such Water Tap executed by the previous Owner of the Premises.

7.6 CONTINUATION OF WATER SERVICE PENDING DISPUTE RESOLUTION

If a dispute arises as to the legal ownership of a Water Tap, the District may, upon written request, continue to provide Water Service to the Premises for such period of time deemed appropriate by the District pending an agreement between the disputing parties or a court determination relative to the ownership of the Water Tap. In the event the District shall determine, in its discretion, that the parties are not proceeding in good faith to achieve a resolution as to the ownership of the Water Tap serving said Premises, the District may terminate Water Service to said Premises.

ARTICLE 8 – EXTENSION OF DISTRICT'S SYSTEM

8.1 NO OBLIGATION TO EXTEND DISTRICT'S SYSTEM

The extension of the District System shall be made in the sole and absolute discretion of the Board. The District has no legal responsibility to extend the District's System for the benefit of any Person. The District has the right to decline to construct any new infrastructure or to require the Owner/Developer of any Parcel that benefits by any extension of the District's System to pay the cost thereof. No person or entity shall have the right to seek to compel the District to extend the District System or construct new infrastructure in accordance with prior procedures or practices of the District, it being the express intention of the Board that no precedent shall be established by any decision made by the Board, past, present or future.

8.2 EXTENSION OF WATER MAINS

In general, all extensions of Water Mains shall extend the entire distance between opposite boundaries of the Parcel to be served and shall be located within public rights-of-way unless the District determines it is necessary to construct Water Mains within easements

granted to the District and located on private property. Developers seeking an extension of Water Mains shall, in consultation with the District, secure or grant all easements, licenses, crossing agreements, and/or permits the District determines are required to construct or extend the Water Mains in the form as the District determines.

8.3 OVERSIZING OF WATERMANS

The District may elect to install a larger Water Main than needed for a Developer's service requirements. If the District requires that the Developer oversize the Water Main, the District will bear the additional cost of the pipes, fittings, valves, and other materials, equipment and design for such oversizing. The service requirements of each Developer shall be independently considered, and the requirements for each development shall be specific to such development.

8.4 CONSTRUCTION BY APPROVED CONTRACTOR

Unless constructed by the District or the District's contractor, construction of improvements to the District's System shall be performed by the Developer, at the Developer's cost. Developers requiring construction of improvements to the District's System shall (i) select a reputable engineer and contractor of their choice for the design and construction of such improvements, (ii) submit plans for the construction of the improvements to the District for approval and (iii) at the time of submission, pay the District in advance the estimated costs of plan review, administrative expenses, and other applicable fees and costs estimated to be incurred by the District related to the construction of said improvements.

8.5 COMPLIANCE WITH DESIGN AND CONSTRUCTION STANDARDS

All extensions to the District's System shall be designed and constructed in accordance with the latest Design Standards and the latest Construction Standards adopted by the District. No construction shall be undertaken until the District shall first review and accept all construction plans for such extensions. The pipes, fittings, valves, hydrants, and other materials for the construction of said extensions shall be of the size, quality, and at such location as the District shall specify in its Design Standards and/or Construction Standards. Fire hydrants will be installed at the locations so as to afford maximum fire protection coverage.

8.6 OWNERSHIP OF IMPROVEMENTS AND WARRANTY PERIOD

Upon completion of an extension of the District's System by a Developer, the District shall cause such extension to be examined for compliance with the applicable District's Design Standards and/or Construction Standards. Upon preliminary acceptance of such extension, the Developer upon request shall transfer or, in the absence of such request, be deemed to have transferred, all of Developer's rights, title, and interest in such extension to the District, free and clear of any interest of the Developer, and the District shall thereafter be

the lawful owner of such improvements and shall accept the maintenance responsibility for such improvements, subject to the Developer's warranty. The Developer shall be responsible for a period of not less than two (2) years following preliminary acceptance for any failure in materials or workmanship.

8.7 APPORTIONMENT OF COSTS

At its sole discretion and where it appears equitable for the cost of such construction to be apportioned to more than one (1) Parcel, the District may apportion all, or any part, of the cost of the construction of such improvements among such Parcels as may at any subsequent time apply for a Water Tap from said extension. The amount of the costs to be apportioned to each Parcel shall be at such rate and under such terms and conditions as the District shall establish in its discretion.

8.8 WATER MAIN REIMBURSEMENT AGREEMENTS

Whenever a Developer shall, at its own cost and expense, extend a Water Main adjacent to a Parcel other than the Developer's Parcel, so that Water Service becomes available to other Parcels without further extension of the Water Main, then, in such event, the Developer may be eligible to obtain partial reimbursement from other benefited properties for the cost of the extension of the Water Main and related improvements subject to the following:

- A. The Water Main must be designed and constructed according to the Construction Standards of the District and shall be inspected and accepted by the District as part of the District's System.
- B. The request for partial reimbursement shall be made in a form acceptable to the District not less than ninety (90) days prior to the commencement of construction of the related improvements.
- C. Upon receipt of the Developer's request, the General Manager shall determine which, if any, improvements are eligible for reimbursement, the costs eligible for reimbursement, and the identification of the Parcels that will be subject to the reimbursement obligation. The General Manager shall determine the amount of reimbursement for each benefited Parcel that may potentially connect to the extension of the Water Main and related improvements and shall notify the Developer of the eligible amount.
- D. If the General Manager determines that the Water Main extension is eligible for partial reimbursement, the General Manager shall cause an agreement to be prepared setting forth the determination as to reimbursement eligibility. The Board will make a final decision with respect to eligibility and the terms of the reimbursement agreement.

8.9 REIMBURSEMENT TO THE DISTRICT

It is the policy of the District to require reimbursement from Owner/Developers for all costs incurred by the District for work required to extend or modify the District's System or any other District infrastructure. Reimbursement will be required in all cases where the District incurs any cost for modifications required to provide adequate service to any affected Parcel, including, but not limited to, instances where new development places demand on the District's System, which, in the opinion of the District, dictate that modifications are needed to maintain adequate levels of service throughout the District. All reimbursements will be due at the time of any connection to the District's System or earlier if the District elects. This policy shall be liberally construed by the District to avoid the placement of any economic burden on the District for any cost the District believes would not have occurred without new development or the modification of an existing developed area.

ARTICLE 9 – RAW WATER REQUIREMENTS

9.1 ESTABLISHMENT AND SATISFACTION OF RWR

The District, acting within its sole discretion, shall establish the Annual Allotment and RWR for each Water Tap or Parcel. As part of the Connection Charges, any Owner or Developer requesting a Water Tap for a Parcel must satisfy the RWR applicable to the Water Tap or Parcel by (i) dedication of acceptable raw water rights to the District in accordance with the District's then current policy regarding the dedication of raw water rights, and/or (ii) purchasing sufficient water bank credits from the District's water bank, and/or, if permitted by the District, making a cash in lieu payment. The required manner, procedure, and limitations for such satisfaction of the RWR for one or more Water Taps or Parcels are stated in the District resolution regarding cash in lieu payments, as such resolutions may be amended from time to time, which resolution, as amended, is incorporated herein by reference and is available on the District Website or at the District Office.

9.2 DEDICATION OF WATER RIGHTS TO THE DISTRICT

Any Person desiring to dedicate water rights to the District shall follow the process, procedure and timeline for evaluating and accepting dedications of water rights to the District provided in District Resolution 2020-04-02 entitled "Policy Regarding the Dedication of Water Rights," as such Resolution may be amended from time to time, which, as amended, is incorporated herein by reference and is available on the District Website or at the District Office.

9.3 TRANSFER OF ANNUAL ALLOTMENT

An Annual Allotment assigned to a Water Tap or Parcel shall not thereafter be transferred to another Water Tap or Parcel without the prior written authorization of the District, which approval shall be within the sole and absolute discretion of the Board.

ARTICLE 10 – CUSTOMER’S SERVICE LINES

10.1 INSTALLATION

The Owner shall be solely responsible for the payment of the costs of the installation of the District’s Service Line and the Customer’s Service Line to the Premises served.

10.2 COMPLIANCE WITH CODES

Customer’s Service Lines shall be installed in accordance with the plumbing codes and other specialty codes, as applicable, of the State of Colorado and any local governmental authority having jurisdiction.

10.3 SHUTOFF VALVE

The Customer shall install, maintain, and use a shutoff valve to turn water on and off for its convenience. The shutoff valve shall be located downstream of the water meter or curb stop. The District’s control valve or curb stop may not be used by the Customer or the User or any of their agents or representatives without the express written approval of the District. Unauthorized use of a curb stop shall constitute illegal tampering of the District’s System.

10.4 MAINTENANCE

The Customer shall be solely responsible for all maintenance and repair of the Customer’s Service Line and the costs thereof, including any damage to, or breaks, or stoppages in the Customer’s Service Lines and any damages resulting therefrom.

10.5 LOCATION

The District shall not be responsible for determining the location and/or depth of any Customer’s Service Line.

10.6 ELECTRICAL GROUNDING

No electric circuit shall be grounded to the Customer’s Service Line or to the District’s System. Any Person who makes, or permits, such a connection shall be subject to termination of Water Service and shall be liable for damage to the District’s System and for personal injury resulting from such connection.

ARTICLE 11 – RATES AND CHARGES

11.1 ESTABLISHED BY RESOLUTION

The District shall establish by resolution, from time to time, all fees, rates, tolls, charges, and penalties for the use and/or misuse of Water Service and the District’s System, which shall be maintained and published in Schedule of Fees and Charges, The current version of the Schedule of Fees and Charges is available on the District Website or at the District Office.

11.2 PROHIBITION AGAINST FREE WATER SERVICE

There shall be no free Water Service rendered by the District and, if any local, state or federal government, or any department, agency or instrumentality thereof, or any other public body shall desire Water Service from the District, it shall apply for and receive such Water Service pursuant to the Rules and Regulations herein contained and shall pay for the same in accordance with the Schedule of Fees and Charges.

11.3 PLANT INVESTMENT FEES

A Plant Investment Fee established by the District from time to time as set forth in the Schedule of Fees and Charges is assessed for the purpose of generating funds for capital improvements and development of its water treatment and delivery systems. The District shall hold all Plant Investment Fees collected pursuant to these Rules and Regulations and make expenditures thereof only for the purpose of making water utility capital improvements and expanding the District’s System.

11.4. CONSERVATION CHARGE

A Conservation Charge is imposed when the District Enterprise delivers water to a Water Tap in excess of its Annual Allotment in any Water Year as determined by an approximate one (1) year period of time, commencing upon the Water Meter reading by the District in February of each year and continuing each month thereafter until and including the Water Meter reading in January of the following year.

ARTICLE 12 – WATER METER READING

12.1 FREQUENCY

Water meters will be read, as practical, on a monthly basis. Additional readings will be made on commencement and termination of Water Service and as required by special circumstances. That a water meter is not read shall not preclude the computation of a billing to a Customer using an estimated reading. The District may change the frequency of water meter reading as it may determine advisable from time to time.

12.2 ACCESS

The Meter Assembly and shutoff valve must remain clear and accessible at all times. A safe passageway to read or work on Meter Assembly must be maintained by the occupant of the Premises, free and clear of obstructions from the building entrance to the water meter. Structures, shrubs and landscaping shall be a minimum of five feet from any Meter Assembly or as provided in the District's Water Distribution System Design Criteria Manual (which is available on the District Web Site or at the District Office). By connection to the District's System, the Customer and User consent to the right of the employees, agents, and representatives of the District to remove structures, shrubs and landscaping as necessary to maintain access to the Meter Assembly and to recover from the Customer all expenses incurred in such removal.

12.3 ESTIMATED READINGS

If it is determined by the District that a water meter fails to register accurately, or the District is unable to read a water meter, the billing to the Customer shall be calculated in accordance with the following:

- A. When the User has occupied the same Premises for a twelve (12) month period or more, the billing shall be based upon the water consumption during the same period of the preceding year multiplied times the current rate, plus the current monthly minimum charges, unless the General Manager or their designated staff member determines that the water consumption during the preceding year is not representative of the estimated water charges during the current period.
- B. When the User has not occupied the same Premises for a minimum of twelve (12) months, the District shall estimate the usage based on the best information available to achieve an adjustment that best reflects the estimated use over a twelve (12) month period.
- C. A corrected bill reflecting current charges and fees will be produced during the next billing cycle during which an accurate water meter reading can be obtained.

12.4 LEAK ADJUSTMENT POLICY

When a water leak occurs to a User's System as the result of a failure of a plumbed line or fixture that results in the imposition of a Conservation Charge, the Customer may be eligible for a partial billing adjustment (reduction) of the Conservation Charge only. Water loss due to theft, vandalism, negligence, faulty irrigation timers, broken sprinkler heads, or any unidentified source is not considered a leak and is not covered by this policy. Billing adjustments are limited to one (1) adjustment credit in the previous thirty-six (36) months (determined by the month of leak usage) and may cover up to two (2) consecutive months of water use. Any Customer who desires to make a claim under this policy must follow the procedure stated in the Leak Adjustment Policy, available at the District Office.

ARTICLE 13 – BILLING

13.1 SCHEDULE

Bills for Water Service and other fees and charges shall be due, payable and delinquent in accordance with the Schedule of Fees and Charges.

13.2 TERMINATION FOR NON-PAYMENT

The District may terminate Water Service to any Premises for which payment is delinquent. The Water Service may not be restored until all delinquent bills are paid in full, including all applicable charges set forth in the Schedule of Fees and Charges.

13.3 RECOVERY OF COSTS

In the event of delinquency in the payment of any fees or charges, including installation charges, the District reserves the right to assess interest on delinquencies from the due date, reasonable attorneys' fees, reasonable penalties, and other costs of collection. The Board may amend, modify, or revise all such fees, charges, and/or penalties from time to time by modifying the applicable Schedule of Fees and Charges.

13.4 CHARGE FOR INSUFFICIENT FUNDS

The Board may establish a charge to be paid by a Customer for each payment made to the District that is dishonored by the Customer's bank.

13.5 OWNER RESPONSIBILITY

Upon request from a Customer, charges for Water Service shall be billed to the Customer, provided, however, that in the event of delinquency, such charges shall thereafter be billed to the Owner and shall remain a lien against the Premises until paid in full in accordance with applicable law. In the event the charges shall remain delinquent, the District may record written notice of the lien on the Premises with the County Clerk and Recorder and may take any other action authorized by law to enforce payment of such lien.

13.6 NOTIFICATION OF CHANGES

The Customer shall be responsible to keep the District advised of the address to which all bills are to be mailed. The failure to receive a bill from the District shall not relieve a Customer of any payment obligation to the District.

13.7 DISPUTED BILLS

Any request for investigation of a disputed bill must be made in writing to the General Manager who shall investigate such matter as he or she shall deem appropriate. The

General Manager shall respond to the Customer within fourteen (14) days following receipt of such written request. Said response may contain any information obtained by the investigation and shall contain the decision of the General Manager.

ARTICLE 14 – TERMINATION OF WATER SERVICE

14.1 TERMINATION OF WATER SERVICE AT REQUEST OF AN OWNER

Water Service may be terminated at the request of the Owner. The Owner shall continue to be subject to monthly minimum charges.

14.2 TERMINATION OF WATER SERVICE BY DISTRICT

Water Service may be terminated by the District upon notice for the following reasons:

- A. Non-payment of fees and charges established by the Schedule of Fees and Charges; or
- B. Non-compliance with the District’s Rules and Regulations relating to matters other than the payment of fees and charges.

14.3 NOTICE OF TERMINATION BY DISTRICT

Notice of termination by the District shall be sufficient if given by any one (1) of the following:

- A Regular first-class United States mail, postage prepaid, sent to the Customer’s address as shown in the District’s records; or
- B. Certified mail, return receipt requested, sent to the Customer’s address as shown in the District’s records; or
- C. By hand delivery of notice to the Customer’s Premises.

The notice shall be deemed complete upon (i) deposit in the United States mail, if the notice is sent by mail; or (ii) delivery to a responsible adult residing at the Premises or, if none, upon posting the notice at the main entrance of the Premises, if the notice is personally delivered. The period for compliance shall be as set forth in the notice.

ARTICLE 15 – WATER METERS

15.1 SIZING

Water meter sizing shall be determined by (i) “fixture unit count” utilizing “fixture unit values” as set forth in the Uniform Plumbing Code as adopted by the governmental entity

having jurisdiction thereof; (ii) additional Customer requirements requested at the time of application for Water Service; and (iii) any other factors which, in the opinion of the District, may affect the demand for water and the size of the water meter.

15.2 CHANGE IN WATER METER SIZE

A Customer may request, or the District may require, a change in water meter size based on changed conditions at the Premises or when historical usage indicates a change is warranted. The cost for any change in water meter size, including installation costs and additional Connection Charges, shall be the responsibility of the Customer. If the District requires a change in water meter size, and/or the change will result in an increase in the Annual Allotment, including associated RWR and/or Plant Investment Fee, the Customer shall be given written notice in advance of the change.

15.3 OPERATIONAL STANDARDS

The District's water meters shall be operated within the tolerances and standards established by the American Water Works Association in Section C700 or C715 thereof or, in the absence of such standards, within any other standards established by any other organization recognized by the District as an authority with respect to the operational standards of water meters ("Tolerance Standard").

15.4 TESTING

A Customer may request that the District have the water meter tested for accuracy. If the test shows that the water meter registers outside the Tolerance Standard, the water meter shall be repaired or replaced at no cost to the Customer, including parts and labor. If the test shows the water meter registers above the Tolerance Standard, an adjustment of the commodity (water unit) charge may be made to billings retroactive for a period not to exceed one (1) year based upon water usage during the previous year, unless the General Manager shall determine that such water usage is not representative of current water usage. If the test shows that the water meter registers within or below the Tolerance Standard, the Customer shall be responsible for payment to the District of the cost to the District to perform the test according to the Schedule of Fees and Charges.

ARTICLE 16 – BACKFLOW AND CROSS CONNECTION

16.1 BACKFLOW PREVENTION DEVICES REQUIRED

The District shall require all Customers designated as Non-Single Family Residential to install and maintain containment assemblies, also known as backflow prevention assemblies, on service connections as set forth in the District Cross-Connection Control and Backflow Prevention Manual ("Manual") in order to protect the safety of the District's System.

16.2 CROSS-CONNECTION CONTROL AND BACKFLOW PREVENTION MANUAL

The Manual sets forth the requirements of the District with respect to backflow and cross connections. Failure to comply with the Manual shall constitute a violation of these Rules and Regulations and shall entitle the District to all of the remedies set forth herein as well as all other remedies available to the District at law or in equity. Such requirements for cross connection control shall relate only to the infrastructure connected to the District's System.

16.3 BACKFLOW PREVENTION ASSEMBLIES REQUIRED

- A. The District shall give notice in writing to all Customers who are required to install approved backflow prevention assemblies.
- B. All fire sprinkler systems designated as industrial, commercial, retail or multi-family fire sprinkler systems connected to the District's System shall include a local fire authority approved backflow prevention assembly.
- C. All fire sprinkler systems connected to the District's System that are designated as a Single Family Residential system and utilize anti-freeze or firefighting chemicals or an auxiliary water supply shall include a District-approved reduced pressure backflow prevention assembly.
- D. The District shall not be responsible for any loss or damage directly or indirectly resulting from or caused by the proper, improper, or negligent installation, operation, use, repair, or maintenance of, or interfering with, any protective assemblies by any Customer, User or any other Person.

16.4 INSTALLATION AND MAINTENANCE

- A. Installation: Customers that require backflow prevention assemblies shall purchase, install and pay all costs associated with the installation of the appropriate size and type of backflow prevention assembly. All new installations shall be completed and tested prior to Water Service being provided by the District.
- B. It shall be the responsibility of each Customer to furnish, install, and keep in good working order and safe condition, any and all backflow prevention assemblies.

16.5 TESTING AND RECORDS

The District requires that each backflow prevention assembly be tested by a certified backflow prevention contractor on an annual basis and the results of each test submitted to the District in satisfaction of the Manual requirements. The Customer is responsible for arranging, allowing access to their backflow prevention assembly and paying all costs

associated with the testing. Failure to test, submit reports and/or repair failed assemblies is a violation of these Rules and Regulations and may result in termination of the Customer's Water Service

16.6 INSPECTION

The User's System will be available for inspection at all times to authorized representatives of the District to determine whether cross connections or other structural hazards exist which may threaten public health and/or the environment.

ARTICLE 17 – PRIVATE FIRE PROTECTION

17.1 PROVISION FOR CONNECTION

Connections for Fire Service Lines and fire suppression systems shall be installed in accordance with applicable governmental regulations and, if a fire suppression system is other than for a single family residence, only if adequate provisions are made to prevent the use of water from such Fire Service Lines for purposes other than fire extinguishing or testing of fire protection systems.

17.2 RESPONSIBILITY FOR INSTALLATION, MAINTENANCE, AND REPAIR

Fire Service Lines shall be owned by the Owner of the Premises and the installation, maintenance, repair, and replacement of said facilities shall be at the Owner's sole expense. Fire Service Lines shall not be interconnected with domestic service lines and the Fire Service Lines shall have a separate connection to the Water Main in the street or easement abutting and fronting the Premises unless otherwise approved by the District. Each Fire Service Line shall have an independent shutoff valve (District owned) which shall be located at or near the Water Main and at a point designated by the District and shall be owned and maintained by the District.

17.3 CHARGES

Fees and charges for Water Service provided for a Fire Service Line shall be according to the Schedule of Fees and Charges.

17.4 FLOW AND PRESSURE NOT GUARANTEED

The District will provide Water Service for fire hydrants, Fire Service Lines and other facilities used exclusively for fire suppression at such pressure, and at such rates of flow, as may be available from time to time as a result of the operation of the District's System. The District does not warrant or guarantee, and does hereby expressly disclaim any warranty or guarantee of, any pressure or range of pressures, or rate of flow. The District shall not be liable for any damage in any manner arising out of the non-availability of water, or water pressure, at any hydrant or facility used for fire suppression.

ARTICLE 18 – USE OF HYDRANTS

18.1 AUTHORIZATION

Only those authorized by the District shall operate, or attempt to operate, any fire hydrant. Any unauthorized operation or attempted operation of a fire hydrant shall constitute illegal tampering of the District's System.

18.2 INTERMITTENT USE

Water may be intermittently used from fire hydrants only upon prior application and approval of such request by the District and only through a District issued hydrant meter. The use thereof shall be metered and the User billed monthly in accordance with the Schedule of Fees and Charges and shall agree to abide by the Hydrant Water Meter Guidelines available on the District Web Site. A reduced pressure backflow prevention assembly must be installed downstream of the water meter during all usage. Such meter/backflow prevention assembly must be properly supported to prevent damage to the hydrant connection threads or properly mounted to a structure above grade. The intermittent irrigation of trees during dry periods may be allowed with the Districts consent. The irrigation of any other landscape type with a fire hydrant is not allowed.

18.3 FIRE FLOW TEST

Users requesting fire flow testing of fire hydrants shall hire a private contractor to perform the flow testing after coordinating services with the District.

18.4 RELOCATION

Only the District or its designee may change or relocate a fire hydrant. If a Customer requests fire hydrant relocation and the District approves such relocation with the consent of the applicable fire authority, the Customer shall pay all costs associated with such relocation.

18.5 ACCESS

Posts, fences, vehicles, vegetation, trash and other materials or obstacles shall not be placed or kept near fire hydrants, fire department inlet connections, or fire protection system control valves in a manner that would prevent such equipment or fire hydrants from being immediately visible and accessible. The District or fire authority shall not be deterred or hindered from gaining immediate access to fire protection equipment or hydrants.

A five (5) foot clear space shall be maintained around fire hydrants. Access from the street to the hydrant shall be kept clear if the travel distance is greater than five (5) feet. Customers or Users shall be responsible for pruning or removing landscaping or other

obstructions that restrict access to a fire hydrant. Upon notice to the Customer from the District, the Customer or User shall within fourteen (14) days remove such obstruction or correct non-compliance. If the obstruction is not removed or compliance is not achieved within the time required, the District may take corrective action and may bill the Customer accordingly.

18.6 PAINTING OF HYDRANTS

The District shall designate the color of all fire hydrants. No painting or repainting of fire hydrants shall be allowed unless specifically authorized in writing by the District.

ARTICLE 19 – CUSTOMER AND USER RESPONSIBILITY AND LIABILITY

19.1 USER SYSTEM

The Customer and User, and not the District, shall be solely responsible for all damage or injury resulting from the failure of the Customer or User to properly construct, maintain, repair, or correct conditions in the User's System.

19.2 PRESSURE

The District shall not be liable for any damage or injury resulting from the pressure at which water is delivered to the Customer's Service Line. The District does not guarantee, and does hereby expressly disclaim any guarantee of, a uniform pressure to the Customer's Service Line. Users are responsible to provide appropriate devices to satisfy specific pressure requirements and to install and maintain pressure reducing valves on the Customer's Service Line as may be recommended or needed, including for new construction or as required by a local plumbing code. Any pressure reducing valve installed in a Meter Assembly will be maintained by the District at the cost of the Customer.

19.3 SUPPLY

The District shall not be liable for any damage or injury resulting from any interruption, diminution or failure in the water supply delivered to a Customer's Service Line. Users are responsible to provide appropriate devices to provide sufficient storage of water where an absolutely uninterrupted supply must be assured. Whenever reasonable, the District will give Users advance notice when it is known that Water Service is to be interrupted.

19.4 DAMAGE TO DISTRICT'S SYSTEM

The User shall be liable for any damage to the District's System which is caused by an act of the User, its tenants, agents, employees, contractors, licensees, or permittees. Damage to the District's System shall include, but not be limited to, breaking of seals and locks, tampering with or damage to the Meter Assembly (including, but not limited to, damage by heat, hot water, or steam), and damaged curb stops, water meter stops, and other Water

Service appurtenances. Customer and/or Owner shall be subject to fines and penalties as established by the Board and/or shall have Water Service terminated by the District.

19.5 RESTORATION OF WATER SERVICE

If the District restores Water Service after discontinuation, the District shall have no liability for damages to the Premises if a leak occurs inside the structure, if a faucet or fixture is open or a leak occurs at any place in the Customer's Service Line.

19.6 ALTERATIONS PROHIBITED

No modifications or alterations to the District's System shall be made. The Customer shall be responsible for any damage to the District's System due to the unlawful modification or alteration thereof. Any such modifications or alterations without the consent of the District shall constitute illegal tampering with the Districts System.

19.7 LIMITATION OF LIABILITY OF DISTRICT

Except required by the Colorado Governmental Immunity Act, 24-10-101 et seq., C.R.S., by requesting or accepting Water Service from the District each Customer, Owner or User expressly stipulates and agrees that no claim for damage shall be made against the District for any reason including, but not limited to the following: to the Premises, injury to the User, the Customer, or others on the Premises caused by interruption or reduction of Water Service, reduced, inadequate, excessive or sporadic water pressure; quality of water; breakage or damage to any part of the District System and any conditions resulting therefrom. Except if required by the Colorado Governmental Immunity Act, the District shall have no responsibility for notification to Customer/Owners of any of the foregoing conditions. The District reserves the right to temporarily discontinue service to any Parcel at any time for any reason deemed necessary or appropriate by the Board. The District shall have the right to revoke service to any Premises for violations of these Rules and Regulations in accordance with the procedures set forth in these Rules and Regulations.

ARTICLE 20 – ENFORCEMENT OF RULES AND REGULATIONS

20.1 NOTICE OF VIOLATION

Except in cases of an emergency, the District, prior to commencing any enforcement action, will provide the Customer/Owner written notice of the nature of the violation and, if the nature of the violation can be corrected by the Customer/Owner, a description of the action required to correct the violation and a date or time period by which the violation must be corrected. The notice shall further state any fees or penalties that have been assessed or will be assessed if the violation is not timely corrected, including discontinuing Water Service.

20.2 NOTIFICATION OF A CRIME

If the violation constitutes a criminal violation under applicable law, including C.R.S § 18-4-506.5, the District may report the violation to the appropriate authority.

20.3 APPEAL TO GENERAL MANAGER

Any Person who is or claims to be aggrieved by a notice of violation or any ruling or interpretation of the provisions of these Rules and Regulations may submit a written appeal to the General Manager. The appeal shall set forth the relevant events and circumstances, the relief sought, the factual and/or legal basis that supports the relief sought, the nature of how the notice or ruling impacts the appellant and any additional information that the appellant believes would be helpful to the appeal. Any appeal of a notice of violation must be delivered to the General Manager within ten (10) days of the date the notice is mailed or otherwise served. Upon receipt of the appeal, the General Manager may stay the imposition or any fines or other enforcement action until the General Manager has issued a decision. The General Manager shall take the matter under advisement, hear testimony if deemed necessary, and issue a written decision to the appellant affirming, denying, or modifying the notice, interpretation or ruling.

20.4 APPEAL TO BOARD

If the appellant considers that its appeal to the General Manager has not been handled in a satisfactory manner, the appellant may apply to the Board for review of the matter within thirty (30) days from the date of the written decision of the General Manager. The Board may make an independent review of the case, obtain additional evidence, and hear additional testimony on the matter as it deems necessary, or the Board may restrict its consideration to the record. Within sixty (60) days following receipt of the appeal to the Board, the Board will prepare a written decision on the matter which shall be sent to the appellant. In lieu of a hearing by the Board, the Board may appoint a hearing officer to review the appeal of a decision by the General Manager.

20.5 CORRECTION OF VIOLATION

If a notice of violation provides a time to correct a violation, and the violation is corrected within such time, notice of the correction may be submitted to the District. By notifying the District that the violation has been corrected, the Owner, Customer or User authorizes the District, without prior notice, to enter upon the Premises to verify whether the condition that created the violation has been corrected to the District's satisfaction or whether further action is required.

20.6 COST ASSESSMENTS AND PENALTIES

A. PENALTIES. Any Person who violates any provision of these Rules and Regulations shall incur a penalty, as specified in the Schedule of Fees and Charges.

- B. ASSESSMENT OF COSTS FOR INSPECTIONS AND VIOLATIONS. Any penalty imposed together with all reasonable costs incurred by the District arising from or relating to any violation of these Rules and Regulation or the payment of any fines, fees or service charges shall be charged to the Customer/Owner, and, until paid, shall constitute a perpetual lien against the Premises. Such costs shall include, without limitation, all costs for inspections; administrative costs; engineering and other expert costs; court and legal expenses for enforcement or collection, including reasonable attorney fees and whatsoever costs that the District may incur in investigating and enforcing any violation.
- C. PENALTIES FOR NON-PAYMENT OF SERVICE CHARGES. If a Customer fails to pay a service charge, fee or other charge when due, the District shall have the right to assess a late fee and/or penalty as set forth in the Schedule of Fees and Charges. The District shall further have the right, in its sole discretion, to disconnect Water Service to any Premises for which an outstanding balance is overdue by thirty (30) days or more. The Customer shall be liable for, and the District has the right to assess to any Customer overdue in payment of an account, all legal fees, court costs, connection and/or reconnection of service fees, and all other costs necessary to or incidental to the collection of said account. In addition, the District shall have all legal remedies to collect any outstanding obligation including the filing of liens against the Premises and to initiate foreclosure proceedings and or civil proceedings as the District deems necessary, reasonable or prudent to collect amount owing.

20.7 FORECLOSURE PROCEEDINGS

Following efforts to collect overdue payments of any fee or charge assessed by the District under these Rules and Regulations and/or Colorado law, if it becomes necessary for the District to initiate foreclosure proceedings as allowed by § 32-1-1001(1)(j), C.R.S., as amended, the District shall in each such case be entitled to assess all legal fees, costs of collection, and other costs, which costs shall be payable in full upon assessment and shall be included in the lien then being foreclosed. Payment of said costs and any and all other fees outstanding against the subject property shall be a precondition to the resumption of service to that proper.

20.8 EQUITABLE RELIEF

In addition to any other legal or equitable remedies available to the District, the District may obtain injunctive or equitable relief from a court having proper jurisdiction for an order to abate a violation.

ARTICLE 21 – HEARING PROCEDURES

21.1 FORMAL PUBLIC HEARINGS

Except as provided in these Rules and Regulations, the Board has no obligation to conduct formal public hearings. It may choose to do so at its sole discretion, upon the request of a party if the Board determines a request for a hearing should be granted.

21.2 NOTICE TO COMPLAINANT

If the Board grants a request for the hearing, the appellant shall be given written notice of the hearing at least seven (7) calendar days prior to the date of the hearing.

21.3 CONDUCT OF HEARING

- A. **PRESIDING OFFICER.** If a formal public hearing by the Board is held, the Board President, or such other Board member or legal counsel designated by the Board President, shall preside. The complainant and the General Manager or representatives of the District shall be permitted to appear in person. Legal counsel or other representative may represent each the complainant and the District at the hearing.
- B. **RIGHTS OF COMPLAINANT.** At the formal public hearing the complainant or his representative 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 Board may receive and consider any evidence that has probative value commonly accepted by reasonable and prudent persons in the conduct of their affairs.
- C. **BOARD DECISION.** The Board 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 formal public hearing. The burden of showing that the required grounds exist to alter, amend, defer, or cancel the action shall be upon the complainant.
- D. **FINDINGS.** At or subsequent to the formal public hearing, the Board shall make written findings and shall cause an order to be issued to the complainant disposing of the matter. A copy of the order shall be provided to the complainant not later than fifteen (15) days after the date of the formal public hearing.

- E. **BOARD'S DECISION FINAL.** The decision of the Board shall be final. In its sole discretion, the Board may reconsider its decision if requested in writing to do so by the complainant. Any such request must state any new or any other circumstance in order to justify reconsideration.

ARTICLE 22 – EFFECTIVE DATE

These Rules and Regulations shall be effective as of the 1st day of October, 2025.