

**WOODMEN HILLS METROPOLITAN
DISTRICT
BOARD OF DIRECTOR BYLAWS
RULES AND REGULATIONS
JANUARY 27, 2022**

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**WOODMEN HILLS METROPOLITAN DISTRICT
RULES AND REGULATIONS**

SECTION 1: Policy, Purposes and General Provisions

Section 1.1. Declaration of Policy.

The Woodmen Hills Metropolitan District (“District”) is a political subdivision and quasi-municipal corporation of the State of Colorado organized and operating pursuant to Article 1 of Title 32, C.R.S., possessing all of the powers of a metropolitan district under the Act (except for fire protection powers). The authority of the District to adopt bylaws, rates, rules and regulations is expressly conferred by the Act. The Board of Directors of the District (“Board”) expressly finds and determines that the adoption of the following bylaws, rates, rules and regulations is necessary for the health, safety, prosperity, security, and general welfare of the property owners and residents of the District and will ensure an orderly and uniform administration of the District affairs.

Section 1.2. Purpose of Water System.

The District’s water system is primarily designed for supplying water for domestic, commercial, manufacturing and other non-residential uses and other public and private purposes. The use of water for irrigation and fire protection is secondary to such primary uses, but all such uses are nonetheless considered beneficial uses.

Section 1.3. Purpose of Wastewater System.

The District’s wastewater system is primarily designed for the disposal of domestic wastes and not for disposing of manufacturing or industrial wastes, except as specifically authorized under these Rules and Regulations. The District’s wastewater system was not designed nor intended for uses other than for such purposes. The public wastewater system was not intended to provide, nor is it able to provide, for receiving flood water, surface drainage or the discharge of water from underground or surface sources, except when contaminated by domestic and manufacturing uses as provided herein.

Section 1.4. Purpose of Park and Recreation Program.

The District’s parks and recreation facilities and designed to provide a variety of recreational activities which will serve the leisure needs of a diversified range of age and interest groups.

The staff is directed to constantly evaluate and upgrade programming and at all time to strive for quality and positive experience for the interest groups using the parks and recreational facilities of the District, all within the budget established to run such programming.

Section 1.5. Rules of Interpretation and Miscellaneous Provisions.

1.5.1. Interpretation. These Rules and Regulations shall be liberally construed to affect the general purposes set forth herein. Nothing herein contained shall be construed or deemed to constitute an alteration, waiver, limitation or abridgment of any grant of any power, authority, or right conferred upon the District or the Board by the Act or any other law or under any contract or agreement existing between the District and any other Person. Nothing herein contained shall be construed so 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 objects and affairs of the District. Any ambiguity, conflict, omission or question of interpretation of these Rules and Regulations shall be determined by the Board in its sole discretion, and its determination shall be final and conclusive. The Board’s interpretation of the Rules and Regulations shall not be deemed to be a new enactment, amendment or change of any of the Rules and Regulation for any purpose.

1.5.2. Usage and Titles. All words and phrases shall be construed in accordance with the common, generally accepted meaning thereof, but technical words and phrases and such others as have acquired a particular and appropriate meaning in the law or industry shall be construed and defined according to such particular and appropriate meaning. The title of any section 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.

1.5.3. Severability. If any section, subsection, sentence, clause or phrase of these Rules and Regulations is judicially determined to be 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.

1.5.4. Amendments. These Rules and Regulations may be amended at the Board’s discretion, and such amendments shall be binding and of full force and effect as of the date of their adoption by the Board, unless otherwise provided.

- 1.5.5. Prior Offenses.** Nothing in these Rules and Regulations shall effect any offense or act committed or done, or any obligation, penalty or forfeiture incurred by any Person, or modify any contract or right established or occurring before the effective date of these Rules and Regulations; provided, however, that these Rules and Regulations are in large part a recodification of pre-existing regulations, which shall continue to be applicable to any act, penalty or contract occurring prior to the effective date of these Rules and Regulations, except as may otherwise be specified therein.
- 1.5.6. No Cause of Action for Enforcement or Failure to Enforce.** Nothing in these Rules and Regulations shall create any liability or right to damages against the District, its directors, officers, employees or agents, because of any enforcement of or failure to enforce any provision of these Rules and Regulations.
- 1.5.7. Claims Against District.** In the event any Person claims to have suffered an injury or damage of any kind by the District, its directors, officers, employees or agents, such Person shall, within 180 days after the date of the incident or the discovery of such injury, whichever event occurs first, advise the District by written notice of any intent to make a claim. In the notice such Person shall accurately describe (i) the day, time, location and circumstances of the injury or damage; (ii) the name and address of the Person seeking relief; (iii) the name of any District employee involved; (iv) a concise statement of the nature and extent of the injury or damage; and (v) the amount of monetary damages claimed to be suffered and relief requested. Unless such notice is received within the maximum 180-day period, no claim for any injury or damage will be recognized by the District, and any such claim shall be deemed to be waived by such Person entitled to assert the same and shall thereafter be barred. The provisions of the Colorado Governmental Immunity Act, 24-10-1 et seq., C.R.S., shall control any claim or proceeding initiated against the District regardless of any conflicting provision in these Rules and Regulations.
- 1.5.8. Availability of Service.** Water and wastewater service shall be available only in accordance with these Rules and Regulations and on the basis of the charges established herein, subject to (i) all penalties and charges for any violation, (ii) all applicable laws, and (iii) the availability of facilities and capacity as determined by the Board or its representative. Any Parcel of Land on which water or wastewater Improvements are located shall be included within the boundaries of the District or a Contracting District. Park & Recreation service shall be available to all District residents equally subject to payment of any fees adopted by the Board and these Rules and Regulations.
- 1.5.9. Control and Operation of Facilities.** All Facilities shall be under the management of the Enterprise Directors and the control of the Board. No Person shall operate, interfere with, adjust, change, alter, move, or relocate any portion of the Facilities without the District's prior written consent. District Facilities that are necessary for the operations of water, wastewater and drainage functions of the District are restricted from public access.
- 1.5.10. Liability for Inspections.** All inspections, observations, testing and reviews performed by the District, whether of private premises to ensure compliance with these Rules and Regulations or of the District's Facilities, are performed for the exclusive benefit of the District. No liability shall attach to the District for any negligent or insufficient inspection, observation, test or review, or because of its failure to make an inspection, unless involving the Facilities, or for any denial or issuance of any approval or permit for any work subject to the authority or jurisdiction of the District.
- 1.5.11. Ownership.** The District may exercise all rights and responsibilities attendant to the full ownership of the Facilities and shall accept responsibilities only for Facilities that have been properly conveyed to and accepted by the District.
- 1.5.12. Waivers.** Unless otherwise provided herein, only the Board may, in its discretion, waive any provision of the Rules and Regulations for sufficient cause. No waiver of any Rule or Regulation shall be deemed to alter, amend or modify such Regulation.
- 1.5.13. Effective Date.** These Rules and Regulations shall be effective as of the adoption date.

SECTION 2: Definitions

Section 2.1. General.

Unless the context specifically indicates otherwise, the meaning of the terms in these Rules and Regulations shall be as defined in this Section 2. Any reference to a particular section shall be to that section in these Rules and Regulations, unless the context specifically indicates otherwise.

Section 2.2. Definitions.

2.2.1. Act. "Act" means Article 1 of Title 32, C.R.S.

2.2.2. Applicant. "Applicant" or "Petitioner" means any Person who applies to the District for approval of a water or wastewater service connection or disconnection, water or wastewater Main extension, or permission to use any Park & Recreation Facility that

requires a fee, or receives any other service provided by the District, or who petitions to have real property included within or excluded from the District as the case may be.

2.2.3. Board. “Board” or “Board of Directors” means the Board of Directors of Woodmen Hills Metropolitan District.

2.2.4. Bylaws. “Bylaws” means the bylaws set forth in Section 3.

2.2.5. Compliance Schedule. “Compliance Schedule” shall mean a written document approved by the District detailing the conditions, degree, timeframe, and other terms regarding actions to be completed to achieve compliance with these Rules and Regulations.

2.2.6. Consecutive System. “Consecutive System” means a water distribution or wastewater collection system owned and operated by a Contracting District that does not meet the District’s operational and maintenance standards. Such Contracting District is responsible for meeting all CDPHE requirements for water quality testing and reporting under such Contracting District’s own PWSID number. Consecutive Systems must be isolated from the Integrated System.

2.2.7. Corner Lot. “Corner Lot” means a Parcel of Land adjacent to two or more public buildings or streets.

2.2.8. Contracting District. “Contracting District” means a special district that receives water or wastewater services from the District in accordance with the provisions of an intergovernmental agreement entered into between the Contracting District and the District.

2.2.9. Curb Stop. “Curb Stop” means the valve owned and used by the District to isolate and terminate water service to a Licensed Premises, which is usually located at or near where the Licensed Premises intersects with a Right-of-Way.

2.2.10. Customer. “Customer” means any Person who (i) is authorized or permitted to obtain water or wastewater or any other service from the District, (ii) is responsible for paying service charges, surcharges, fees and penalties, and (iii) is responsible for complying with the Rules and Regulations. Customer includes both the owner and occupant of any Licensed Premises.

2.2.11. District. “District” means the Woodmen Hills Metropolitan District.

2.2.12. District Engineer. “District Engineer” means a registered professional engineer licensed in the State of Colorado who has been appointed to act in such capacity by the Board. The District Engineer shall have no authority to commit the District to any policy or course of action without express approval of the Board.

2.2.13. Drainage Line. “Drainage Line” means a line whose purpose is to provide for the drainage of water away from structures or inappropriate collection sites and to convey such water toward a drainage system established for this purpose.

2.2.14. Dwelling Unit. “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, sleeping and eating.

2.2.15. Facilities. “Facilities” means the District’s Public Water, Wastewater and Drainage Systems, Parks and Recreational Facilities and appurtenances, and all property, Mains, improvements, Treatment Facilities, equipment and appurtenances that are part of such systems, facilities or appurtenances.

2.2.16. Family. “Family” means any number of individuals living together as a single housekeeping unit.

2.2.17. Fixture Unit. “Fixture Unit” is a design factor assigned so that the load producing values of a plumbing system can be determined. The table as set forth in the CDPHE plumbing regulations shall be utilized in determining such values.

2.2.18. Grease Interceptor. “Grease Interceptor” means a tank or series of tanks (having a minimum waterline capacity of 750 gallons, unless otherwise approved by the District) and piping designed to remove oil, grease, debris and other products, or any other hazardous and deleterious waste from a non-residential discharge, allowing normal wastewater to flow without interruption to the Public Wastewater System.

2.2.19. Improvement. Any permanent or temporary building, structure, facility, improvement or betterment upon, or for any use or occupancy of any property to which park and recreation or water and wastewater service is or may be furnished, including without limitation use for any domestic, commercial, industrial, construction, irrigation or fire protection purpose, whether public or private.

2.2.20. Inspection. “Inspection” means a physical assessment of any connection, excavation, installation or repair to the Public Water or Wastewater Systems and Facilities of the District or a physical assessment of a commercial property, records or installation of pretreatment equipment by the District.

2.2.21. Inspector. “Inspector” means that Person under the direction of the Enterprise Directors who inspects water and wastewater connections, excavations, installations or repairs to the Public Water and Wastewater Systems and Facilities to ensure compliance with the Rules and Regulations. In no event shall the Inspector have the authority to make any decision involving policy or to commit the District to any policy without the express approval of the Board or Enterprise Directors.

2.2.22. Integrated System. “Integrated System” means the Public Water or Wastewater System and any Contracting District’s water or wastewater system that meets the District’s operational and maintenance standards and that is treated as part of the Public Water or Wastewater System for testing and reporting to the CDPHE under the District’s PWSID.

2.2.23. Interior Lot. “Interior Lot” means a Parcel of Land adjacent to not more than one public street.

- 2.2.24. License.** “License” means a written permit or license issued by the District in accordance with the Rules and Regulations.
- 2.2.25. Licensed Contractor.** “Licensed Contractor” means a Person performing services physically affecting the Facilities, and having a license to do so issued by the District.
- 2.2.26. Licensed Premises.** “Licensed Premises” means all of the contiguous land area and Improvements to which water or wastewater service is furnished under an approved License for service. The owner of the Licensed Premises is the person who holds legal title to the subject property.
- 2.2.27. Main.** “Main” means those pipes and appurtenant facilities used for collecting wastewater or distributing water directly to various Licensed Premises and which are owned, operated, maintained and repaired by the District.
- 2.2.28. Enterprise Director.** “Enterprise Director” shall mean the Person or Persons who are appointed as the chief management official(s) of the District’s separate enterprises and are supervised by the Board. Enterprise Directors should have appropriate license(s) per respective Enterprise(s).
- 2.2.29. Monitoring.** “Monitoring” means assessing, inspecting, sampling, and reviewing records and results of analyses and recordkeeping for the purpose of compliance.
- 2.2.30. Multi-Unit Dwelling.** “Multi-Unit Dwelling” means a building arranged, intended or designed for occupancy, or which is occupied, by more than one family living independently of each other in separate Dwelling Units.
- 2.2.31. Multiple Ownership.** “Multiple Ownership” means the ownership of real property in any form other than One Ownership.
- 2.2.32. Non-residential.** “Non-residential” means any use by or any discharge or account of any Customer other than a residential Customer.
- 2.2.33. Notice of Violation.** “Notice of Violation” or “NOV” means a written or verbal notification to a Customer requiring action to rectify a non-compliant condition.
- 2.2.34. One Ownership.** “One Ownership” means a single fee simple estate in a Parcel of Land and the Improvements thereon, whether held individually or jointly; provided however, that title to both the Improvements and all real property associated therewith is held in the same manner.
- 2.2.35. Parcel of Land.** “Parcel of Land” means the legal description of real property in recorded title to the property, together with the boundaries thereof used for general identification of the property.
- 2.2.36. Penalty.** “Penalty” means a charge associated with a violation of these Rules and Regulations or any License.
- 2.2.37. Person.** “Person” shall refer either to the singular or plural and shall include an individual, company, partnership, corporation or other entity of any nature, whether public or private.
- 2.2.38. Pretreatment.** “Pretreatment” means actions and/or installed equipment designed to remove pollutants that are or could be harmful to District personnel, the environment or the Public Wastewater System.
- 2.2.39. Pretreatment Permit.** “Pretreatment Permit” means a License issued by the District that details requirements of a Non-residential discharge. A Pretreatment Permit is required when pretreatment equipment is installed or the nature or volume of the discharge requires special handling or treatment.
- 2.2.40. Public Authority Service.** “Public Authority Service” means the furnishing of water or wastewater for the exclusive use of any governmental entity.
- 2.2.41 Public Drainage System.** “Public Drainage System” means any and all subsurface drainage lines, surface drainage channels and ponds, control structures, facilities, and equipment owned and maintained by the District for stormwater and ground water.
- 2.2.42. Public Wastewater System.** “Public Wastewater System” means any and all wastewater lines, appurtenances, Facilities and equipment owned and maintained by the District for wastewater collection and treatment.
- 2.2.43. Public Water System.** “Public Water System” means any and all water lines, appurtenances, Facilities and equipment owned and maintained by the District for water treatment and distribution.
- 2.2.44. Residential Service.** “Residential Service” is the furnishing of water or wastewater for residential purposes.
- 2.2.45. Rules and Regulations.** “Rules and Regulations” means any or all rules, regulations, bylaws, rates, requirements or other provisions set forth in these Rules and Regulations, as amended from time to time by the Board.
- 2.2.46. Right-of-Way.** “Right-of-Way” means a dedicated street, road or alley, or an easement in which the Public Water or Wastewater System may be installed, or in which it is intended to be installed, unless otherwise approved by the District.
- 2.2.47. Sampling.** “Sampling” means obtaining a fraction of a discharge, either by manual or automatic means, in order to analyze and evaluate for compliance purposes.
- 2.2.48. Separate Building.** “Separate Building” means a structure enclosed under a single roof system and under One Ownership, which cannot be physically divided into Multiple Ownership, and having a system of water or wastewater pipes, fittings and fixtures.

- 2.2.49. Shall.** Whenever "shall" or "will" is used herein, it shall be construed as mandatory; "should" indicates the recommendation of the District; and "may" denotes that something is permissible.
- 2.2.50. Single Family Dwelling.** "Single Family Dwelling" means a separate building arranged, intended or designed to be occupied, or which is occupied, by not more than one family and having not more than one kitchen.
- 2.2.51. State.** "State" means the State of Colorado.
- 2.2.52. Stub-in.** "Stub-in" means a lateral connection to a water or wastewater Main made for the purpose of subsequently installing service lines prior to the paving of streets, or the portion of a temporary service connection extending from the Public Water or Wastewater System to the street right-of-way line and installed prior to completion of the service line. Connection to the Main shall include fittings necessary to extend the service line to the Improvements on the Licensed Premises.
- 2.2.53. Surcharge.** "Surcharge" means a charge associated with a non-compliant condition of a Customer account applied to the monthly wastewater service charge.
- 2.2.54. Tap.** "Tap" means the physical connection to a water or wastewater Main that enables water or wastewater service to be provided to the Licensed Premises.
- 2.2.55. Treatment Facility.** "Treatment Facility" means biological, physical and/or chemical processes conducted in tanks, vessels, and other reactors with the sole purpose of treating or processing water or wastewater to an acceptable degree as determined by the CDPHE.
- 2.2.56. Wastewater.** "Wastewater" means domestic and non-domestic sewage discharged to the Public Wastewater System for treatment.
- 2.2.57. Wastewater Service Line.** "Wastewater Service Line" means that part of a wastewater line for any Licensed Premises connecting at the Tap to the Main. A Wastewater Service Line is not the property of the District. The District shall have no liability for the operation, maintenance or repair of the Wastewater Service Line.
- 2.2.58. Water Conservation Plan.** "Water Conservation Plan" means the plan to conserve and allocate water supplies of the District as adopted by the Board.
- 2.2.59. Water Service Line.** "Water Service Line" means that part of any water line for any Licensed Premises connecting to the Public Water System commencing at the Curb Stop. A water service line is not the property of the District. The District shall have no liability for the operation, maintenance or repair of the Water Service Line.

Section 2.3 Abbreviations and Acronyms.

- 2.3.1. BOD.** "BOD" means biochemical oxygen demand.
- 2.3.2. CDPHE.** "CDPHE" means Colorado Department of Public Health and Environment.
- 2.3.3. CFR.** "CFR" means Code of Federal Regulations.
- 2.3.4. COD.** "COD" means chemical oxygen demand.
- 2.3.5. C.R.S.** "C.R.S." means Colorado Revised Statutes, as amended.
- 2.3.6. EPA.** "EPA" means the U.S. Environmental Protection Agency.
- 2.3.7. Mg/L.** "Mg/L" means milligrams per liter.
- 2.3.8. NOV.** "NOV" means Notice of Violation.
- 2.3.9. NPDES.** "NPDES" means National Pollutant Discharge Elimination System.
- 2.3.10. PPM.** "PPM" means parts per million.
- 2.3.11. PWSID.** "PWSID" means public water system and wastewater system identification number.
- 2.3.12. SFE** Means Single Family Equivalent
- 2.3.12. TSS.** "TSS" means total suspended solids.
- 2.3.13. Ug/L.** "Ug/L" means micrograms per liter.
- 2.3.14. TDS** Means Total Dissolved Solids
- 2.3.14. TE.** "TE" means tap equivalent.
- 2.3.15. TPH.** "TPH" means total petroleum hydrocarbons.
- 2.3.16. VOC.** "VOC" means volatile organic compounds.
- 2.3.17. UPC.** "UPC" means the current version of the Uniform Plumbing Code.

SECTION 3: Bylaws

Section 3.1. Policies of the Board.

It shall be the policy of the Board consistent with the availability of revenues, personnel and equipment, to furnish water, wastewater drainage (including mosquito control), parks, recreation and other services described in the District Service Plan or allowed by statute throughout the District and to each Contracting District in accordance with the provisions of these Rules and Regulations and any intergovernmental agreement.

Section 3.2. Board of Directors.

All powers, privileges and duties vested in or imposed upon the District by law shall be exercised through the Board, whether set forth specifically or implicitly in these Rules and Regulations. The Board may delegate to its officers, the Enterprise Directors and other employees and representatives of the District any or all managerial, ministerial or enforcement powers.

It is hereby expressly declared that the Board shall have the following powers and duties:

- A. To confer upon the Enterprise Directors and Comptroller of the District the power to choose, remove or suspend employees or agents upon such terms and conditions as are in the best interests of District.
- B. To determine and designate, except as otherwise provided by law or these Bylaws, who shall be authorized to make purchases, negotiate leases, and sign receipts, endorsements, checks, releases and other documents.
- C. To create standing or special committees and to delegate such power and authority thereto as the Board deems necessary and proper for the performance of such committee's functions and obligations.
- D. To prepare, or cause to be prepared, regular financial reports, other than the statutory audit, covering the District's fiscal activities, which reports shall be submitted to the Board.

Section 3.3. Office.

3.3.1. Business Office. The principal business office of the District shall be at 8046 Eastonville Road, Falcon, Colorado 80831, unless otherwise designated by the Board.

3.3.2. Establishing Other Offices and Relocation. The Board may designate, locate and relocate its business office and such other offices as, in its judgment, are necessary to conduct the business of the District.

Section 3.4. Meetings.

3.4.1. Regular Meetings. Regular meetings of the Board shall be held at 5:30 p.m. on the fourth Thursday of each month at the Community Center West, 11720 Woodmen Hills Drive, unless otherwise designated and posted.

3.4.2. Public Meeting. All meetings of the Board, other than executive sessions, shall be open to the public.

3.4.3. Notice of Meetings. Section 3.4.1 shall constitute formal notice of regular meetings to Board members, and no other notice shall be required to be given to Board members other than the permanent posting. Written waivers of notice by Board members are not necessary.

3.4.4. Special Meetings. Special meetings of the Board may be called with at least 72 hours prior written notice at such time and place as the Board may determine, which notice shall be posted in three public places within the District and at the County Clerk and Recorder's Office.

3.4.5. No Informal Action by Directors. All official business of the Board shall be conducted at regular or special meetings. Executive sessions may be called at regular or special meetings in accordance with statutory requirements.

3.4.6. Continuance of Meetings. When a regular or special meeting is for any reason continued to another time and place, notice need not be given of the continued meeting, except as required by law. At the continued meeting, any business may be transacted which could have been transacted at the original meeting.

3.4.7 Emergency Meetings. Notwithstanding any other provisions in this Section 3, emergency meetings may be called by the Chair or any two Board members in the event of an emergency that requires the immediate action of the Board in order to protect the public health, safety and welfare of the property owners and electors of the District, without notice if notice is not practicable. If possible, notice of such emergency meeting may be given to the Board by telephone or whatever other means are reasonable to meet the circumstances of the emergency. At such emergency meeting, any action within the power of the Board that is necessary for the immediate protection of the public health, safety and welfare may be taken; provided, however, that any action taken at an emergency meeting shall be effective only until the first to occur of (a) the next regular meeting, or (b) the next special meeting of the Board at which the emergency issue is on the public notice of the meeting. At such subsequent meeting, the Board may ratify

any emergency action taken. If any emergency action taken is not ratified, then it shall be deemed rescinded as of the date of such subsequent meeting.

3.4.8 E-mail Meetings. Section 24-6-402, C.R.S., requires that certain e-mail between three Directors (or, when two Directors constitutes a quorum, two Directors) that discusses pending resolutions or other District business shall be considered a public meeting subject to the requirement of the Colorado Open Meetings Law.

Section 3.5. Conduct of Business.

3.5.1. Quorum. All official business of the Board shall be transacted at a regular or special meeting at which a quorum (majority) of the Directors shall be present in person, except as provided in Section 3.5.2.

3.5.2. Vote Requirements. Any action of the Board shall require the affirmative vote of a majority of the Directors present in person and voting during a regular or special meeting. When special or emergency circumstances affecting the affairs of District and the health and safety of its Customers so dictate, then those Directors available at the time may undertake whatever action is considered necessary and may so instruct the District's employees and agents, which action shall later be ratified by the Board.

3.5.3. Order of Business.

The business of all regular meetings of the Board shall be transacted, as far as practicable, in the following order:

- A. Executive Sessions;
- B. Approval of the minutes of the previous meeting;
- C. Hearings;
- D. Reports of officers, committees and professional consultants;
- E. Approval of bills and appropriations;
- F. Unfinished business;
- G. New business and special orders; and
- H. Adjournment.

3.5.4. Motions and Resolutions. Each and every action of the Board necessary for the governing and management of the affairs of District, for the execution of the powers vested in the Board, and for carrying into effect the provisions of the Act shall be taken by the passage of motions or resolutions.

3.5.5. Minutes - Executive Session Tapes. Within a reasonable time after passage, all resolutions, motions and minutes of Board meetings shall be recorded in visual text format that may be transmitted electronically and kept for that purpose, and shall be attested by the Recording Secretary. Executive sessions (except for attorney-client conferences pursuant to law) shall be recorded in electronic format and retained in a separate, confidential electronic file open only to the Board, Enterprise Director's and the District's attorney, for ninety days and then destroyed pursuant to law.

Section 3.6. Directors, Officers and Personnel.

3.6.1. Director Qualifications and Terms. Directors shall be electors of the District. The term of each Director shall be four years or as otherwise specified by State law with elections held in odd numbered years and conducted in the manner prescribed by the Act and Articles 1 through 13 of Title 1, C.R.S. Each Director shall sign an oath of office and, at the expense of District, furnish a faithful performance bond in a sum of no less than \$1,000. In addition, the Treasurer shall furnish, at the District's expense, a corporate fidelity bond in a sum of not less than \$5,000, conditional upon the faithful performance of the duties of his or her office.

3.6.2. Director's Performance of Duties. A Director shall perform all duties as a Director, including duties as a member of any committee of the Board upon which the Director may serve, in good faith and in a manner in which the Director reasonably believes to be in the best interest of the District. In performing such duties, the Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by Persons and groups listed in subparagraphs A, B and C of this subsection 3.6.2, but the Director shall not be considered to be acting in good faith if he has knowledge concerning the matter in question that would cause such reliance to be unwarranted. Any Director who so performs such duties shall not have any liability by reason of being or having been a Director of the District. Those Persons and groups upon whose information, opinions, reports, and statements a Director is entitled to rely are:

- A. Officers or employees of the District whom the Director believes to be reliable and competent in the matters presented;
- B. Attorneys, public accountants, engineers, or other consultants as to matters which the Director believes to be within such Persons' professional or expert competence; and
- C. A committee of the Board upon which the Director does not serve, duly designated in accordance with the provisions of the Bylaws, as to matters within its designated authority, which committee the Director believes to merit confidence.

- 3.6.3. Oath of Office.** Each member of the Board, before assuming the responsibilities of his office, shall take and subscribe an oath of office in the form prescribed by law.
- 3.6.4. Election of Officers.** The Board shall elect from its membership a Chair and President, a Vice President, a Secretary and a Treasurer, who shall be the officers of the Board and of the District. The officers shall be elected by a majority of the Directors voting at the election. An election of the officers shall be conducted at the first regular meeting of the Board following the regular biennial election of the Directors held in May of odd numbered years. Each officer so elected shall serve for a term of two years, unless a Board quorum determines, by a 2/3 majority vote, to hold an election prior to the next ensuing regular biennial election of Directors.
- 3.6.5. Vacancies.** Any vacancy occurring on the Board shall be filled by an affirmative vote of a majority of the remaining Directors as prescribed by the Act. The appointed elector must meet the qualifications for Directors prescribed by the Act and shall serve until the next regular election.
- 3.6.6. Resignation and Removal.** Directors may be removed from office only as prescribed by statute. Any Director may resign at any time by giving written notice to the Board, and acceptance of such resignation shall not be necessary to make it effective, unless the notice so provides.
- 3.6.7. President and Chairman.** The President shall be the Chairman of the Board and preside at all meetings. Except as otherwise authorized, the President shall sign all contracts, deeds, notes, debentures, warrants, checks and other instruments on behalf of District.
- 3.6.8 Vice President.** In the absence of the Chair, the Vice President shall preside at all meetings. The Vice President shall have the authority to make all management or administrative decisions regarding District matters. The Vice President is also authorized to sign all contracts, deeds, notes, debentures, warrants, checks, and other instruments on behalf of the District.
- 3.6.9. Secretary.** The Secretary shall be responsible for the records of the District; may act as secretary at meetings of the Board and record all votes; shall be responsible for composing a record of the proceedings of the Board in a visual text format that may be transmitted electronically and kept for that purpose, which shall be an official record of the Board; and shall perform all duties incident to that office. The District's Official Custodian of Records shall be custodian of the seal of District. The Secretary, or another Director lawfully acting as Secretary, shall have the sole power to affix such seal to and attest to all contracts and instruments authorized to be executed by the District, except for minor contracts delegated for execution by the Enterprise Directors, which minor contracts shall not require a seal.
- 3.6.10 Treasurer.** The Treasurer shall be chairman of the Budget Committee. The Treasurer shall keep or cause to be kept accurate accounts of all money received by and disbursed for and on behalf of District in permanent records.
- 3.6.11. Recording Secretary.** The Board shall have the authority to appoint a recording secretary, who need not be a member of the Board and who shall be responsible for recording all votes and composing a record of the proceedings of the Board in visual text format that may be transmitted electronically and kept for that purpose, which shall be the official record of the Board. The recording secretary shall not be required to take an oath of office, nor shall the recording secretary be required to post a performance bond.
- 3.6.12. Additional Duties.** The officers of the Board shall perform such other duties and functions as may from time to time be required by the Board, the Bylaws, the Rules and Regulations, or by special exigencies, which shall later be ratified by the Board. Additional duties include check signing.
- 3.6.13. Management.** The Board may appoint Enterprise Directors to serve for such term and upon such conditions, including salary, as the Board may establish. According to the District's Management organization policies, the District business affairs are organized into three separate enterprises as recognized by Colorado law – a Water Enterprise, a Wastewater Enterprise and a Parks and Recreation Enterprise – as well as a Department of Administration. Each Enterprise Director shall manage all operations, employees and business affairs of the District enterprise or department under his/her management and shall be charged with the hiring and discharging of employees and the management of the Facilities associated with such enterprise or department. The Enterprise Director Comptroller for Administration shall have the care and custody of all funds of the District and shall deposit the same in the name of the District in such banks or other institutions as the Board may direct. The Enterprise Director Comptroller for Administration shall also manage all administrative operations, employees and business affairs of the District on a day-to-day basis. The Enterprise Directors shall approve all vouchers and purchase orders related to their respective enterprises or department. The Enterprise Director Comptroller for Administration shall keep regular books of account of all District transactions and shall obtain, at the District's expense, such bond for the faithful performance of duties as the Board may designate. The Enterprise Directors shall manage the business affairs of the District as a team and shall be individually charged with the responsibility for the operation of the separate Water, Wastewater, and Parks and Recreation enterprises of the District, including the Systems and Facilities associated with each such enterprise or department, and the enforcement of these Rules and Regulations. The Enterprise Directors may delegate any management, ministerial or enforcement responsibility hereunder, unless otherwise expressly provided by the

Board. The Board may adopt a position description for the Enterprise Directors to expressly describe responsibilities, powers and limitations binding on chief management official(s).

3.6.14. Personnel Selection and Tenure. The selection of special consultants, engineers, accountants and attorneys of the District shall be made by the Board. The selection of all employees, agents and consultants will be based upon the relative qualifications and capabilities of the applicants and shall not be based on nepotism or political services or affiliations. Before any person who is related by blood or marriage to another District employee is selected for permanent employment, such employment shall be approved by the Board. All agents, consultants and employees shall serve at the will of the Board. Contracts for professional services of engineers, accountants, consultants and attorneys may be entered into on such terms and conditions as may seem reasonable and proper to the Board.

Section 3.7. Financial Administration.

3.7.1. Fiscal Year. The fiscal year of the District shall commence on January 1 of each year and end on December 31.

3.7.2. Budget Committee. There shall be a permanent committee, known as the Budget Committee, composed of the Treasurer, a member of the Board appointed by the Board, the Enterprise Directors and the Comptroller of Administration, which shall be responsible for preparation of the annual budget of the District and such other matters as may be assigned to it by the President or the Board.

3.7.3. Budget. On or before October 15th of each year, the Budget Committee shall prepare and submit to the Board a proposed budget for the ensuing fiscal year. Such proposed budget shall be accompanied by a statement that shall describe the important features of the budget plan and by a general summary wherein shall be set forth the aggregate figures of the budget in such manner as to show the balanced relations between the total proposed expenditures and the total anticipated income or other means of financing the proposed budget for the ensuing fiscal year, as contrasted with the corresponding figures for the last completed fiscal year and the current fiscal year. The budget shall be supported by explanatory schedules or statements classifying the expenditures contained therein by services, subjects and funds. The anticipated income of the District shall be classified according to the nature of receipts.

3.7.4. Notice of Budget. Upon receipt of such proposed budget, the Board shall cause to be published a notice that the proposed budget is open for inspection by the public at the business office; that the Board will consider the adoption of the proposed budget on a certain date; and that any interested elector may inspect the proposed budget and file or register any objections thereto at any time prior to its final adoption. Notice shall be posted or published in compliance with statutory requirements.

3.7.5. Adoption of Budget. On the day set for consideration of such proposed budget, the Board shall review the proposed budget and revise, alter, increase or decrease the items as it deems necessary in view of the needs and the probable income of the District. On or before December 31st of each year, except as otherwise provided in Section 3.7.6, the Board shall adopt a budget setting forth the expenditures to be made in the ensuing fiscal year. The Board shall provide for sufficient revenues to finance budget expenditures with special consideration given to any proposed ad valorem tax levy approved by the eligible electors of the District.

3.7.6. Levy and Collection of Taxes. On or before December 15th of each year, the Board shall certify to the Board of County Commissioners any mill levy (as previously approved by the eligible electors of the District) established for the ensuing fiscal year.

3.7.7. Filing of Budget. On or before January 30th of each year, the Board shall cause a certified copy of such budget to be filed with the Division of Local Government in the State Department of Local Affairs.

3.7.8. Appropriating Resolution.

A. At the time of adoption of the budget, the Board shall enact a resolution making appropriations for the ensuing fiscal year. The amounts appropriated thereunder shall not exceed the amounts fixed for that purpose in the budget as adopted.

B. The income of the District as estimated in the budget and as provided for in any tax levy resolution and other revenue and borrowing resolutions shall be allocated in the amounts and according to the funds specified in the budget for the purpose of meeting the expenditures authorized by the appropriation resolution. Upon the receipt of revenues which have been appropriated for expenditure, the Enterprise Directors may authorize expenditures for work, materials, equipment and labor or services in accordance with standard procurement practices, subject to (i) the limitations set forth in all line categories of the budget or, (ii) if a line category would be exceeded, subject to the Board's review.

C. The Board may make an appropriation to and for a contingent fund to be used in cases of emergency or other unforeseen contingencies.

3.7.9. No Contract to Exceed Appropriation. The Board shall have no authority to enter into any contract, or otherwise bind or obligate the District to any liability for payment of money for any purpose for which provision is not made in an appropriation resolution, including any legally authorized amendment thereto, in excess of the amounts of such appropriation for that fiscal year. Any contract, verbal or written, contrary to the terms hereof shall be void ab initio, and no District funds shall be expended in payment of such contracts, except as provided in the following subsection. All expenditures shall be approved by the Board.

3.7.10. Contingencies.

- A. In cases of an emergency caused by a natural disaster, public enemy, or some contingency which could not reasonably have been foreseen at the time of the adoption of the budget, the Board may authorize the expenditure of funds in excess of the budget by resolution duly adopted by a two thirds vote of the entire membership of the Board. Such resolution shall set forth in full the facts concerning the emergency and shall be included in the minutes of that meeting.
- B. If so enacted, a copy of the resolution authorizing additional expenditures shall be filed with the Division of Local Government in the State Department of Local Affairs and shall be published in compliance with statutory requirements.

3.7.11. Payment of Contingencies.

- A. If there is unexpended or uncommitted money in funds other than those to which the emergency relates, the Board shall transfer such available money to the fund from which the emergency expenditure is to be paid.
- B. To the extent that transferable funds are insufficient to meet the emergency appropriation, the Board may borrow money through
 - (i) the issuance of tax anticipation warrants, to the extent that the mill levy authority of the District is available as provided by law,
 - (ii) the issuance of bond anticipation notes payable from future bond proceeds or operating revenue, or
 - (iii) any other lawful and approved means.

3.7.12. Annual Audit.

- A. The Board shall cause an annual audit to be made at the end of the fiscal year of all financial affairs of District through December 31st of such fiscal year. In all events, the audit report shall be submitted to the Board within six months of the close of such fiscal year. Such audit shall be conducted in accordance with generally accepted auditing standards by a registered or certified public accountant, who has not maintained the books, records and accounts of District during that fiscal year. The auditor shall prepare and certify as to its accuracy an audit report, including a financial statement and balance sheet based on such audit, an unqualified opinion or qualified opinion with explanations, and a full disclosure of violations of State law pursuant to statutory requirements. The audit shall be reviewed by the Budget Committee before submittal to the Board.
- B. A copy of the audit report shall be maintained by the District as a public record for public inspection at all reasonable times.
- C. A copy of the audit report shall be forwarded to the State Auditor or other relevant State official pursuant to statutory requirements.
- D. Notwithstanding the foregoing audit requirements, the Board may file an application for exemption from audit with the State Auditor if the statutory criteria are met.
- E. The Board shall review the Auditor contract at least once every three years.

Section 3.8. Corporate Seal. The seal of District shall be a circle containing the name of the District and shall be used on all documents and in such manner as seals generally are used by public entities. The Official Custodian of Records shall have custody of the seal and shall be responsible for its safe keeping and care.

Section 3.9. Disclosure of Conflict of Interest.

A Director or public employee (as defined by law) shall disclose any potential conflict of interest in accordance with State law, particularly Article 18 of Title 24, C.R.S., and Sections 32-1902(3) and 18-8-308, C.R.S.

Section 3.10. Compensation.

Each Director may receive compensation and reimbursements of expenses as proscribed by the Act. No Director shall receive compensation as an employee of the District, except as may be provided by statute.

Section 3.11. Indemnification of Directors and Employees.

The District shall defend, hold harmless and indemnify any Director, officer, agent, or employee, whether elective or appointive, against any tort or liability, claim or demand, whether groundless or otherwise, arising out of any alleged act or omission occurring during the performance of his or her official duties, as is more fully defined by an indemnification resolution. The provisions of this Section 3.11 shall be subject to and, to the extent of any inconsistency therewith, shall be modified by the Colorado Governmental Immunity Act, Section 24-10-101, et seq., C.R.S.

Section 3.12. Bidding and Contracting Procedures.

- A. Except in cases in which the District will receive aid from a government agency, a notice shall be published for bids on all construction contracts for work or material or both involving an expense of \$60,000 or more. The Board may reject any and all bids, and if it appears that the District can perform the work or secure material for less than the lowest bid, it may proceed to do so in accordance with law.

- B. A notice or invitation to bid shall be prepared and published in accordance with statutory requirements.
- C. The Board retains the right, in its sole discretion, to reject any or all proposals and to select the proposal and contractor who can best perform the work and will serve the best interests of District.
- D. The District may require that bids be accompanied by an acceptable bidder's bond or a certified check payable to District, pursuant to the District's then-current construction contract requirements.
- E. A payment and performance bond is required for contracts over \$50,000 and is discretionary under that amount. Construction contracts with a performance and payment bond in place shall be handled in accordance with the District's then-current construction contracts and pursuant to Section 24-91-103, C.R.S.

Section 3.13. Records Management.

The District shall comply with, and adopt and maintain policies as necessary for compliance with, applicable records retention, destruction, and disclosure requirements, including the Colorado Open Records Act, State Archives and Public Records law, and various consumer privacy legislation. In the event there is any question as to whether the District is permitted to comply with an Open Records Act request, the Custodian of Records shall forward such request to the District's legal counsel. Copies of records shall be furnished at a cost allowed by statute and in accordance with District policies.

Section 3.14 Code of Conduct for Directors.

3.14.1 Board Director Conduct. (edits made in 2018)

- A. Board Directors will follow the Special District Association guidelines as set out in the SDA Board Member Manual.

3.14.2 Enterprise Director

- A. Enterprise Directors will not be unprofessional with other Enterprise Directors, Board Directors, District staff or residents.
- B. Enterprise Directors will not speak unkindly about any Board Directors to staff or to residents.
- C. Enterprise Directors will use their supervising team of two Board Directors as a forum for discussing ways to resolve any management issues within the enterprise.
- D. Enterprise Directors will maintain professional boundaries with their employees, other Enterprise Directors, Board Directors and residents.
- E. Enterprise Directors should not disclose information with subordinate staff related to Board Directors, personnel decisions, management issues, executive session discussions and opinions of Board Directors. Enterprise Directors will use their supervising team of two Board Directors as a forum for these types of discussions.
- F. Exert leadership to the staff within their enterprise or department.
- G. Enterprise Directors have discretion to make budgeted expenditures within their respective authorized enterprise or department budgets without interference by Board Directors, but will seek Board approval for expenditures that exceed limits as set by District policies.
- H. Enterprise Directors will follow the policies and procedures adopted by the District Board of Directors.
- I. Enterprise Directors shall maintain open communication with individual Board Directors and with the Board as a whole.
- J. Enterprise Directors will keep the best interests of the District and their respective enterprises or departments in mind when making decisions.

Section 3.15. Amendment of Bylaws.

These Bylaws may be amended at any time by motion approved by a majority of the Board, and these Bylaws shall be duly revised to so reflect any such amendment.

SECTION 4: Water Service

Section 4.1. General Provisions.

The use of water supplied by the District is authorized by issuance of a License, subject to all terms and limitations set forth in these Rules and Regulations or any License or agreement issued or made in connection therewith. The District reserves full power and authority to determine all matters concerning the use of its water. Water shall be used only for beneficial purposes. All water supplied by the District together with the underlying water rights therefore shall be and remain the sole property of the District. At no time shall any permission granted by the District or anything contained in these Rules and Regulations operate to create any vested or proprietary right in and to such water in any Person other than the District. By way of explanation and not limitation, the phrase "commitment to

serve” in the Rules and Regulations shall provide the Applicant or Customer only with permission to receive water in accordance with and subject to the terms and provisions of these Rules and Regulations.

4.1.1. Application for Water Service. No Person may obtain or use water directly or indirectly from the Public Water System without first making written application to the District for a License for water service. An application for water service shall be made at the District business office. A separate application shall be made for each class of service within any Separate Building and for any Parcel of Land. The application shall be submitted for regular water Tap in accordance with the following provisions:

- A. **Regular Water Tap.** The water system development fee and tap fee, either residential or non-residential, shall be established as of the date of application in accordance with the Schedule of System Development Fees set forth in Appendix.
- B. The District shall commit to serve the Parcel of Land described in the application at the fee in effect as of the date of application for a period of one year from the date of application. Water service to such property shall be activated within one year from the date of application; provided that, if applications for water service and a water Main extension are submitted simultaneously, then the period for making the water service connection shall be one year from the date of actual availability of water through the Main.
- C. **Failure to Connect.** If water service is not connected within the specified period, or if for any reason the Applicant does not proceed with a Main extension within the specified time, or if the Applicant does not activate water service within one year from the date of application, then the water system development and tap fee shall be subject to forfeiture by the Applicant. In such event, the District's commitment to serve shall terminate automatically without any further obligation or liability to any Person or to the Licensed Premises.
- D. **Extension of Time to Connect.** Applicant may make a written request for a one-year extension of time to connect, which shall be granted or denied at the Board's discretion.

4.1.2. Licenses. No person shall connect to or disconnect from, or repair or otherwise work on any water Facility or part of the Public Water System without first obtaining a License from the District in accordance with these Rules and Regulations. The Applicant for a License shall pay the fee specified in Appendix C.

4.1.3. Temporary or Construction Service.

- A. The District may furnish temporary water service to a Customer or Applicant for construction or other purposes in accordance with all terms of a temporary use permit and the rate schedule set forth in Appendix C. The District must authorize all connections to fire hydrants for temporary use purposes, including the specific hydrant to be used. Failure to comply with District requirements will result in the forfeiture of the permit and/or penalties for unauthorized use.
- B. The Water Enterprise Director is authorized to issue a License to an Applicant for temporary use of a fire hydrant. Any application for a License shall be made by the Applicant on a form prescribed by the District and must be for use of a fire hydrant specified and approved by the District. Any License will be issued subject to the use of a new or recently calibrated (within the preceding two years) fire hydrant meter and payment of all rates, fees and charges established by the District for such use. Applicants intending to use a recently calibrated fire hydrant meter must provide the District with a copy of the calibration at the time of submittal of the License application. A Licensee shall only use a District-inspected and approved haul truck with an adequately sized air gap between the fill pipe and the tank for fill purposes. Any License may be revoked by the District for failure to comply with any terms and conditions set forth in such License or as is provided in these Rules and Regulations.

4.1.4. Ownership of Water Service Line and Measurement of Service. The Customer, at its expense, shall install, own, and maintain the Water Service Line, metering and other equipment necessary for measuring the water supplied as specified by the District. Each class of water service supplied will be metered and billed separately. All service to a Customer under each applicable rate will be measured by a separate meter installation, and meter readings of one meter installation shall not be combined with meter readings of another meter installation for billing purposes. Adjoining Parcels of Land may, with the prior written consent of the District, be combined on a single meter installation, at the Customer's expense, and served as a single Customer account if such Parcels of Land (i) are under One Ownership and (ii) are occupied and used for Nonresidential purposes by a single business. Unless otherwise authorized by the District, each Dwelling Unit in a Multi-Unit Dwelling or commercial shopping complex shall be metered and billed separately. Service to the same Person at different Licensed Premises will be considered as service to separate Customers. The Customer shall consult the District regarding necessity of changing location or size of water service before building any addition or Improvement.

4.1.5. Discontinuance of Service at Customer's Request. A Customer wishing to discontinue service shall give at least three business days' notice to the District, unless otherwise specified in the applicable rate or contract, in order to allow time for final meter reading and disconnection of service. If such notice is not received by the District, the Customer will be liable for service until the final reading of the meter. Notice to discontinue service will not relieve a Customer from any minimum rate, or any contract, or any

other applicable charge established herein. A disconnect charge and reconnect charge as set forth in Appendix C shall be assessed to the Customer for any requested disconnection and/or reconnection of water service.

4.1.6. Discontinuation of Service by District.

- A. Any Customer who has been scheduled for discontinuance of water service may request a hearing before the Water Enterprise Director pursuant to Section 12 below.
- B. When service has been discontinued, the District shall have a reasonable time after the Customer has corrected the cause for discontinuance and made payment to the District of all charges due, including the disconnection and reconnection fee specified in Appendix C, within which to reconnect service. If water service is discontinued at some place other than the water meter, the District may charge the Customer for the cost of any additional expenses incurred by the District for the disconnection and reconnection of water service.
- C. When service has been discontinued, the District shall have a reasonable time after the Customer has corrected the cause for discontinuance and made payment to the District of all charges due, including the disconnection and reconnection fee specified in Appendix C, within which to reconnect service. If water service is discontinued at some place other than the water meter, the District may charge the Customer for the cost of any additional expenses incurred by the District for the disconnection and reconnection of water service.
- D. The District may discontinue water service to any Customer without notice as follows:
 1. If the condition or installation of any part of the Customer's Water and/or Wastewater Service Line, water and/or sewer plumbing, any appliance or other circumstance or condition affecting the Public Water or Wastewater System is found to be dangerous to the life, health, or safety of any Person or not in compliance with these Rules and Regulations; or
 2. If the Customer or any Person connected with the Customer or any Person with the Customer's knowledge or consent has violated any provision under these Rules and Regulations, including without limitation during any period that (i) water restrictions are in effect and (ii) the Customer has received a prior notice of any violation of the Water Conservation Plan, or other lawful order of a properly constituted authority having jurisdiction over water service. In such event, the District shall not be held responsible for such actions; or
 3. If any water consuming devices are connected on the Water Service Line side of the water meter, or if connections or devices of any kind are found installed on the premises of Customer which prevent the meter from registering the actual amount of water used, or if the water meter has been tampered with in any manner that prevents the water meter from registering the actual amount of water used.

4.1.7. Diversion of Water.

- A. The existence of water consuming devices installed ahead (upstream) of the water meter, or any tampering or interfering with pipes, devices, or equipment connected to the Public Water System, or any damage to, alteration, or obstruction of any water meter (including the breaking of meter seals) which will permit or make possible the use of water without its proper registration on the meter serving the Licensed Premises, shall constitute *prima facie* evidence of diversion of water by the Customer, or by the Person benefiting from the use of such diverted water. In the event that a District audit of the meter registers more water over a corresponding interval of time than does the meter installed at the Customer's premises after such meter has been tested and found not to be registering within reasonable limits of accuracy, such fact shall also constitute *prima facie* evidence of diversion of water.
- B. In such instances, the District shall compute the estimated amount of diverted water, and have the right to inspect the Licensed Premises and make an actual count of all water-consuming devices to aid in such computation. Where the District is unable to make such inspection, the computation may be based on any other available information or estimated in any manner deemed appropriate by the District. Such computation will be made for the period beginning with the estimated date on which the Customer began using water at the location where the diversion occurred, unless evidence proves the diversion commenced at a later date, and ending with the estimated date on which such diversion ceased. All bills for water diverted shall be based upon the applicable rate in effect during the period that the diversion was discovered, plus the cost of investigating and confirming such diversion and disconnecting service, and shall be due and payable upon presentation. If service has been discontinued for any illegal diversion of water, the District will not furnish water or wastewater service to the Customer, or to any other Person for such Customer's use at the same or any other location until: costs; and
 1. Customer has paid to the District the installation cost of, or has installed at Customer's expense such metering and service equipment as is necessary to prevent further illegal diversions of water.
 2. No provision of the Rules and Regulations pertaining to diversion of water is intended to affect or modify any action or prosecution under criminal statutes.

4.1.8. Shortage of Water Supply. If the District determines at any time that its water supply or the capacity of the Public Water System to deliver water is insufficient to meet anticipated demand, the Board may implement emergency water use restrictions in

accordance with the Water Conservation Plan or any other resolution of the Board. Any such restrictions will be uniformly applied to all similarly situated Customers within the District or any Contracting District in accordance with the Water Conservation Plan or any other resolution of the Board. No provision of these Rules and Regulations shall be construed to prevent the District from treating different categories of Customers in different fashion or to prioritize water use based upon the public health, safety and welfare. Any such emergency water use restrictions adopted by the Board shall remain in effect until the District determines that the condition requiring their imposition no longer exists. The District may adopt such policies and restrictions as are reasonably calculated to conserve and protect the District's water supply and promote a reliable flow of water through the Facilities.

4.1.9. Access for District. The Customer will provide authorized employees or agents of the District access to the Licensed Premises at all reasonable times for any purpose incidental to the furnishing of water or wastewater services.

4.1.10. Resale of Water. The resale of water furnished through the Public Water System is prohibited, unless otherwise authorized in writing by the District. Neither the District's issuance of a water Tap permit or License or the use of water by the Customer shall constitute or be deemed a relinquishment of title to or dominion or control of any water or water right by the District. Water service supplied by the District is for the exclusive use of the Customer in accordance with the terms and provisions of the applicable application, Tap permit or License and these Rules and Regulations. The District reserves the right to refuse to furnish water service to any Customer if water service is intended for the purpose of resale to others. In the event of any violation of this Section, the District shall have the right, at its option, either to discontinue service to the Customer or to furnish water service directly to the other Person, pursuant to the inclusion and connection procedures in the Rules and Regulations.

4.1.11. Customer's Installation.

- A. The Customer, before purchasing equipment or beginning construction of a proposed Water Service Line installation, shall confer with the District to determine if the type of service, capacity, and pressure desired by the Customer is available, to determine if extensions of or additions to the Public Water System will be required, and to secure definite location of the Tap. Before any additions to or alterations of existing water service installations are made by the Customer, which will materially affect the amount of service required or which may require a change in the type of service or the location of the Tap, the District shall be notified reasonably in advance thereof as to the proposed additions or alterations in order that the District may first determine if the service desired is available and if any extension or change in the Facilities is necessary.
- B. Each Customer shall install a pressure-reducing valve on the Water Service Line, unless exempted by the ~~Manager~~ ^{Manage} Water Enterprise Director. All water piping, meter, pressure reducing valve, and other equipment constituting the Customer's service connection shall be installed, owned and maintained by the Customer in accordance with specifications of the District and in conformity with standard practices and with the requirements of any ordinances or codes. The procedure for completing the Customer service installation is set forth in Appendix B. The District shall not own or have any responsibility to operate, repair or replace any water piping, meter, and pressure reducing valve or other equipment constituting the Customer's service connection.
- C. No equipment or apparatus shall be connected to the Public Water System which would adversely affect the operation of, or which may cause such an abnormal pressure variation in the system as to impair or endanger the water service supplied to other Customers, or to adversely affect the operation of metering equipment. The District require the Customer to install and maintain suitable back-flow prevention devices in the Customer's piping to prevent at all times the back-flow of water or other matter into the Public Water System. The cost of supplying and installing such back-flow prevention equipment shall be borne by the Customer. For the mutual protection of the Customer and the District, only authorized employees or agents of the District are permitted to make connections to or perform work on the water Main. Meters, equipment or Facilities of the District shall be removed or relocated only by employees or agents of the District. The Customer may be required to reimburse the District for any cost related to any change in meters or other apparatus.

4.1.12. Protection of Sub-Surface Facilities. The Customer shall consult with the District regarding the necessity of changing the location and size of water service connection before building any addition or structure. The Customer shall notify the District before permitting the operation of any power, excavating, or ditching equipment in the proximity of the Facilities and shall comply with all excavation and notification requirements as specified by State or federal law or other governmental regulations.

4.1.13. Liability.

- A. All Water Mains, apparatus, instruments, and Facilities which are part of the Public Water System, whether supplied by the District or installed by the Customer under the District's standard policies, will be and remain the property of the District. Such Facilities shall not be worked upon or interfered with by any Customer or other unauthorized Person. The Customer shall be responsible for any damage to or loss of the Facilities located on the Licensed Premises caused by or arising out of the acts, omissions or negligence of the Customer or others, or the misuse or unauthorized use of the Facilities by the Customer or others. The cost of repairing or replacing such Facilities shall be paid by the Customer and may be imposed as special charges by the District.

- B. The Customer shall be responsible for any injury to District employees or agents caused by the Customer's acts, omissions or negligence. The Customer shall be responsible for any injury to Persons or damage to property occasioned or caused by the acts, omissions or negligence of the Customer or any agent or employee in installing, maintaining, operating, or using any of the Customer's piping, equipment, machinery or apparatus, and for injury and damage caused by defects in the same. The District shall not be liable for injury to Persons, damages to property, monetary loss, or loss of business caused by accidents, acts of God, fires, floods, strikes, wars, authority or orders of government, shortage of supply due to drought conditions, or any other causes and contingencies beyond its control.

4.1.14. Unauthorized Connections.

- A. If any connection is made to the Public Water System without (i) first obtaining a License, (ii) using a Licensed Contractor to install the connection, and (iii) arranging for an inspection thereof by the District, or if any Person violates these Rules and Regulations governing the installation, connection and repair of Water Service Lines, then such connection may be summarily disconnected by the District at the expense of the Person making such unauthorized connection or the owner of the subject property. If the Tap was made to the Public Water System in violation of these Rules and Regulations, the Water Service Line and connection to the water Main shall be uncovered, inspected and if necessary, repaired to District standards as specified by the Water Enterprise Director.

For any violation of this Section, the District shall assess a reconnection fee of \$1,000, except that the Board may waive such fee if the property owner is not directly or indirectly responsible for such unauthorized connection, and may impose such inspection fees, tapping charges, water system development fees, water service charges, improper use charges and other fees and charges under these Rules and Regulations at the Board's discretion.

- B. The water system development fee in effect at the time of such unauthorized connection, if not already paid to the District, shall be assessed against the subject property, unless the property owner is directly or indirectly responsible for such unauthorized connection. If such owner is responsible, the water system development fee in effect at the time of such unauthorized connection or the current water system development fee, whichever is greater, shall be paid to the District. Water service charges shall be retroactively assessed against the subject property, if not already paid to the District, at the rates in effect during the period in which the Public Water System was being used without District authorization. Unless sufficient evidence is presented to the Board confirming the date of such unauthorized connection, the date of completion of the Water Main serving the subject property or the date upon which the certificate of occupancy for improvements located upon the subject property was issued, whichever is later, shall be deemed to be the date of such unauthorized connection. All remedial work ordered by the Water Enterprise Director shall be performed, and all fees and charges assessed hereunder shall be paid, prior to the issuance of a connection permit and any further use of the Public Water System. All costs of disconnection and all fees and charges assessed by the District, until paid, shall constitute a perpetual lien against such property. In the event that a Licensed Contractor is responsible for an unauthorized connection, such contractor's license may, in the Board's discretion, be suspended or revoked pursuant to the provisions of Section 5.2.5.

Section 4.2. Cross-Connection and Back-Flow Control.

4.2.1. Statement of Policy.

- A. It is the District's responsibility to provide safe drinking water to its Customers, which must meet or exceed standards established by the Primary Drinking Water Regulations promulgated by the CDPHE. The District's responsibility for water quality ends at the shutoff valve located on Water Service Line. Any use of water beyond the downstream end of the water meter that impacts the water quality is the responsibility of the Customer. Uses of water that may impact water quality include without limitation: irrigation systems, fire suppression systems, private fire hydrant, water softeners, water purifiers, automatic ice makers, hot tubs and spas, automatic dishwashers, soda pop dispensing equipment, or any use of water for the purpose of production of goods.
- B. It is the responsibility of the Customer to protect the Public Water System from potential contamination. The District shall administer and enforce a cross-connection and back-flow control program.

4.2.2. Definitions. The District shall use the most current edition of the Colorado Cross-Connection Control Manual as the guidance document for implementation of the cross-connection control program. Definitions of technical terms relative to cross-connection control devices and their installation can be found in that manual. For purposes of this Section 4.2 only, the following definitions specific to the cross-connection control program shall apply:

- A. "Air Gap" means the unobstructed vertical distance through the free atmosphere between the lowest opening from any pipe or faucet supplying water to a tank, plumbing fixture, or other device and the flood-level rim of such vessel. An approved Air Gap shall be

at least double the diameter of the supply pipe, measured vertically, above the top of the rim of the vessel, and in no case less than one inch. When an Air Gap is used at the service connection to prevent the contamination or pollution of the Public Water System, an emergency bypass shall be installed around the Air Gap, and an approved reduced pressure principle device shall be installed in the bypass system.

- B. “Approved” means accepted by the District as meeting any applicable specification stated or cited in this Section or as otherwise applied in this Section.
- C. “Approved Backflow Prevention Assembly” means an assembly listed in the latest University of Southern California Foundation for Cross-Connection Control and Hydraulic Research “list of Approved Backflow Prevention Assemblies” or any assembly listed and approved by ASSE or the American Society of Sanitary Engineering.
- D. “Auxiliary Water Supply” is any water supply on or available to the Licensed Premises other than the District’s water supply. These waters may be polluted or contaminated and may not be connected to the Public Water System without District authorization and a special permit.
- E. “Backflow” means the undesirable reversal of the direction of flow of water or mixtures of water into the Facilities caused by backpressure or backsiphonage.
- F. “Certified Cross-Connection Control Technician” means a person who holds a current Colorado Cross-Connection Control Technician Certificate issued by the Water Distribution and Wastewater Collection System Council.
- G. “Contamination” means a reduction in the quality of potable water that creates an actual hazard to the public health through poisoning or through the spread of disease.
- H. “Cross-connection” is any physical arrangement where the potable water supply is connected, directly or indirectly, with any other water supply, sewer, tank, plumbing fixture or other assembly, which may contain any other water, liquid or gas mixtures that would contaminate the Public Water System as a result of backflow. Bypass arrangements, jumper connections, removable spools, swivel or changeover assemblies, four-way valve connection, or other connections that could allow backflow are considered to be Cross-connections.
- I. “Hazard, Degree of” The term is derived from an evaluation of the potential risk to the public health and the adverse effect of the hazard to the Public Water System.
 - 1. “Health Hazard” any condition, assembly, or practice in the Public Water System or its operation which could create a danger to the health and wellbeing of the Customer or any other Person, such as an unprotected connection to the Public Water System.
 - 2. “Plumbing Hazard” any connection to the Public Water System that is not protected by an approved backflow method. Unprotected Cross-connections are considered to be a plumbing hazard.
 - 3. “Pollution Hazard” an actual or potential threat to the Public Water System, which would constitute a nuisance or be aesthetically objectionable or could cause damage to the Facilities, but would not be a threat to life or be dangerous to health.
 - 4. “System Hazard” an actual or potential threat of severe damage to the Facilities of the Public Water System or the Customer’s plumbing system or of any pollution or contamination that would have a protracted effect on the quality of potable water in the Public Water System caused by a Cross-connection.
- J. “Non-Potable Water” means water that is not safe for human consumption or does not meet the regulations set forth in the State Primary Drinking Water Regulations.
- K. “Potable Water” means water free from impurities in amounts sufficient to cause disease or harmful physiological effects. The bacteriological, chemical, and radiological quality shall conform to State Primary Drinking Water Regulations.
- L. “Water Distribution and Wastewater Collection Systems Certification Council” is the group designated by the CDPHE to administer and maintain the Cross-Connection Control Technician certification program.
- M. “Water-Service Connection” means the connection to the Public Water System at which point of delivery the District loses jurisdiction and sanitary control over the water supply to the Customer. This connection is the downstream end of the water meter. There shall not be any connection to the Public Water System before the Customer’s Backflow assembly, including without limitation irrigation and fire systems. Temporary and emergency water supplies, including those from fire hydrants, must have a Backflow method supplied by the Customer and available for inspection by the District at any time.

4.2.3. Cross-Connection and Back-Flow Requirements. The District shall evaluate each Customer’s circumstances and make a determination of Degree of Hazard and required Cross-connection protection. An approved Backflow method shall be installed before the first branch line leading off the Water Service Line wherever the following conditions exist:

- A. Auxiliary Water Supply. In the case of any Licensed Premises having an Auxiliary Water Supply, which may or may not be safe, the Public Water System shall be protected by an approved Backflow prevention method.
- B. Industrial or Hazardous Materials. In the case of any Licensed Premises having a physical arrangement where the potable water supply is connected directly or indirectly with any other water supply, sewer, tank, plumbing fixture, or other assembly which may

contain any other water, liquid, or gas mixtures that would contaminate the potable water system as a result of backflow, the Public Water System shall be protected by an approved Backflow prevention method.

- C. Internal Cross-Connections. In the case of any Licensed Premises having internal Cross-connections that are not readily available for inspection, the Public Water System shall be protected by an approved Backflow prevention method.
- D. In any situation where the District determines that the Customer's plumbing system has the potential to overcome the pressure of the Public Water System, the Public Water System shall be protected by an approved Backflow prevention method.

4.2.4. Installation and Certification. All Approved Backflow prevention methods installed within the District shall meet the following requirements:

- A. Installation. All Backflow devices installed within the District shall comply with these requirements. Installation shall be performed in accordance with these Rules and Regulations.
 - 1. All Air Gaps shall be at least double the diameter of the supply pipe measured vertically above the top of the overflow rim of the vessel and in no case less than one.
 - 2. Backflow devices shall comply with at least these requirements:
 - i. Be installed in an area with a ceiling at least 6" high;
 - ii. 24" to 48" above the floor;
 - iii. 6" clearance from side walls;
 - iv. 12" clearance from back wall; and
 - v. Have a 24" clear space in front of the Backflow device.
 - 3. The District shall furnish a memorandum of basic requirements for any Customer or installer to use for planning the installation of any Backflow method.
- B. Testing.
 - 1. Any Person testing Backflow devices in the District shall be a Certified Cross-Connection Control Technician.
 - 2. All new Air Gaps or Backflow devices installed in the District shall be inspected and tested in the presence of a District representative. The results shall be sent to the District within 10 days.
 - 3. All existing Air Gaps or Backflow devices on residential Backflow devices shall be tested at least yearly, and the results shall be sent to the District within 10 days.
 - 4. All test results shall be kept by the District, the owner of any Licensed Premises, and the Certified Cross-Connection Control Technician for a period of three years and must be available for inspection by the CDPHE upon request.

4.2.5. Existing Cross-Connections. On or before 30 days following written notice from the District, existing cross-connections shall be eliminated or protected by means of an Approved Backflow method.

4.2.6. Specific System Requirements. All Potable Water systems that require a Backflow device shall meet all of the specific requirements set forth in the Colorado Cross-Connection Control Manual in effect at the time of installation.

4.2.7. Back Flow Prevention and Cross-Connection Violations and Penalties. The District will notify the owner or authorized agent of the owner of any Licensed Premises in which there is discovered a violation of any Backflow or Cross-connection regulation. The District will set a specific time for such owner to have such violation eliminated or corrected, and if the Water Enterprise Director determines that an imminent Health Hazard exists, the District may immediately terminate water service to the Licensed Premises until the violation is eliminated or corrected to the satisfaction of the District. In those instances where water service is not terminated, the owner shall eliminate or correct the violation within the time specified. If the owner fails to do so, the District may terminate water service at the expiration of the compliance period. Additional fees or penalties may also be invoked following termination of service.

Section 4.3. Categories of Water Service.

4.3.1. General. Water Service and Non-residential Water Service, as more particularly defined in Section 7, are available from the District. Nothing herein shall limit the District's ability to expand, reduce or in any way modify any category of water service or the nature and extent of water service available from the District.

4.3.2. Separate Service Connection Required for Residential Water Service. For rate purposes, a Dwelling Unit that has no more than two common walls with other Dwelling Units in a Multi-Unit Dwelling (e.g., duplex and townhouse) will be classified as residential. A Dwelling Unit which has more than two common walls with other Dwelling Units in a Multi-Unit Dwelling, each of which is, or is intended to be, owned separately resulting in Multiple Ownerships of all Dwelling Units (e.g., condominiums), will be classified as residential. Dwelling Units which have more than two common walls with other Dwelling Units in a Multi-Unit Dwelling that are or are intended to be under One Ownership (e.g., apartments, congregate living facilities, and hotels) will be classified as Non-residential until such time as there is separate ownership of any Dwelling Unit. In such event, all Dwelling Units

within such Multi-Unit Dwelling will be reclassified as residential, and rates, fees, and charges for water service will be reassessed against the current owners in accordance with the rates then in effect for residential service.

Each Single Family Dwelling or Dwelling Unit shall be considered as a separate water service account. Except as otherwise provided herein, Residential Multi-Unit Dwellings shall have a separate service connection for each Dwelling Unit. When a Parcel of Land has more than one Dwelling Unit thereon under conditions of a unified development and under One Ownership, application may be made for a single service connection to such Parcel of Land. The District will determine whether a single service connection will be permitted and upon what conditions and may then enter into an agreement with the owner of the Licensed Premises setting forth such conditions. Such agreement shall run with the land and shall be recorded in the records of the El Paso County Clerk and Recorder.

4.3.3. Separate Service Connection Required for Non-residential Water Service. Except as otherwise provided herein, each separate Non-residential Improvement requiring water service shall require a separate service connection. When a Parcel of Land has more than one Non-residential Improvement thereon under conditions of a unified development and under One Ownership, application may be made to the Board for a single service connection to such Parcel of Land. The District will determine whether a single service connection will be permitted and upon what conditions and may then enter into an agreement with the owner of the Licensed Premises setting forth such conditions. Such agreement shall run with the land and shall be recorded in the records of the El Paso County Clerk and Recorder.

Section 4.4. Private Fire Protection Service.

4.4.1. General. Private fire protection service will be furnished to any Customer if the water Facilities are of adequate capacity. Where such service is furnished, the Customer shall install, own, operate, maintain and replace, at its expense, all hydrants, sprinkler systems, standpipes and other equipment, including shut-off valves, necessary to the proper operation of the Customer's installation. All piping and any use of water shall be for fire protection purposes only, and no interconnection with other sources of water, domestic or otherwise, shall be permitted. Private fire protection systems shall comply with all provisions of Section 4.2.

4.4.2. Application for Private Fire Protection Service. The Customer shall submit for review by the Water Enterprise Director an application for, along with all plans and designs associated with, any private fire protection service. The approval of such design shall not be construed in any respect as warranting the adequacy of design of such private system for fire protection purposes by the District, or that the District in any way assumes any liability for the adequacy or the operation, maintenance or repair of such private system. The District may deny application for any private fire protection service if the Customer's plans, design or final installation of the private system do not meet the District's requirements or standards, including without limitation Section 4.2.

Section 4.5. Water Service Standards.

4.5.1. Water System Operation and Maintenance. The District will construct, operate, maintain and repair the Public Water System.

- A. The District will reasonably attempt to furnish and deliver a continuous and sufficient supply of potable water. The District does not, however, warrant, nor shall the District be liable for any interruption, shortage, or insufficiency in the supply of water, or for any injury, loss or damage occasioned thereby, if such loss or injury is due to causes or contingencies beyond the control of the District, including without limitation any accident, breakdown of equipment, act of God, fire, flood, strike, war, authority or order of government, or shortage of supply.
- B. The District may at any time, without notice, increase or reduce water pressure or shut off water in water Mains temporarily suspending water service for the purpose of making repairs or extensions or for any other operational purpose. No Contracting District or Customer or any other Person shall be entitled to damages, losses or a refund from or credit with the District on account of any interpretation, interference or termination of water service.
- C. Interruptions of or interference with water service will not relieve the Customer from payment of any charges for service actually supplied, nor will accidents to the Customer's equipment or machinery, or failure of the Customer's installation due to no fault of the District, relieve the Customer of the payment of minimum charges applicable under the Rules and Regulations or any License or agreement.

4.5.2. Meter Accuracy. The District will exercise reasonable means to determine the general accuracy of all water meters in use as nearly correct as is commercially feasible. The District will provide such laboratory, meter testing, and shop testing equipment and apparatus as may be necessary. Whenever tests are made of a new or repaired meter and such meter is found to register more than 103 %, or less than 97 % of the water passed (when tested in the following manner), the meter will be replaced or adjusted so as to register as near to 100% as possible. All meters will be tested at three rates of flow, and meters larger than one inch shall be tested at three or more rates in accordance with industry standards. The average of these tests will determine the percentage error.

4.5.3. Other Meter Tests. The District at any time may test any water meter. Upon request of a Customer, the District will test the accuracy of the water meter installed at the Customer's premises; provided that the Customer will agree to accept the results of such test as a basis for the adjustment of the difference claimed. The fee set forth in Appendix C shall be charged for each such meter test requested by a Customer; provided that no fee shall be charged if the meter tested is determined to be inaccurate. Any meter tested will be considered accurate if the average accuracy of the meter is within 3% plus or minus in accordance with the provisions of Section 4.5.2. If any water meter tested is found to have an average error of more than 3% fast, the District will adjust the water measured by the meter for the period of one-half the elapsed time since the last previous test by such percentage as the meter was found to be in error and will re-bill the adjusted amounts; provided such adjustment period shall not exceed six months. The District will credit to the Customer the difference between the original bills for such period and the adjusted bills. If any meter so tested is found to be more than 3% slow, the District may collect from the Customer the difference between the original bills and corrected bills based upon an adjustment in water used calculated in the same manner for one-half the time elapsed since the last test but not to exceed six months. If any meter is found not to register for any period, the District may collect for the water used but not registered on the meter by averaging the amounts used under similar operating conditions during usage periods immediately preceding or subsequent thereto or over a corresponding usage period in the previous year. The period of time for which collection for non-registered water service may be made shall be limited only by the date on which the meter can reasonably be determined to have become defective.

Section 4.6. Water-Only Service.

4.6.1. Definition. A water-only service means the furnishing of water within the District or a Contracting District for the exclusive use of a residential or Non-residential Service Customer where the Licensed Premises is not connected to the Public Wastewater System or the wastewater system of a Contracting District.

Section 4.7. Irrigation-Only Service.

4.7.1. Definition. Irrigation-only service shall be limited to the furnishing of water within the District or any Contracting District for the purpose of outdoor irrigation only on the Licensed Premises during seasonal periods specified by the District with no right of domestic water consumption.

4.7.2. Restrictions on Usage. Irrigation-only service shall (i) be restricted to outdoor irrigation usage only during seasonal periods specified from time to time by the District; (ii) have a separate service connection and meter to the Licensed Premises served by such water Tap; (iii) not be interconnected with any other water service connection or any source of supply other than the Public Water System; (iv) be subject to such interruptions, limitations or restrictions on usage at any time and from time to time as the District determines necessary in its discretion; and (v) be subject to any other limitations on water usage as may be established from time to time by the District.

Section 4.8. Transfer of Water License.

In those instances when water service can no longer be utilized upon the Licensed Premises because of a permanent change in the legal use thereof terminating any demand for water service in the future, the License may be transferred to another property owned by the owner of the Licensed Premises within the District or a Contracting District, subject to such terms and conditions as may be imposed by the District, including payment of a transfer fee as set forth in Appendix C.

Section 4.9. Waiver for Exempt Well.

The Public Water System is available to furnish Residential and Non-residential Service within the District, unless otherwise provided in these Rules and Regulations or so determined by the Board. The District will not provide a waiver to the State Engineer to authorize the issuance of an exempt well permit for in-house and related domestic uses within the District.

SECTION 5: Wastewater Regulations

Section 5.1. General Provisions.

5.1.1. Use of Public Wastewater System. No individual wastewater disposal system shall be installed within the District, unless such system is authorized in writing by the District or by State law.

5.1.2. Requisites. Before any connection is made to the Public Wastewater System, a License shall be obtained from the District, and all fees, costs and charges therefore shall be paid by the Applicant. An application for such License shall be made to the District on the form(s) furnished for such purpose, including a description of the work to be done, the legal description, address and name of

the owner of the Parcel of Land to be served, and the name of the Licensed Contractor performing the work. No connection shall be made to the Public Wastewater System other than at the location specified by the District.

5.1.3. Independent Connections.

- A. Each Separate Building upon a Parcel of Land shall have an independent connection to the Public Wastewater System and shall not be interconnected with any other wastewater disposal system, unless authorized in writing by the District or otherwise permitted under these Rules and Regulations.
- B. Where a Parcel of Land has more than one Separate Building thereon, each Separate Building shall be independently connected to the Public Wastewater System; except that where a Single Family Dwelling or accessory building is located to the rear of another Single Family Dwelling upon an Interior Lot and when both such residential buildings are and remain under One Ownership, a Wastewater Service Line from the front Single Family Dwelling may, at the District's discretion, be extended to the rear Single Family Dwelling or accessory building. If legal ownership of the Parcel of Land should subsequently become divided, the District may require the owner of the rear building to make an independent connection to the Public Wastewater System. The District may also require connection if there is any change of use.
- C. Where a Parcel of Land has more than one Separate Building thereon under conditions of a unified development and under One Ownership, application may be made to the District for a single Wastewater Service Line. The District will determine initially whether a single Wastewater Service Line will be permitted and the conditions for such connection, and may then enter into an agreement with the owner setting forth such conditions. Such an agreement shall run with the land and shall be recorded in the records of the El Paso County Clerk and Recorder.
- D. In the case of a Multiple-Unit Dwelling, whether under one ownership or otherwise, the District will review each application for connection, other than an independent connection of each separate Dwelling Unit within the Multiple-Unit Dwelling, to the Public Wastewater System upon an individual basis and will impose such limitations or conditions regarding connection as it considers necessary and in the best interest of the District.
- E. The District reserves the right to require the owner of a new or existing property to install multiple Wastewater Service Lines for separation of flows if Nonresidential pretreatment is required.
- F. Non-District Wastewater Connections. The District may contract with other governmental or non-governmental entities for the operation of wastewater collection systems or to accept wastewater flows from such systems for treatment and discharge from District Facilities. All such extra-territorial service connections shall be governed by the forms of contractual agreements approved in the sole discretion of the Board.

5.1.4. Disconnection. No Wastewater Service Line connected to the Public Wastewater System shall be disconnected without the prior approval of the District. The District's approval for disconnection shall not be construed, nor in any manner entitle, the Customer to any refund or rebate for any fee, charge or other such assessment previously collected by the District. All disconnections must be made at that point where the Wastewater Service Line physically connects to the Main. The disconnection shall be properly sealed to prevent foreign water or wastes from entering the Public Wastewater System. Approval of such disconnection shall not relieve the Customer from any applicable local, State or federal regulations regarding protection of public health or the environment.

5.1.5. Ownership and Maintenance of Facilities. The ownership of all wastewater lines designated as Mains shall be conveyed to and vested in the District. Any Wastewater Main Line located in public rights-of-way may, in the District's discretion, be used, operated and maintained by the District at any time after written notification to the owner of the Licensed Premises. The District shall be responsible for the operation, maintenance and repair of all wastewater Mains.

5.1.6. Wastewater Lines within Easements. Any wastewater line that crosses a Parcel of Land other than the Licensed Premises actually served and that is designated as a Wastewater Service Line shall be installed in an easement approved by the District and obtained at the expense of the Customer using such line upon forms approved by the District. If classified as a Wastewater Service Line, such line shall be owned and maintained by the owner of the Licensed Premises, subject to future dedication to the District for public purposes in the District's discretion. The District shall operate, maintain and repair all wastewater Mains and easements for such Mains. All decisions regarding the classification or reclassification of a wastewater line as a Main or Wastewater Service Line shall be made by the District.

5.1.7. Preservation of Easements. The District may own, maintain or claim easements for installation and operation of its Wastewater System by virtue of deed, plat dedication, assignment, prescription or other property interest conveyances. The District shall have and maintain adequate access to all of its facilities, including having clear access across any and all easement(s) to operate and maintain the Wastewater System. Any encroachment over and above such easement(s) which impairs the District's access or ability to maintain its facilities in any way will not be permitted, including parked vehicles, fences, or inappropriately placed bushes, shrubs or trees which unreasonably interfere with the District's access. Any encroachment on District easements shall be required to be removed at the owner's expense, and if immediate access is required and such an encroachment exists, the District reserves

the right to remove the encroachment and to bill the owner for the cost of such removal. Access to easements must be permitted to District representatives to maintain and operate the Wastewater System and will not be denied by the owner.

- 5.1.8. Wastewater Lines within Easements.** Any wastewater line that crosses a Parcel of Land other than the Licensed Premises actually served and that is designated as a Wastewater Service Line shall be installed in an easement approved by the District and obtained at the expense of the Customer using such line upon forms approved by the District. If classified as a Wastewater Service Line, such line shall be owned and maintained by the owner of the Licensed Premises, subject to future dedication to the District for public purposes in the District's discretion. The District shall operate, maintain and repair all wastewater Mains and easements for such Mains. All decisions regarding the classification or reclassification of a wastewater line as a Main or Wastewater Service Line shall be made by the District.
- 5.1.9. Wastewater Service Line Maintenance.** It shall be the responsibility of the owner of any Licensed Premises connected to the Public Wastewater System to maintain the Wastewater Service Line in good repair at all times and to preserve the proper connection of such line to the Public Wastewater System. The owner of the Licensed Premises shall be responsible for maintenance of the Wastewater Service Line, including the connection to the Main from the point of connection with the Main to the Improvement being served, even though a portion of the Wastewater Service Line may cross another Parcel of Land. The Wastewater Service Line shall be maintained in good condition so that no exfiltration and/or infiltration occurs, and so that there is no accumulation of septic sewage therein. The Wastewater Service Line shall be owned, operated and maintained by the owner of the Licensed Premises. The District shall have no responsibility for any operation, maintenance or repair of the Wastewater Service Line.
- 5.1.10. Inspection of Wastewater Service Line.** The District shall have the right to enter upon any Licensed Premises at any reasonable time to verify compliance with the provisions of these Rules and Regulations and to inspect the condition, use and connection of the Wastewater Service Line. If a danger to public health and safety is identified by such inspection, the District shall notify the owner of the Licensed Premises and request an immediate mitigation of the safety hazard. Refusal to mitigate an identified safety hazard caused by the Wastewater Service Line within a reasonable time shall be sufficient considered grounds for (i) disconnection of the Wastewater Service Line from the Public Wastewater System, (ii) termination of water service, if the Licensed Premises is also connected to the Public Water System, (iii) mitigation of the hazard by the District, or (iv) commencement of appropriate legal action. Any expense incurred by the District in enforcing this Section, together with any other rate, fee, charge or penalty payable hereunder, shall constitute a perpetual lien against the Licensed Premises and may be enforced in accordance with the provisions of the Act.
- 5.1.11. Termination of Water or Wastewater Service.** In the event that the District terminates water or wastewater service to the Licensed Premises for a violation of the Rules and Regulations, the Customer shall not be entitled to restoration of wastewater or water service from the District, or the use of any District easement, Main or Facility, whether pursuant to any contract or otherwise, unless specifically authorized by the District, including compliance with any conditions for restoration of service established by the District.
- 5.1.12. Service Limitations.** Prohibitions and limitations under the Rules and Regulations and under any law or regulation of another governmental agency with jurisdiction shall constitute prohibitions and limitations upon any Customer using the Public Wastewater System, except as may be authorized by the District.
- 5.1.13. Enforcement.** It shall be the duty of the Wastewater Enterprise Director to administer these Rules and Regulations, to investigate all reports of violations, and to enforce compliance with the Rules and Regulations, or if Board action is required, to report such violations promptly to the Board for remedial action.
- 5.1.14. Uniform Plumbing Code.** The District will recognize the most current version of the Uniform Plumbing Code as the minimum standard for plumbing practices within the District and any Contracting District. The UPC contains specifications and details regarding sizing, materials and types of connections. The District reserves the right to impose stricter standards and regulations in any circumstance, if in the interests of the Public Wastewater System.
- 5.1.15. Mandatory Use of Public Wastewater System.** All Improvements within the District shall be connected to the Public Wastewater System. In the event that any Parcel of Land within the District is located within 400 feet of a Main and upon which there is constructed any Improvement which is not connected to the Public Wastewater System, and when necessary for the protection of the public health, the District may order the connection of such Improvements to the Public Wastewater System in accordance with the provisions of the Act. The owner of such Parcel of Land shall be liable for any expense incurred by the District in making such connection, whether contracted for by such owner or the District. If the owner fails to satisfy any such expense, the District may file a lien against the Parcel of Land for the expense incurred in making such connection. The owner of such Parcel of Land shall also pay all fees prescribed under Appendix C for connection to the Public Wastewater System, and if not paid, the District may file a lien against such Parcel of Land for such fees.

Section 5.2. Licenses.

- 5.2.1. License Required.** No Person shall connect to or disconnect from, or repair or otherwise work on any wastewater Facility or Wastewater Service Line without first obtaining a License from the District.
- 5.2.2. Requirements for Issuance of License.** No License to work on the Public Wastewater System shall be issued to any Applicant until the District is satisfied that the Applicant is technically capable and has fully complied with all requirements under these Rules and Regulations and State law. At the time of application, the Applicant shall file with the District (i) a cashier's check, an acceptable letter of credit from a State or national bank, or a corporate surety bond in the minimum amount of \$10,000 or for the value of the work to be performed, whichever is greater, payable to the District and any Contracting District for the faithful performance and observance of all Rules and Regulations; (ii) a certificate of insurance indicating that the Applicant has comprehensive general liability and property damage insurance in an amount of not less than \$1,000,000 per occurrence designating the District and any Contracting District as an additional insured thereunder; and (iii) a certificate of compliance with the Workmen's Compensation Act of Colorado, unless exempted under State law. During the term of the License, all items required under this Section shall remain in effect and on file with the District. The Applicant shall also pay any fees set forth in these Rules and Regulations.
- 5.2.3. Issuance of License.** All Licenses to work on the Public Wastewater System shall be issued by the Wastewater Enterprise Director. If an application is denied by the Wastewater Enterprise Director, the Applicant may appeal such decision to the Board. The Board may prescribe special fees and conditions relating to the issuance, continuation or reissuance of any License.
- 5.2.4. Licensee Not to Allow Others to Use License.** No Licensee shall allow its License to be used directly or indirectly by any other Person to obtain a permit for performance of, or to perform any work having any impact or effect upon the Public Wastewater System.
- 5.2.5. Time Limit of License.** No License shall be valid for more than two years. A Licensee who has faithfully performed all work under the License and has fully complied with the Rules and Regulations may renew its License after payment of the renewal fee and compliance with all other provisions of these Rules and Regulations.
- 5.2.6. Transfer of Wastewater License.** In those instances when wastewater service can no longer be utilized upon the Licensed Premises because of a permanent change in the legal use thereof terminating any demand for wastewater service in the future, the License may be transferred to another property owned by the owner of the Licensed Premises within the District, subject to such terms and conditions as may be imposed by the District, including payment of a transfer fee as set forth in Appendix C.

Section 5.3. Permits.

- 5.3.1. Permit Required.** Before performing any work on the Public Wastewater System, including without limitation installation of a Wastewater Service Line, the Applicant shall (i) obtain a permit from the District, (ii) pay all prescribed fees, and (iii) arrange for proper inspection by the District. The following permits are required for standard connections to the Public Wastewater System:
- A. **Residential.** A Residential Service permit is required for the connection or disconnection of any residential Improvement.
 - B. or disconnection of any Non-residential Improvement.
 - C. **Special Non-residential.** A Special Non-residential Service permit is required for the connection or disconnection of any significant, categorical or other Nonresidential Improvement that may pose a risk to the Public Wastewater System, District Personnel, or public health, as more specifically provided in this Section 5.

Additionally, Non-residential and Special Non-residential Service permits, whether permanent or temporary, shall be subject to sampling and monitoring requirements as detailed in such permit.

- 5.3.2. Application for Permit.** Application for any permit shall be made to the District on the form or forms provided by the District and shall include (i) a description of the work to be performed, (ii) the owner name and legal description and address of the Licensed Premises, (iii) the name of the Licensed Contractor performing the work under the permit, and (iv) such other information as may be required by the District.
- 5.3.3. Payment of Fees.** Before the issuance of any permit under this Section, all fees, costs and charges specified by the District shall first be paid. The District may, in its discretion, increase or decrease such fees and charges as it deems necessary or in the best interests of the District, except that such fees and charges shall be generally uniform for all Customers within the same classification. The Board may establish different rates, fees and charges for properties classified by type or use, recognizing loadings to and/or the quality of wastewater discharged into the Public Wastewater System. Fees for Special Non-Residential Service permits shall be determined in accordance with Appendix C or shall be calculated in accordance with the provisions of this Section 5.3, if applicable.
- 5.3.4. Separate Permits.** Each permit under this Section shall specify the number of connections or disconnections allowed to be made to the Public Wastewater System. Connections to the Public Wastewater System shall be made in accordance with these Rules and

Regulations. A permit shall apply only to the Licensed Premises specified in the application and shall not be transferable to any other Parcel of Land.

- 5.3.5. Revocation or Suspension of Permit.** Any permit shall be subject to revocation or suspension by the District, if the Wastewater Enterprise Director determines that any plumbing installation or use of the Wastewater Service Line is in violation of the permit, these Rules and Regulations, or any other law or regulation applicable to the permitted use.
- 5.3.6. Time Limit of Permit.** Any permit for a connection to the Public Wastewater System shall be valid for a period of one year, unless the connection is actually made within such time period or the time for connection is extended for up to an additional year in writing by the Wastewater Enterprise Director. In the event the Applicant fails to connect the Licensed Premises to the Public Wastewater System within such time period, all fees paid for such permit shall be forfeited, unless the Applicant presents sufficient evidence to the Board showing reasonable cause for the delay in making such connection. No permit that has expired pursuant to this Section shall be reissued until the Applicant has paid any and all additional fees therefore.
- 5.3.7. Unauthorized Connection.** If any connection is made to the Public Wastewater System without (i) first obtaining a License, (ii) using a Licensed Contractor to install the connection, and (iii) arranging for an inspection by the District, or if any Person violates these Rules and Regulations governing the installation, connection and repair of Wastewater Service Lines, then in either event such connection to the Public Wastewater System may be summarily disconnected by the District. Any costs incurred by the District in connection therewith shall be paid by the owner of the Licensed Premises. If the connection was made to the Public Wastewater System in violation of the inspection requirement, the Wastewater Service Line and connection to the Main shall be uncovered, inspected, and if necessary, repaired to District standards as specified by the Wastewater Enterprise Director. For any violation of this Section, the District shall assess a reconnection fee in accordance with Appendix C, except that the District may waive or reduce such fee if the current property owner is not directly or indirectly responsible for such unauthorized connection, and may impose such other rates, fees, charges and penalties as the Board may determine to be appropriate. If any connection was made without payment of the connection fee, then the connection fee in effect at the time of such unauthorized connection or the current connection fee, whichever is greater, shall be assessed against the subject property. If the current property owner is directly or indirectly responsible for such unauthorized connection, the District may impose such rates, fees, charges, and penalties in addition to connection and reconnection fees as the Board may determine to be appropriate. Wastewater service charges shall also be retroactively assessed against the subject property for a period of up to six years at the rates in effect during the most recent six-year period in which the Public Wastewater System was used without authorization. Unless sufficient evidence is presented to the District confirming the date of such unauthorized connection, the date of completion of the Main serving the subject property or the date upon which the certificate of occupancy for Improvements located upon the subject property was issued, whichever is later, shall be deemed to be the date of such unauthorized connection. All remedial work ordered by the Wastewater Enterprise Director shall be performed, and all rates, fees, charges and penalties assessed hereunder shall be paid prior to the issuance of a connection permit and any further use of the Public Wastewater System. All costs of connection or reconnection and all rates, fees, charges and penalties assessed by the District, until paid, shall constitute a perpetual lien against the subject property.
- 5.3.8. Unauthorized Disconnection.** Any disconnection from the Public Wastewater System made without (i) obtaining a License, (ii) using a Licensed Contractor to perform the work, and (iii) arranging for an inspection by the District, or (iv) any other such violation of these Rules and Regulations by any Person, shall be sufficient grounds for the District to uncover, inspect and make a proper disconnection. Any costs incurred by the District in connection therewith shall be paid by the owner of the Licensed Premises.
- 5.3.9. Stub-In Permit.** A stub-in permit allows the partial connection of a Wastewater Service Line to the Main so as to accommodate the future connection of the Wastewater Service Line within a public street, road or designated right-of-way without disturbing the street surface. The District may issue a Stub-In permit upon such terms and conditions as the Wastewater Enterprise Director determines appropriate, including without limitation the filing of adequate maps, surveys or other documents fixing the location of each Stub-In to the Public Wastewater System, the payment of all fees and charges prescribed by the Rules and Regulations, and compliance with all trenching and inspection requirements.
- 5.3.10. Special Permit.** Any special permit shall be obtained from the District for any use of the Public Wastewater System not specifically allowed hereunder, setting forth the conditions, limitations and restrictions prescribed by the District therefore, and the amount, category and classification of rates, fees and charges if as determined by the District to be appropriate and compensatory for such use.
- 5.3.11. Permits from Other Governmental Entities.** No License issued by the District shall be considered as authority for making any cut in a road or street in lieu of any permit issued by any other regulatory authority for such purpose, nor shall inspection and/or approval by the District be construed as satisfactory compliance with any other provision of these Rules and Regulations, or otherwise waive the requirement for full compliance with any Regulation. Any permit or authorization required by law or the rules or regulations of any other agency or regulatory authority with jurisdiction over such activity shall be filed with the District before

any work is commenced on the project. Authorization by any other regulatory authority shall not constitute approval of the District for any purpose.

5.3.12. Separate Trench and Inspection. No Wastewater Service Line shall be laid over any water service line or main line, except as specifically permitted by applicable provisions of the State Plumbing Code or other regulations of the CDPHE. Water and Wastewater Service Lines shall be horizontally separated from each other by a minimum of ten feet. The entire Wastewater Service Line shall be inspected by the District before the trench is filled. If any trench is filled before such inspection is completed, the District may require that such trench be fully reopened at the expense of the owner of the Licensed Premises for a final inspection by the District.

Section 5.4. Prohibition on Use of Public Wastewater System.

5.4.1. Storm and Subsurface Waters. No Person shall discharge, or cause the discharge of any storm water drainage into the Public Wastewater System from ground, service or roof drains, or subsurface water from foundation drains or sumps. Any Customer violating this prohibition shall be subject to disconnection from the Public Wastewater System, termination of water service, if the Licensed Premises is connected to the Public Water System, or appropriate legal action. Such Customer shall pay surcharges for such unauthorized discharges and all costs or damages incurred by the District as a result of such unauthorized discharges. Groundwater pumped from wells or aquifers, treated or untreated, shall not be discharged into the Public Wastewater System, unless specifically authorized by License issued by the District.

5.4.2. Wastewater Disposal. No Person shall discharge any waste or materials into the Public Wastewater System, unless such discharge is made through a properly connected Wastewater Service Line. No discharge shall adversely impact water and wastewater flows, drinking water supply or receiving waters within the watershed of the District service area. Manufacturers, meat and film processors, other commercial processors, and industries are specifically prohibited from discharging wastewater or other discharges into the Public Wastewater System, unless the Customer has first obtained a License from the District. Such License shall specify any condition, limitation and restriction prescribed by the District for use of the Public Wastewater System and the amount, category and classification of rates, fees and charges applicable to all discharges into the Public Wastewater System.

5.4.3. Other Prohibitions. No Person shall cause to be discharged into the Public Wastewater System any foreign matter which could result in any stoppage or interruption in the Public Wastewater System. No wastewater shall be discharged into the Public Wastewater System which could cause any interruption in or interference with the treatment process at the Wastewater Treatment Facility.

5.4.4. Connection of Individual Facilities. No Wastewater Service Line shall be connected to the Public Wastewater System if such line is connected to either a septic tank or cesspool. If a Wastewater Service Line has excessive infiltration, such line shall be repaired by the owner of the Licensed Premises or, if such owner fails to make such repairs, may, in the District's discretion, be disconnected from the Public Wastewater System and/or assessed penalty charges.

Section 5.5. Wastewater Service Lines.

5.5.1. Wastewater Service Line Maintenance. The District shall assume no responsibility for the operation or maintenance of any Wastewater Service Line, or for any requirements of other governmental agencies in making a connection of any Wastewater Service Line to the Public Wastewater System. In case of failure of any Licensed Premises to properly maintain, clean or repair the Wastewater Service Line, such remedial work may be performed by the District after 48-hour written notice to the owner of the Licensed Premises, and the cost thereof shall be charged to the owner and become a lien against the Licensed Premises until paid in full.

5.5.2. Size of Wastewater Service Lines. The Wastewater Service Line shall be no less than 4 inches in diameter, as specified by the District, and shall as a minimum be sound, durable and root-proof. The Wastewater Service Line shall not be smaller than the building drain. At locations where the Main is less than 4 inches larger than the Wastewater Service Line and where no appropriate fitting exists in the Main, connection to the Main shall be made by construction of a manhole in compliance with District standards for such connection.

5.5.3. Pipe Materials and Joints. All pipes and fittings and the method of jointing pipes shall conform to such uniform specifications and requirements as are approved by the District. Requests or inquiries concerning such technical requirements should be directed to the Wastewater Enterprise Director, who shall have such authority as is necessary to enforce this provision. See Appendix D for technical specifications.

5.5.4. Road and Street Cuts. The District has no authority to issue road or street cut permits for Wastewater Service Line connections. Licenses granted by the District do not authorize any excavation through or under any street or road. Permits for such street cuts shall be obtained from the appropriate governmental agency.

5.5.5. Grade and Alignment. Wastewater Service Lines shall be laid on a uniform grade, free of ups and downs, and of good alignment without abrupt bends, unless appropriate fittings are used. Grade shall not be flatter than 1% (1/8 inch of fall per lineal foot of line), unless written approval is specifically obtained from the District. Installation shall be made in accordance with District Specifications. If the District cannot provide wastewater service because of problems in satisfying grade requirements or in avoiding any obstruction, the District shall not be responsible for resolving such problem, nor incur any liability resulting there from.

5.5.6. Excavation. The trench shall be excavated in a manner that will allow the pipe to be installed to the alignment and depth required, and shall be excavated only so far in advance of the pipe laying as is necessary to expedite the work.

- a. Trench Width: All existing asphalt or concrete surfacing shall be cut vertically in a straight line, and removed from the job site prior to starting the trench excavation. This material shall not be used in any fill or backfill. The trench shall be excavated so that a minimum clearance of six inches shall be maintained on each side of the pipe for proper placement and densification of the bedding or backfill material. Ledge rock, boulders and large stones shall be removed to provide a clearance of at least six inches below and on each side of all pipe and fittings. The specified minimum clearances are the minimum clear distances that will be permitted between any part of the pipe and appurtenances being installed and any part, projection, or point of such rock, boulder or stone. The maximum bottom of trench width, measured at the top of the pipe shall be the outside diameter plus forty inches regardless of the type of pipe, type of soil, depth of excavation or the method of densifying the bedding and backfill. Trenches may be of such extra width, when required, to permit necessary supports, sheeting or bracing and handling of specials.
- b. Trench Support: The trench shall be adequately supported and the safety of workers provided for, as required by the most recent standards adopted by O.S.H.A. Standards Board. Sheeting and shoring shall be utilized where required to prevent any excessive widening or sloughing of the trench, which may be detrimental to human safety, to the pipe and appurtenances being installed, to existing utilities, to existing structures, or to any other existing facility or item. Trench support is the sole responsibility of the Contractor. The District Inspector's presence in no way implies approval of trench support methods being utilized.
- c. Excavated Material: Excavated material shall not be placed closer than two feet from the top edge of the trench. Heavy equipment should not be used or placed near the sides of the trench unless the trench is adequately braced. All excavated material shall be piled in a manner that will not endanger the work and that will avoid obstructing traffic. Hydrants under pressure, valve lid covers, valve boxes or other utility controls shall be left unobstructed and accessible until the work is completed.
- d. Excavation for Structures: Except as otherwise dictated by construction conditions, the excavation shall be of such dimensions as to allow for the proper installation and removal of concrete forms or precast structures, and to permit the construction of the necessary pipe connections. Care shall be taken to ensure that the excavation does not extend below established grades. If excavation is made below such grades, the resulting excess shall be filled in with approved material deposited in horizontal layers not more than six inches in thickness after being compacted, as directed by the District.
- e. Excavation in Poor Soil: If the bottom of the excavation at sub grade is found to be soft or unstable or to include ashes, cinders, refuse, vegetable or other organic material, or large pieces or fragments of inorganic material that, in the opinion of the Inspector, cannot satisfactorily support the pipe or structure, the Contractor shall further excavate and remove such unsuitable material to the width and depth specified by the Inspector.
- f. Protection of Existing Structures and Utilities: Adequate protection, temporary support and maintenance of all underground and surface structures, utilities and other obstructions encountered in the progress of the work shall be furnished by the Contractor at his or her expense and under the direction of the District. Any structures, utilities or obstructions disturbed or damaged shall be restored or replaced by the Contractor upon completion of the project.

5.5.7. Connection to Wastewater Main. See District Specifications.

5.5.8. Backfilling and Compaction. No section of Wastewater Main, Wastewater Main appurtenance or Wastewater Main structure shall be backfilled until the Inspector has examined and approved that section of the installation. Backfill is defined as the material placed from twelve inches above the pipe to grade. **All backfill and compaction within the public right-of-way shall be in conformance with the excavation permit granted by the District Engineer or the controlling authority.** Satisfactory compaction reports shall be submitted to the controlling authority prior to the completion of the project. The controlling authority (city, county, State) shall specify the exact number and locations of tests required. Railroad, airport and other private or special situations will require investigation and research to determine exact requirements and regulations. All water required for backfill and compaction operations can be furnished from a designated fire hydrant near the project. The Contractor will be charged in accordance with the current cost for construction water. However, the Contractor will be responsible for furnishing all required personnel, valving, hose and other equipment needed to deliver the water to the desired location on the project. The District will designate the fire hydrant to be used and must be notified when water is required. See District Specifications.

5.5.9. Cleanouts. **All Wastewater Service Lines shall have a cleanout every one hundred feet. All cleanouts shall be constructed with standard fittings and have a screw cap located at the ground or paving surface.** Double Cleanouts must be within ten

feet away from any foundation, and must be located directly above service with green coated tracer wire. In addition, Double cleanouts are necessary if spacing between cleanouts exceeds one hundred feet. Maximum spacing for double cleanouts is two hundred feet. The District does not allow removal of cleanout caps for purposes of dumping any substances into the sewer system, including disposal from grey and black tanks of recreational vehicles (campers).

5.5.10. Inspection. Arrangements shall be made for the Inspector to inspect the Wastewater Service Line prior to the start of any backfill. The trench shall be filled up to 6" above the top of the pipe in the presence of the Inspector. An Inspector shall be present before any Tap is made to the Public Wastewater System. The Inspector may require the Wastewater Service Line to be uncovered and/or the Tap to be reinstalled to assure compliance with the Rules and Regulations.

5.5.11. Wastewater Pumping Systems. No individual wastewater pumping system shall be connected to, or discharge wastewater into any Wastewater Service Line to, the Public Wastewater System without first obtaining a License from the District. Prior to issuance of such License, adequate plans and specifications shall be submitted to the District for review and approval by the Wastewater Enterprise Director. Such plans and specifications shall conform to the following requirements:

- A. The wastewater pumping system shall have a non-clog pump opening with at least 2" diameter solids handling capacity where raw wastewater is pumped or at least 3/4" diameter solids handling capacity where previously settled effluent is pumped; frequency required by the design.
- B. The Wastewater Service Line shall be pressure pipe of sufficient strength to accommodate pump discharge pressure and sized to maintain a velocity of two or more feet per second.
- C. Automatic air release valves shall be installed at high points in the Wastewater Service Line where necessary to prevent air locking.
- D. A holding tank preceding the pump shall be provided to allow pump cycling commensurate with pump design capacity.
- E. The Wastewater Service Line shall have a minimum of six feet of earth cover. If this cannot be attained, then the Wastewater Service Line must drain back into the holding tank after pumping in order to prevent freezing of the line.
- F. All pressure pump Wastewater Service Lines must terminate either in a manhole or Main using design and materials approved by the District. The District shall assume no responsibility for the operation or maintenance of any individual wastewater pumping system or Wastewater Service Line connected to the Public Wastewater System. Such individual wastewater pumping system shall be subject to all other provisions of these Rules and Regulations.

SECTION 6: Pretreatment Regulations

Section 6.1. General Provisions.

This Section 6 establishes the requirements for Non-residential Customers of the Public Wastewater System and enables the District to comply with all applicable State and federal laws, including the Clean Water Act (33 United States Code § 1251 *et seq.*) and the General Pretreatment Regulations (40 Code of Federal Regulations Part 403).

The objectives of these Rules and Regulations are:

- A. To prevent the introduction of pollutants into the Public Wastewater System that would interfere with its operation, or pass through the Wastewater Treatment Facility inadequately treated into the receiving waters or otherwise be incompatible with the Wastewater Treatment Facility;
- B. To protect both District personnel who may be affected by the wastewater and sludge in the course of their employment, and the general public;
- C. To promote reuse and recycling of Non-residential wastewater and sludge from the Public Wastewater System;
- D. To provide for fees for the equitable distribution of the cost of operation, maintenance, and improvement of the Public Wastewater System; and
- E. To enable the District to comply with the requirements of the National Pollutant Discharge Elimination System permit, sludge use and disposal requirements, or any other State and federal laws to which the District is subject.

This Section 6 shall apply to all Non-residential Customers and in the circumstances specified herein, to other Customers of the Public Wastewater System; provided, however, that all prohibited discharges herein shall apply to all Customers and may be enforced against any Customer discharging wastewater or pollutants into the Public Wastewater System. This Section 6 authorizes the District to issue discharge permits, require and/or conduct monitoring, sampling and conduct enforcement activities, establish administrative review policies, require Customer reporting, and set fees.

Section 6.2. General Prohibitions.

No Customer shall introduce or cause to be introduced into the Public Wastewater System any pollutant or discharge that causes pass through or interference. These general prohibitions apply to all Customers of the Public Wastewater System, without exception.

6.2.1. Specific Prohibitions. No Customer shall introduce or cause to be introduced into the Public Wastewater System the following pollutants, substances or wastewater:

- A. Pollutants of such a quantity, quality or other nature so as to create flammable or explosive conditions in the Public Wastewater System, including without limitation waste streams with a flash point lower than 140°F as determined by Tagliabue (tag.) close cup method;
- B. Wastewater having a pH value lower than 6.0 or otherwise containing chemical properties that are hazardous or capable of causing damage to any part of the Public Wastewater System, to the general public or to District personnel;
- C. Solid or viscous pollutants in amounts which may cause obstruction to the flow or interruption in the treatment process in the Public Wastewater System, and in no event shall solids be greater than 1/2" in diameter;
- D. Any pollutants, including without limitation oxygen demanding pollutants (BOD, etc.), discharged at a flow rate and/or pollutant concentration which either singly or by interaction with other pollutants cause interference with the Public Wastewater System;
- E. Wastewater having a temperature greater than 49° C (120°F), or which may inhibit biological activity or cause interruptions in the treatment process at the Treatment Facility, and in no event shall such wastewater cause the temperature of Wastewater at the Treatment Facility to exceed 40°C (104°F);
- F. Petroleum oil, non-biodegradable cutting oil, or products of mineral oil in amounts that may cause interruption in the treatment process or pass through at the Treatment Facility;
- G. Pollutants which result in the presence of toxic gases, vapors or fumes within the Public Wastewater System in any quantity that may cause worker health and safety problems; or
- H. Any trucked or hauled pollutants.

6.2.2. Other Prohibited Discharges. No Customer shall introduce or cause to be introduced into the Public Wastewater System the following pollutants, substances or wastewater, unless otherwise authorized under a License issued by the District.

- A. Any solid or viscous materials which may cause an obstruction in flow within the process at the Treatment Facility, including without limitation ashes, wax, paraffin, cinders, sand, mud, straw, shavings, metal, glass, rags, lint, feathers, tars, plastics, wood and sawdust, paunch manure, hair and fleshings, entrails, lime slurries, beer and distillery slops, grain processing wastes, grinding compounds, acetylene generation sludge, chemical residues, acid residues, food processing bulk solids, snow, ice, and all other solid objects, material, refuse and debris not normally contained in sanitary wastewater;
- B. Sludge or other material from Wastewater or non-residential waste treatment facilities, or from water treatment plants;
- C. Water in excavation or accumulated as the result of grading, and water taken from the ground by well points, except potable wells or any other drainage associated with construction;
- D. Any liquid or vapor having a temperature higher than 120°F. or exceeding any lower limit fixed by the District to prevent odor nuisance, where the volume of discharge represents a significant portion of the flow through a particular Main;
- E. Any water or wastes containing grease or oil or other substances that will solidify or become discernible viscous at temperatures between 0°C (32°F) and 66°C (150°F);
- F. Any water or wastes containing emulsified oil or grease exceeding 100 mg/L oil and grease measured at the sample port of the grease interceptor or 75 mg/L as measured at the connection to the Public Wastewater System;
- G. Any Wastewater containing a grease-treating additive, including without limitation enzymes and active bacteria;
- H. Any gasoline, ethylene glycol, benzene, naphtha, fuel oil, lubricating oil, solvents, degreasing agents, or other flammable or explosive liquid, whether solid or gas;
- I. Any wastes with phenolic compounds over the discharge limit in Appendix I;
- J. Any wastes with sulfides over the discharge limit in Appendix I;
- K. Any cyanides or compounds capable of liberating hydrocyanic acid gas over 2 ppm (expressed as hydrogen cyanide) from any discharge point with the discharge of cyanides in any lesser amounts to be permitted only upon evidence of satisfactory and continuous control of such concentration and the volume of discharge;
- L. Any wastes that contain a noxious, corrosive (pH below 6.0 or above 9.0), or malodorous material or substance that (either singly or by reaction with other wastes) is, as determined by the District, capable of causing damage to the Public Wastewater System, creating a public nuisance or hazard, or preventing human entry into the Public Wastewater System for ordinary maintenance and repair; Public Wastewater System or which in any way could interfere with the treatment highly colored or could become highly colored by reacting with any other wastes;

- N. Any water or wastes containing a toxic or poisonous substance in sufficient quantity which may injure or interfere with any treatment process, which may constitute a hazard to humans or to animals, or which may create any hazard in the waters which receive the treated or untreated Wastewater. Discharge limits for specific pollutants are found in Appendix I;
- O. Any water or wastes containing the discharge of acid, iron pickling wastes or plating solutions;
- P. Any radioactive toxic isotopes of over 100 days' half-life with the radioactive isotopes I131 and p32 as used in medical facilities not being prohibited if properly diluted at the source;
- Q. Any wastes which are unusual in composition, (i.e., containing an extremely large amount of suspended solids or BOD, or other potentially harmful constituents); are high in dissolved solids such as sodium chloride, calcium chloride, magnesium chloride or sodium sulfate; contain substances conducive to creating tastes or odors in drinking water supplies or otherwise make such wastes unpalatable even after conventional drinking water treatment; or are in any other way extremely unusual;
- R. Any material or substance not specifically mentioned in this Section 6.2.2 which is in itself corrosive, irritating to humans and animals, toxic, noxious, or which by interaction with other wastes may produce undesirable effects, including deleterious action to the Public Wastewater System, adversely affect any treatment process, constitute a hazard to humans or to animals, or have an adverse effect upon the receiving stream;
- S. Any radioactive substance, except as otherwise authorized hereunder;
- T. Any garbage other than that received directly into the Public Wastewater System from ordinary residential-size disposals or grinders in dwellings, restaurants, hotels, stores and institutions, by which such garbage has been shredded to such a degree that all particles will be carried freely under flow conditions normally prevailing in the Main with no particle greater than 1/2" in any dimension;
- U. Any night soil or septic tank pumpage; or
- V. Any pharmaceuticals including unused prescription medications.

Pollutants, substances or wastewater prohibited by this Section 6.2.2 shall not be processed or stored in a manner that may result in discharges into the Public Wastewater System by any Customer or Person.

Section 6.3. National Categorical Pretreatment Standards.

Based upon review and Inspections, the District shall determine if a business shall be categorized using the National Categorical Pretreatment Standards. If such a business is so categorized, the federal standards shall be enforced.

Section 6.4. State Pretreatment Regulations.

If the standards of Section 6.3 apply, the stricter of the federal or State regulations shall apply. The District may also impose more strict local limits, as necessary, to protect the public wastewater system, environment, and safety and health of the public.

Section 6.5. Local Limits.

Local discharge limits for pollutants are established to protect against pass through and interference at the Public Wastewater System, operational problems in the Public Wastewater System, and health and safety of District personnel. Specific discharge limits for individual contaminants are listed in Appendix I. The District reserves the right to establish by Regulation or in a discharge permit more stringent standards or requirements than federal or State regulation regarding discharges to the Public Wastewater System.

Section 6.6. Pretreatment of Wastewater.

Customers shall provide wastewater pretreatment as necessary to comply with these Rules and Regulations and shall achieve compliance with all categorical pretreatment standards, local limits, and the prohibitions as detailed in Sections 6.2 through 6.5 within the time limitations specified by the EPA, the State or the District, whichever is more stringent. Any pretreatment equipment necessary for compliance shall be provided, operated and maintained at the Customer's expense. Detailed plans describing such facilities and operating procedures shall be submitted to and reviewed by the District and shall be approved before such facilities are constructed. The review of such plans in no way relieves the Customer from the responsibility of modifying such facilities as necessary to produce discharges acceptable to the District.

6.6.1. Interceptors. If, after inspections, sampling and monitoring for existing non-residential accounts and after review of the plumbing plans for new Non-residential construction, the District deems it in the best interest of the Public Wastewater System to install an interceptor to prevent commercial kitchen grease and oil, petroleum products and other deleterious materials from entering the system, the Customer shall comply with Section 6.9.

6.6.2. Additional Pretreatment Measures. The District may require one or more of the following measures to be incorporated into the Customer's pretreatment facility.

- A. Whenever deemed necessary, the District may require the Customer to restrict its discharge during peak flow periods, designate that wastewaters be discharged to specific Mains, relocate and/or consolidate points of discharge, separate sanitary wastewater from Non-residential discharges, and other such requirements as may be necessary to protect the Public Wastewater System and determine the Customer's compliance with the requirements of these Rules and Regulations. Details of such restrictions shall be found in a Pretreatment Permit.
- B. The District may require a Customer discharging into the Public Wastewater System to install and maintain on their property and at their own expense a suitable flow control storage facility to ensure equalization of flow. Details of such requirements shall be found in a Pretreatment Permit.
- C. Customers with the potential to discharge flammable substances may be required to install and maintain an approved combustible gas detection meter.
- D. Customers shall install metering and sampling facilities specified by the District as are necessary for measurement of flows and for qualitative sampling of discharges. Non-residential Customers with discharges in volumes substantially equal to metered use of water supply may, in the District's discretion, be required to provide for sampling only; all others shall install wastewater flow meters of the type that provide for continuous totalizing and recording of loadings in addition to facilities for sampling. A Customer may, at the District's discretion, be required to provide for pretreatment before discharging into the Public Wastewater System. Pretreatment includes such processes as filtration, removal, neutralization, and oil and grease removal.

Section 6.7. Non-residential Customer.

A Non-residential Customer for purposes of this Section 6 shall mean any non-residential use which, in the District's determination, contributes, or is likely to contribute, wastewater to the Public Wastewater System requiring special handling and/or extra treatment works capacities or could cause harm to District personnel and the Public Wastewater System. Industries classified under the Standard Industrial Classification Manual compiled by the federal government may be excluded from such class if the District determines that such Customer's normal wastewater contribution is representative of only non-process, segregated domestic wastes or wastes from sanitary conveniences. In such instances the facility shall be considered as a Non-residential use and subject to the provisions of Section 6.7.1. Any Non-residential Customer may be required to apply for and utilize a Pretreatment Permit as provided in Section 6.7.1. However, additional non-residential rates as detailed in Appendix C will apply to those industries, whether identified in the Standard Industrial Classification List or not.

6.7.1 Non-residential Pretreatment Permits. Non-residential Customers may be subject to certain additional regulations and requirements as determined by the District to promote the best interests of the District and the general health, safety and welfare of its inhabitants. Such regulations and requirements shall be contained in and form part of a Non-residential Pretreatment Permit entered into with each Non-residential Customer, unless otherwise exempted under these Rules and Regulations. Pretreatment Permits shall apply to new and existing connections to the Public Wastewater System. Pretreatment Permits shall be categorized as Nonresidential.

- A. **Non-residential Pretreatment Permit.** A Non-residential Pretreatment Permit is required for the connection or disconnection of any significant, categorical, temporary or permanent, or other Non-residential Service Customer that may pose a risk to the Public Wastewater System, District personnel or public health.
- B. **Non-residential Uses.** Manufacturers, meat and film processors, other commercial processors, and industries are specifically prohibited from using the Wastewater Facilities, unless the Customer has first obtained a Pretreatment Permit from the District. Such Pretreatment Permit shall specify any conditions, limitations and restrictions prescribed by the District for use of the Public Wastewater System, and the amount, category and classification of rates, fees and charges applicable to all discharge into the Public Wastewater System. Such Pretreatment Permit will be issued in accordance with this Section. No public swimming pool, drain accepting discharges from garages or wash racks for vehicles shall be connected to the Public Wastewater System without first obtaining a Pretreatment Permit from the District. Customers with wash racks shall install interceptors or other pretreatment processes and monitoring systems as specified by the District in accordance with these Rules and Regulations.

6.7.2. Permitting Process. Non-residential Customers are required to schedule an administrative review with the District for new planned or changed use of the Licensed Property.

- A. An administrative review of new or remodel plans for proposed changes shall be performed by the District to determine if such use requires pretreatment measures. The administrative review fee is set forth in Appendix C. If no pretreatment measures are required, no further steps are necessary.
- B. If upon review and determination by the District the proposed changes are found to require pretreatment measures, the appropriate industrial waste questionnaire shall be completed. The questionnaire will include property owner name, address of the Licensed Premises and contact information, business manager contact information (if different), type of business, a description of the

activities, and processes onsite, hours of operation, number of employees, chemicals (and volumes) stored onsite, site and floor plans with details to show all wastewater connections, plumbing, floor drains, time and duration of discharge, and any other information as deemed necessary by the District. If it is determined that the Pretreatment measures require a Pretreatment Permit, an application shall be completed. An application fee as detailed in Appendix C shall be submitted with the Pretreatment Permit application. At this time, the details of the requirements of the Pretreatment Permit will be reviewed with the owner of the Licensed Premises.

- C. An initial pretreatment inspection fee shall cover one onsite inspection of the final installed pretreatment equipment. If additional inspections are required due to conditions beyond the District's control, the Customer shall pay for the additional inspections on an hourly basis as detailed in Appendix C.
- D. When all requirements of the permit application have been satisfied and a final inspection is approved, a Pretreatment Permit will be issued by the District with specific details regarding discharge limitations.
- E. All Pretreatment Permit applications and reports shall be signed by an authorized representative of the Customer and contain the following certification statement:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including, but not limited to, termination of water and/or wastewater service and the possibility of fines and imprisonment for knowing violations."

6.7.3. Non-residential Pretreatment Permit Contents.

- A. A Non-residential Pretreatment Permit shall include such conditions as are deemed reasonably necessary by the District to prevent pass through or interference at the Wastewater Treatment Facility, protect the quality of the water body receiving the Wastewater Treatment Facility's effluent, protect worker health and safety, facilitate sludge management and disposal, and protect against damage to the Wastewater Treatment Facility. A Non-residential Pretreatment Permit shall include:
 - 1. A statement that indicates the duration of the permit, which shall not exceed five years;
 - 2. A statement that the permit is not transferable without prior notification to the District, and provisions for furnishing the new Customer with a copy of the existing permit;
 - 3. Effluent limits based on applicable pretreatment standards;
 - 4. Self-monitoring, sampling, reporting, notification, and record-keeping requirements. These requirements shall include an identification of pollutants to be monitored, sampling location, sampling frequency, and sample type based on federal, State, or local laws and the Rules and Regulations; and
 - 5. A statement of applicable civil and criminal penalties for violation of pretreatment standards and requirements, and any applicable Compliance Schedule. Such Compliance Schedule may not extend the time for compliance beyond that required by applicable federal, State or local laws and the Rules and Regulations.
- B. The Pretreatment Permit may contain conditions and limitations, including without limitation the following:
 - 1. Limits on the average and/or maximum rate of discharge, time of discharge, and/or requirements for flow regulation;
 - 2. Requirements for the installation of pretreatment technology, pollution control, construction of appropriate containment devices designed to reduce, eliminate or prevent the introduction of pollutants into the Public Wastewater System;
 - 3. Requirements for the development and implementation of spill control plans or other special conditions, including management practices necessary to prevent accidental, unanticipated or non-routine discharges;
 - 4. Development and implementation of waste minimization plans to reduce the amount of pollutants discharged into the Public Wastewater System;
 - 5. The unit charge or schedule of unit charges and fees for the management of the wastewater discharged;
 - 6. Requirements for the installation and maintenance of inspection and sampling facilities and equipment;
 - 7. A statement that compliance with the permit does not relieve the Applicant of the responsibility for compliance with all applicable federal and State pretreatment standards, including those that become effective during the term of the permit; and
 - 8. Other conditions as deemed appropriate by the District to ensure compliance with these Rules and Regulations and federal, State and local laws and regulations.

Section 6.8. Reporting Requirements.

The District requires that Pretreatment Permittees submit reports as necessary to monitor discharge compliance, schedule non-compliant Pretreatment Permittees for compliance, receive notifications of unusual discharges, and update other pertinent information. Reporting requirements are listed below.

6.8.1. Categorical Customers. Categorical Customers are subject to the standards detailed in 40 CFR 403.6(a)(4), as amended, regarding baseline monitoring. Such Customers shall submit the following information: (i) identifying information; (ii) environmental permits; (iii) description of operations; (iv) flow measurement; (v) measurement of pollutants; (vi) certification statement; (vii) Compliance Schedule; and (viii) signature and certification.

6.8.2. Compliance Schedule. All Pretreatment Permittees determined to be in non-compliance by the District shall submit to the District a Compliance Schedule. The schedule shall include without limitation the following:

- A. A detailed description of pretreatment equipment with plans, specifications and documents necessary for the installation, operation and maintenance of such equipment;
- B. Written approval by the District for the installation of such pretreatment equipment;
- C. Copies of signed contracts with engineers, contractors, and other Persons necessary to implement the necessary installation or modification of pretreatment or other required equipment; and
- D. A signed letter, document or agreement with the District specifying the final date of compliance.

The deadline for compliance will not be longer than six months from the issuance of an inspection result letter. A surcharge as detailed in Appendix C will be in effect until all elements of such non-compliance are rectified. If the deadline for compliance is not met, a higher-rate surcharge will be assessed and remain in effect until compliance is achieved.

6.8.3. Changed Conditions. The Non-residential Pretreatment Permittees shall inform the District, at least 30 days before such change, of any planned significant changes to its operation or system that would alter the nature, quality or volume of its wastewater.

- A. The District may require the Customer to submit information for evaluation of the changed condition and may require the submission of a Non-residential Pretreatment Permit application;
- B. The District may issue a new Pretreatment Permit or modify the existing Pretreatment Permit to encompass the new or anticipated change; and
- C. For purposes of this requirement, significant changes will include without limitation flow increases of 20% or greater or the discharge of previously unreported pollutants.

6.8.4. Report of Potential Problems. Any Non-residential Customer shall report potential problems as soon as possible to the District.

- A. In the case of any discharge including without limitation accidental discharges, discharges of a non-routine or episodic nature, a non-customary batch discharge, or a slug load that may cause potential problems at the Wastewater Treatment Facility, the Customer shall immediately notify the District by telephone of the incident. The notification shall include the location of the discharge, type of waste, concentration and volume, if known, and corrective actions taken by the Customer.
- B. Within seven days of such discharge, the Customer shall, unless waived by the District, submit a detailed written report describing the cause of the discharge and the measures to be taken by the Customer to prevent future occurrences. Such notification shall not relieve the Customer of any expense, loss, damage, or other liability incurred by the District as a result of such discharge or any damage to the Facilities or any Person or property, nor shall such notification relieve the Customer of any fines, penalties, or other liability which may be imposed pursuant to these Rules and Regulations.
- C. A notice shall be permanently posted on the Customer's bulletin board or other prominent place advising employees of whom to call in the event of such problem discharge. The owner of the Licensed Premises shall ensure that all employees are advised of the emergency notification procedure.

6.8.5. Notice of Violation/Repeat Sampling and Reporting. If sampling performed by a Customer indicates a violation, the Customer must notify the District within 24 hours of becoming aware of the violation. The Customer shall also repeat the sampling and analysis, and submit results of the repeat analysis to the District within 30 days of becoming aware of the violation. The Customer is not required to resample if the District monitors the Customer's discharge at least once a month, or if the District samples between the Customer's initial sampling and when the Customer receives the results of this sampling.

6.8.6. Analytical Requirements. All pollutant analyses, including sampling techniques, to be submitted as part of a Nonresidential discharge permit application or report shall be performed in accordance with the techniques prescribed in 40 CFR 136, as amended, unless otherwise specified. All other sampling and analytical techniques shall be performed in accordance with procedures approved by EPA.

6.8.7. Sample Collection. Except as otherwise provided herein, the Customer must collect wastewater samples using flow proportional composite collection techniques. In the event that flow proportional sampling is not feasible, the District may allow time

proportional sampling or a minimum of four grab samples where the Customer demonstrates that this will provide a representative sample. In addition, grab samples may be used to determine compliance with instantaneous discharge limits. Samples for oil and grease, temperature, pH, cyanide, phenols, sulfides, and volatile organic compounds must be obtained as grab samples.

6.8.8. Timing. Written reports will be deemed as submitted on the date postmarked. For reports that are not mailed, the date received shall govern.

6.8.9. Recordkeeping. Customers subject to the reporting requirements of this Section 6 shall retain and make available for copying all records of information obtained pursuant to any monitoring activities required by this Section 6 and any additional records of information obtained pursuant to monitoring activities undertaken by the Customer independent of such requirements. Records shall include the date, the exact place, method and time of sampling, the name of persons taking the samples, the dates the analyses were performed, who performed the analyses, and the analytical methods or techniques and results. These records shall remain available for three years. This limit shall be automatically extended for the duration of any litigation concerning the Customer or the District, or where the District has notified the Customer of a longer retention period.

Section 6.9. Oil and Grease Program.

A grease interceptor shall be installed when in the judgment of the Wastewater Enterprise Director it is necessary for the proper handling of liquid wastes containing grease or solids which may be harmful to or cause obstruction of the publicly-owned treatment works, or interfere with the operation of the treatment works and its mains.

All food preparation establishments shall install a grease interceptor on all drains from the kitchen, food preparation, and dishwashing areas. Fixtures to be connected include, but are not limited to, scullery sinks, pot and pan sinks, dishwashing machines, soup kettles and floor drains located in areas where grease-containing materials may exist. When deemed necessary by the District, garbage disposals may be required to be connected to an approved interceptor.

Toilets, urinals and similar fixtures shall not waste through the interceptor. All waste shall enter the interceptor through the inlet pipe only.

Installation of an interceptor will not be required of facilities that do not cook the food that is served, and/or do not wash equipment or utensils associated with preparation or service of cooked foods.

6.9.1. Interceptor. The District shall review all plans of proposed Improvements and inspect, sample and monitor existing Improvements connected to the Public Wastewater System to determine whether or not installation of an interceptor for such connection will be required to achieve compliance with discharge limits. The Customer shall complete a grease control questionnaire providing details concerning the operation. If, after evaluating inspection records and sample results, the District determines that an interceptor is necessary to prevent grease, fats, petroleum products or other deleterious substances from entering the Public Wastewater System, the District may specify the kind, nature and minimum capacity of the interceptor to be installed. A design for the interceptor shall be submitted with a Compliance Schedule detailing the deadline for installation and consequences for non-compliance. Surcharges as detailed in Appendix C shall apply. Prior to installation and connection, each application for a connection permit which requires the installation of an interceptor or other specified equipment under these Rules and Regulations shall include a design of such equipment. Any variation from the design as submitted and approved shall require prior written approval of the District and shall be supplemented by an as-built design in the form required by the District. Final inspection of the service connection by the District will include inspection of such interceptor or equipment. The District reserves the right to require the frequency of interceptor pumping based on inspection, compliance and account history.

- A. Any business, restaurant, bar, tavern, school, medical center, nursing home or other establishment providing food service to its Customers, patrons, patients or members of the general public shall maintain and make available for inspection at all times a grease interceptor or other specified equipment so located and functioning that it will operate to capture grease and deleterious substances before entering the Public Wastewater System. Interceptors shall be located outside of the Improvements, be underground and meet the specifications listed here and in Appendix H. The interceptor shall meet UPC specifications or as otherwise specified by the District and have a minimum waterline capacity of 750 gallons. Debris, sand and oil interceptors may be required for auto service, repair shops, and car washes based on the results of inspections, sampling and monitoring. The Customer shall be responsible for cleaning, maintaining and associated recordkeeping relating to the interceptor. Access to the interceptor shall be available to the District at all times. Failure to maintain and clean such trap shall constitute a violation of these Rules and Regulations and shall subject such violator to any penalty or other enforcement provision established under these Rules and Regulations.
- B. In the event that the Customer fails to properly maintain and operate such interceptor or other specified equipment, the District shall have the authority to correct any problem, impose changes, penalties and/or surcharges therefore, disconnect the Wastewater Service Line, terminate water service to the Licensed Premises, and/or to commence legal action upon five days' Notice of Violation to the Customer. All costs incurred by the District in connection with the enforcement of this Section shall constitute a perpetual lien

against the subject property until paid and may be collected in accordance with the provisions of the Act or these Rules and Regulations.

- C. In the event that any Customer subject to this Section desires to obtain a variance from the requirement for a grease interceptor or other specified equipment, such Customer shall submit a written application to the District setting forth the Customer's name, the description and street address of the Licensed Premises, the type of business and the nature of wastewater discharges into the Public Wastewater System, the reasons this regulation should not be applied to such property, and a general description of any fixture or apparatus presently used to collect wastes prior to discharge into the Public Wastewater System. Additionally, the Customer shall be required to provide sampling and testing of all discharges to the Public Wastewater System to substantiate the request for variance. The sampling and testing shall be completed by a mutually agreed upon environmental consulting firm within a reasonable and representative period of time at the Customer's cost. The District shall inspect such establishment and prepare a written report concerning wastewater effluent discharged into the Public Wastewater System from the Licensed Premises for Board review. The Wastewater Enterprise Director will establish a date for a public hearing before the Board on the variance application. After such public hearing, the Board may grant a variance from these Rules and Regulations upon such terms and conditions as it may deem proper, or may deny such application. No variance shall be valid except for the Licensed Premises and Improvements specified in the application and to the Customer to whom the variance is issued. The variance is not transferable through either a change in property ownership, business type or business management. Nonresidential rates detailed in Appendix C shall apply to the conditions of the variance.

6.9.2. Monitoring. The District will establish a schedule of inspections and monitoring to determine compliance with these Rules and Regulations. Inspections, monitoring and sampling shall be performed at least bi-annually. Inspections may include visual observations of the interceptor's available capacity and physical condition, and administrative review of records. The customer must be able to provide documentation of the most recent cleaning of the interceptor upon the District's request. Monitoring and sampling shall be performed to determine interceptor discharge compliance with discharge limits. Discharge limits for specific pollutants of concern are listed in Appendix I. Non-compliance conditions shall be subject to additional surcharges and penalties as detailed in Appendix C.

Section 6.10. Self-Monitoring.

The District may require Customers to perform self-monitoring of Non-residential wastewater discharges. Self-monitoring requirements include sampling, analysis by a commercial laboratory using approved EPA methods, recordkeeping and reporting. Any analytical costs incurred during a Compliance Schedule will be the Customer's responsibility. Monitoring frequencies are subject to change, based on results and compliance records. All categorical and other designated Customers are subject to self-monitoring requirements. The District reserves the right to adjust self-monitoring frequencies, as appropriate.

6.10.1. Frequency of Monitoring. Analyses for pollutants will be industry-specific and determined by the District. Businesses that may be subject to self-monitoring include without limitation restaurants, automobile service and repair stations, film processors and dry cleaners.

- A. Restaurants may be required to sample and analyze for oil and grease twice per year. Oil and grease shall be sampled and analyzed in accordance with techniques approved by the EPA. Results shall be reported in mg/L.
- B. Automobile service and repair stations may be required to sample and analyze for VOC and TPH and specific metals twice per year. Discharges shall be sampled and analyzed in accordance with techniques approved by the EPA. Results shall be reported in Ug/L or Mg/L.
- C. Dry cleaners may be required to sample and analyze for VOC once per quarter. Dry cleaner discharges shall be sampled and analyzed in accordance with techniques approved by the EPA. Results shall be reported in Ug/L or Mg/L.
- D. Film processors may be required to sample and analyze for silver twice per year. Discharges shall be sampled and analyzed in accordance with techniques approved by the EPA. Results shall be reported in Ug/L or Mg/L.

Section 6.11. Compliance Monitoring.

The District shall perform compliance monitoring to determine if Non-residential wastewater discharges meet established discharge limits. Compliance monitoring for all identified businesses shall be performed at least annually.

- A. As a condition of issuance of any Pretreatment Permit, the Customer authorizes the District to enter its Licensed Premises to determine compliance with the requirements of this Section 6 and any terms of the Pretreatment Permit. Customers shall allow the District access to all parts of the Licensed Premises for the purposes of inspections, sampling, records examination and copying, and the performance of any other actions.

- B. If security measures exist, the Customer shall make arrangements for safe passage for District representatives to perform specific actions.
- C. The District has the right to set up sampling and metering devices on the Licensed Premises for the purpose of compliance monitoring.
- D. The District may require the Customer to install monitoring devices as necessary. The monitoring equipment shall be operated and maintained by the Customer at the Customer's expense. All devices used to monitor wastewater flow and quality shall be properly calibrated and records of calibration shall be retained.
- E. Unreasonable delays in access to the Licensed Premises shall be a violation of these Rules and Regulations and may result in penalties.
- F. If the District is denied access to the Licensed Premises and the District determines that there is a violation, the District may seek a court order authorizing the inspection of the Licensed Premises and the imposition of all costs associated therewith, including attorney's fees.

Section 6.12. Enforcement.

All Non-residential Customers with suspect discharges to the Public Wastewater System are subject to enforcement action with regard to discharge compliance and other administrative requirements. The progression of enforcement may include an initial verbal warning and shall include a first written Notice Of Violation and, if necessary, a second (or final) NOV. A written NOV shall be accompanied by a penalty, payable within a specific timeframe. No penalty shall accompany a verbal notification. Follow up inspections and/or sampling shall be performed to verify compliance. A verbal warning may be issued to Customers regarding interceptor maintenance and other infractions as deemed appropriate. A follow up inspection shall be performed within approximately one week to verify compliance. If the follow up inspection results in non-compliance, an initial NOV shall be hand-delivered to the Customer.

An initial NOV shall be issued to a Customer if results of the District's compliance monitoring indicate non-compliance. The initial NOV shall be accompanied by a penalty as detailed in Appendix C. Additionally, the Customer shall be responsible for all analytical costs. The District shall perform a follow up sampling and analyses of the Customer's discharge within a reasonable amount of time to determine compliance. If the results indicate non-compliance, a second NOV shall be issued with the accompanying penalty as detailed in Appendix C. The District shall perform a final monitoring to determine compliance. If there is continuing noncompliance, a surcharge to the base non-residential rate shall be billed and remain in effect until compliance is achieved. Additionally, the District may terminate water or wastewater service as appropriate and/or begin appropriate legal action. The dates of such actions shall be detailed in the second NOV. The Customer shall be responsible for all analytical costs.

Administrative violations including without limitation failure to allow District access to inspect, insufficient recordkeeping, failure to report self-monitoring, and failure to comply with permit requirements, shall result in administrative penalties. A schedule of enforcement actions and associated penalties are set forth in Appendix C.

6.12.1. Compliance Schedule. Based on the results of a District inspection, a Compliance Schedule may be required to install required sampling or pretreatment equipment. A Compliance Schedule will be no longer than six months from the issuance of an inspection result letter from the District. Any analytical costs incurred during a Compliance Schedule will be the Customer's responsibility. Surcharges will apply during the Compliance Schedule. If the Compliance Schedule is not completed on time, a higher-rate surcharge will be assessed and will remain in effect until compliance is achieved. A Compliance Schedule is considered complete when review/inspection has been conducted and approval issued by the District. Rates for surcharges applied to Compliance Schedules are set forth in Appendix C.

Section 6.13. Confidential Information.

Information and data on a Customer's operations obtained from reports, surveys, applications, permits and monitoring programs, and from the District's sampling and monitoring program shall be part of the public records, unless the Customer specifically requests a proprietary exemption, and is able to demonstrate to the satisfaction of the District that the release of such information would divulge proprietary information or trade secrets under State law. Any request for confidentiality must be made at the time of submission of such information and shall be subject to any provision of State law. All records shall be open to any governmental agency for uses related to the NPDES permit or pretreatment programs and in other enforcement proceedings. Effluent data shall not be recognized as confidential.

Section 6.14. Fees, Rates, Surcharges and Penalties. Fees, rates, surcharges and penalties related to these pretreatment Rules and Regulations are set forth in Appendix C. Non-residential Customers shall be subject to sampling and monitoring requirements as detailed in a discharge permit. The District shall be responsible for routine compliance sampling, monitoring and analytical costs.

However, if monitoring results in noncompliance, Customers will be responsible for those analytical costs in addition to noncompliance surcharges.

6.14.1. Non-residential Wastewater Service Charges. Service charges for all Non-residential Customers contributing wastewater to the Public Wastewater System will be imposed monthly in accordance with the provisions of Appendix C.

- A. **Non-residential Base Rates.** At the beginning of each operational year, the Board will establish a standard equivalent charge based upon the average monthly cost of service per equivalent tap, which will be used as the basis for determining service charges against all Customers. The base rate wastewater service charge for Non-residential Customers shall be equal to the standard equivalent residential charge times the number of tap equivalents for the Licensed Premises. This rate constitutes a Category 1 service account. Certain Non-residential Customers pose a higher risk to the Public Wastewater System than the Category 1 classification. This rate constitutes a Category 2 service account. Category 2 service accounts shall be assessed the Non-residential factor set forth in Appendix C. The Category 2 Non-residential factor shall be determined and reviewed annually by the Board.
- B. **Non-residential Surcharges.** Non-residential Customers with potentially higher risk discharges shall be sampled by the District to determine compliance. The District must have access to a sampling port to perform this monitoring task. For initial sampling purposes, a Wastewater Service Line cleanout can serve as a sample port, if such line contains flows from the Non-residential processes. Customers that do not have sample ports shall be surcharged monthly for each tap equivalent. This rate constitutes a Category 3 service account. After a sample port has been installed and the discharge is in compliance with all Rules and Regulations, the Category 3 surcharge shall be removed and the wastewater service charge shall be decreased to the base rate wastewater service charge. If a Customer without pretreatment equipment installed has been sampled and found to be in compliance, no action will be taken; if found to be in noncompliance, a higher surcharge will be charged monthly for each tap. This rate constitutes a Category 4 service account. The surcharge shall remain in effect until such Customer submits a Compliance Schedule indicating the type of pretreatment equipment that will be installed to achieve compliance and when the installation will be completed. The Compliance Schedule shall be reviewed and approved by the District. Once pretreatment equipment has been installed, and all delinquent charges and penalties have been paid, the Category 4 surcharge shall be removed, and the service charges shall be decreased to the base rate wastewater service charge.
- C. **Penalties for Excessive Wastewater Discharges.** Additional wastewater service charges for processing wastewater from all Non-residential Customers shall be determined by compliance monitoring. The District shall determine discharge limits for suspect parameters that will be used as the basis for determining compliance with discharge limits. Constituent effects on the Public Wastewater System, biosolids, the environment and the health and safety of District personnel and the general public shall determine discharge limits. Violations shall be determined by sampling and monitoring performed by the District. After establishing the level of non-compliance in accordance with the District's compliance monitoring plan, the penalty shall be determined by the NOV schedule. For Non-residential Customers who discharge wastewater into the Public Wastewater System that is greater in flow and/or strength than the maximum parameters established by the District (as measured by quantity, suspended solids and BOD, or other pertinent parameters), such Customer shall pay a penalty for such excessive wastewater discharges at a rate determined by the District annually. The penalties shall reflect cost of collection, Treatment Facility operation and maintenance, and related expenses for processing such wastewater. The laboratory methods used in the analysis of such wastewater discharges shall be in accordance with relevant State and federal guidelines. Penalties under this Section shall be in addition to any other service charges under this Section.
- D. **Notice of Violation.** Notices of Violation shall be in writing. Verbal warnings will not result in a penalty. Written NOV's shall carry a penalty of increasing amounts from initial to second (or final). NOV's shall be issued when discharge limits are exceeded or when District inspection of records or facilities indicates non-compliance with the Rules and Regulations or terms of the discharge permit. Penalties shall be added to the monthly wastewater rates until the violation is remedied. Initial NOV shall be followed by an inspection within a reasonable time to confirm compliance. If non-compliance continues, a second NOV and additional penalty shall be imposed. If a follow up inspection results in compliance, no further action is required. The next violation shall be considered a separate incident.
- E. **Compliance Schedule.** A Customer will have six months to complete all work detailed in the Compliance Schedule. During that time, the Category 3 nonresidential surcharge shall apply. If the Compliance Schedule deadline is not met, the Category 4 non-residential surcharge shall apply and remain in effect until the Compliance Schedule is completed. The categorical surcharges are set forth in Appendix C.

Excessive wastewater discharges shall be surcharged on a monthly basis until the Customer can demonstrate that the wastewater discharge is in compliance and the District has confirmed that fact. The Customer shall bear all expenses of laboratory analyses incurred by the District in addition to self-monitoring expenses.

6.14.2. Non-residential Cost Recovery. In addition to all other charges under these Rules and Regulations, Non-residential Customers may be subject to annual charges for Non-residential cost recovery pursuant to the Federal Water Pollution Control Act Amendments of 1972, as amended, and the Colorado Water Quality Control Act, as amended, and all regulations promulgated in accordance with such laws, in amounts sufficient to recover pro-rated portions of capital facility grants utilized by the District. The charge for Non-residential cost recovery shall be equal to contributed measured flows and contained units by weight of BOD and suspended solids, multiplied by the unit rates of such charge as computed by the District, or as otherwise provided by law. Such charges will be established and assessed by the District against any Non-residential Customer who is subject to the imposition of such Non-residential cost recovery charges under federal or State laws or in accordance with any contract, grant or agreement to which the District is a party.

SECTION 7: Main Extensions and Cost Recovery

Section 7.1. Main Extensions.

7.1.1. Application for Main Extension. An application for any extension of a water or wastewater Main shall be submitted by the Applicant upon forms provided by the District. The application shall be accompanied by payment of a deposit determined by the District and estimated for engineering costs of the Main extension. The application shall contain a description of the Parcel of Land and the type of uses for which water or wastewater service is requested. After preliminary review of such application by the Wastewater Enterprise Director, the application will be referred to the District Engineer to prepare a preliminary cost estimate of the Main extension, including engineering, administrative fees and construction costs. After reviewing the preliminary cost estimate, the Applicant shall advise the District if it wishes to proceed with the Main extension in accordance with the procedure summarized in Appendix D; and, if so, shall deposit funds sufficient to pay all engineering design and other preconstruction costs of the Main extension. The Applicant shall also submit a written request for cost recovery of such Main extension, if cost recovery is available in accordance with Section 7.2.

7.1.2. Bids for Construction. After the preliminary cost estimate has been approved by the Applicant, preconstruction costs have been deposited and concurrent approval has been received from any regulatory agency and/or governmental authority having jurisdiction over the Main extension, the District Engineer will prepare all necessary plans, drawings, specifications and bidding forms for the construction of the Main extension. If the District participates in funding the Main extension, the Board, in its discretion, shall determine whether public bids will be solicited for the project work in accordance with statutory requirements. If the District does not participate in funding the Main extension, then at the option of the Applicant, the District will solicit public bids for the work, or the Applicant may select a contractor acceptable to the District and agree to the price for such construction work with the contractor, subject to the District's continuing management of all project work and execution of a contract between the District and the contractor.

7.1.3. Engineering and Supervision of Construction. All water or wastewater Main extensions connecting to the Public Water or Wastewater System shall be planned, designed, engineered, constructed and inspected, and material and workmanship shall be specified by the District and the District Engineer. The District will determine the location, width and extent of any necessary easement or rights-of-way if the Main extension is not within a public street. The Applicant shall comply with all specifications of the District and other requirements established by the Wastewater Enterprise Director. Engineering fees will be established by the District and included in the costs of the project.

7.1.4. Construction Contract. Construction of the Main extension shall be commenced only after the District has been provided with (i) adequate funding or guarantees for completion of project work; (ii) an executed copy of the construction contract in a form acceptable to the District; (iii) all guarantees and bonds required by the District on forms approved by the District; (iv) the contractor's certificate of general liability and property damage insurance in the requisite amounts; (v) workmen's compensation insurance or a certificate showing compliance with the Workmen's Compensation Act of Colorado; and (vi) if necessary, an easement for the Main extension in a form acceptable to the District.

7.1.5. Easement. As a condition of receiving water or wastewater service from the District and of extending Facilities to serve the Licensed Premises, each Customer shall be deemed to have granted to the District an easement for all water and wastewater Mains, Facilities, related appurtenances and equipment of the District or for which the District has responsibility that are reasonably necessary to furnish service to the Customer and that are located on any Parcel of Land owned by the Customer. If requested by the District, before water or wastewater service is activated, the Customer shall execute the District's standard form of easement granting to the District, at no expense, satisfactory easements for the location of water and wastewater Mains, appurtenances and equipment on or across any Parcel of Land owned by the Customer of such width and configuration as is satisfactory to the District. In the event that the Customer shall divide any Parcel of Land in such manner that one part shall be isolated from streets where

water or wastewater Mains are accessible, the Customer shall grant or reserve an easement for water or wastewater service over the part of the Parcel of Land adjacent to water or wastewater Mains for the benefit of the isolated part. Any Water or Wastewater Service Line that crosses property other than the Licensed Premises actually served and which is designated as a Water or Wastewater Service Line shall be located within an easement acquired at the expense of the Customer and in a form approved by the District. If classified as a Water or Wastewater Service Line, such line shall be owned and maintained by the Customer, subject to future dedication to the District for public use.

7.1.6. Cost of Construction.

- A. **Actual Costs.** The Applicant shall pay all costs for the construction of any Main extension, including without limitation all engineering and District administrative fees, costs or deposits for preliminary studies, and any expense involved in acquiring easements or rights-of-way for such Main extension. In addition, the Applicant shall pay the District for all expenses incurred in obtaining agency approval for such Main extension.
- B. **District Participation in Water or Wastewater Facilities.** Upon application to the District, the Board may, in its discretion, approve the District's participation in the costs of constructing (i) an oversized water or wastewater Main or (ii) other qualifying Facilities, subject to any terms and conditions imposed by the Board. To be eligible for District cost participation, the subject Facilities shall be constructed to serve one or more Single-Family Dwellings, Multi-Unit Dwellings or other Separate Buildings situate within an area of the District or a Contracting District. The District will not participate in the costs of construction of oversized water or wastewater Mains or other Facilities, if the Board determines that it is not economical or financially feasible or otherwise in the best interests of the Public Water or Wastewater Systems. The amount of the District's participation in the costs of constructing such Facilities shall be determined by the Board, in its discretion, prior to the award of contract for construction of the Main extension or other Facilities. In the event that the District has previously participated in the costs of constructing Facilities to serve the subject area, the amount of the District's cost participation may be reduced, as determined in the Board's discretion, in order to fairly prorate the total costs of providing Facilities to the subject area. The aggregate amount of the District's cost participation shall not exceed the actual costs of constructing such Facilities. The amount of the District's participation shall reduce the sum otherwise required to be deposited by the Applicant under this Section 7.
- C. **Fire Hydrants.** All expenses associated with the installation of fire hydrants determined to be necessary for fire protection purposes by the District, the Falcon Fire Protection District, or any other agency with jurisdiction over fire protection policies for the property being served shall be considered a cost of construction of any water Main extension project.

7.1.7. Acceptance. No water or wastewater Main extension shall be accepted by the District for ownership and maintenance, nor will any License be issued to the Applicant, until satisfactory evidence is presented to the District reflecting: (i) completion of all project work in accordance with approved plans and specifications; (ii) full payment for all project costs and fees; (iii) the satisfactory raising of valve boxes or manholes to street level and proper surfacing of streets; (iv) the assignment by the Applicant of any rights in warranties, bonds or guarantees affecting such water or wastewater Main as required by the District; (v) the conveyance of any necessary rights-of-way or easements therefore; and (vi) receipt by the District of two copies of as built drawings.

Section 7.2. Cost Recovery Policy.

7.2.1. General Provisions. The provisions of this cost recovery policy apply to all water and wastewater Main extensions in the District and all Contracting Districts and are subject to all applicable provisions of the Act and these Rules and Regulations. In all cases, the subject Facilities shall be constructed by the District in accordance with the District's specifications and shall be, at all times, the property of the District. Cost recovery contracts with the Applicant shall be approved by the Board prior to commencement of construction of the Facilities and will be based upon the cost of constructing and installing standard size water or wastewater Mains and Facilities necessary to adequately supply service. Such costs generally include the costs of all engineering, materials, labor, and rights-of-way, together with all incidental and overhead expenses. If special items and related costs of completion are incorporated into the specifications to meet local construction conditions, such costs may also be included. In circumstances where application of the provisions of this policy would cause either the Applicant or the District to be unduly burdened, or where speculative developments are involved, the District reserves the right to consider cost recovery independently based upon specific expenses without adherence to this policy.

7.2.2. Eligible Facilities. Upon application to the District, the Board may, in its discretion, enter into a contract with an Applicant to recover the costs of constructing water and wastewater Facilities, subject to any terms and conditions imposed by the Board. To be eligible for cost recovery, such Facilities must be constructed to serve one or more Single-Family Dwellings, Multi-Unit Dwellings or other Separate Buildings situate within an area of five acres or more within the District or a Contracting District or in any area which is immediately contiguous to the District or a Contracting District. The District will not allow the recovery of costs if the Board determines that it is not economical or financially feasible or otherwise in the best interests of the Public Water or Wastewater

System. The amount and method of cost recovery for constructing such Facilities shall be determined by the Board, in its discretion, prior to the commencement of construction of such Facilities (subject to adjustment for actual costs). The Board, in its discretion, may authorize special charges in addition to the District's regular fees and charges to be assessed against other Customers connecting to such Facilities and may pay such special charges to the Applicant in order to recover the prorata costs of constructing such Facilities. In no event shall such special charges exceed the net costs of constructing such Facilities after consideration of any other cost recovery or participation payments to be made by the District. In the event that the District has previously funded or participated in the costs of constructing Facilities to serve the subject area, the amount of cost recovery for such Facilities may be reduced as determined by the Board in order to prorate the total costs of providing water or wastewater Facilities to such area. The aggregate amount of cost recovery and special charges for such Facilities paid to the Applicant shall not exceed the actual costs of constructing such Facilities, without interest. Cost recovery payments to the Applicant shall not extend beyond 10 years from completion of such Facilities. All terms of the cost recovery shall be set forth in a contract between the Applicant and the District, prepared by the District's attorney at the Applicant's expense.

SECTION 8: Park & Recreation Rules and Regulations

Section 8.1. Recreational Programming and Facilities.

The Board has established a variety of recreational programs and activities to serve the leisure needs of a diverse range of age and interest groups residing within the District. Staff has been directed to constantly evaluate and improve programming and facilities at all times and to strive for high quality at economical cost for all user groups.

Generally the Board will seek recommendations from staff regarding any new programming or changes to existing programming. The Board has the right to review scheduling and other administrative aspects of park and recreation programming but it is the policy of the Board to leave administrative tasks to staff to the greatest extent possible unless deemed reasonable and necessary by the Board.

Section 8.2 Program and Facility Use and Fees.

The Board is responsible for establishing all fees, rates and charges related to the Park and Recreational programs and for use of District Facilities. Staff will annually prepare a proposed fee schedule for the coming year which will be presented to the Board along with the budget for approval, thus enabling the Board to establish the various revenue requirements for programs and Facilities.

It is the responsibility of staff to present to the Board accurate cost figures per activity and to justify the existence of each program, whether the program requires a fee for participation or is provided as part of the budget of the District.

Section 8.3. Facility Rentals.

Certain of the District's Park and Recreation Facilities may be rented by community groups or individuals as available on a reservation basis, after District programming has been scheduled and at the discretion of the Park and Rec Enterprise Director. A facility rental fee must be deposited with the form provided by the District in order to secure a reservation for any particular date and time.

Section 8.4. Non-Resident Fees.

Customers living outside of the boundaries of the District shall pay a higher fee for program participation and Facility usage than residents living within the District. Non-resident fees shall be established by the Board. Non-residents are allowed to participate in District programs so long as the program is not full or the Facility is not at capacity enrollment with District residents, who have first privilege of registration and usage.

Section 8.5. Membership Cards.

District residents (including children) will be issued a membership card to use District facilities. The card should be presented each time District Facilities requiring a fee are used, or upon request by any District employee. Membership cards may only be used by the person whose name is on the card and are not transferrable. Lost cards may be re-issued for a reasonable replacement fee.

Section 8.6. Park Use Permits.

The District park and recreation Facilities shall not to be used by private enterprise for profit or gain. In order to protect this policy, special use permits shall be issued for reservations in District parks by groups and associations wishing to use park Facilities for athletic or social events. The District reserves the right to contract with such organizations to allow use of the Facilities, to require insurance or other terms of use, and to offer first rights upon obtaining such a License or contract for use. No organization shall use District park or recreational Facilities for organized events without first obtaining a special use permit.

Section 8.7. Park and Recreation General Rules of Conduct.

Proper conduct is expected of all users of Park & Recreational Facilities. Persons using park and recreational Facilities shall be considerate and respectful of other users and District staff. Profanity or inappropriate conduct will not be tolerated. In order to use the weight rooms and cardio rooms without an adult, you must be 15 years or older. In order to use the pool without an adult, you must be 14 years or older. In order to use the basketball court without an adult, you must be 12 years or older. Guests must pay appropriate guest fees and are subject to the same rules as District residents. Parents and guardians are responsible for the behavior of their children under 18. Persons may be asked to leave a park or recreational Facility for inappropriate conduct.

Section 8.8. Facility Rules.

The Park and Rec Enterprise Director may issue and post rules governing conduct at specific Facilities.

Section 8.9. Dissemination of Information and Advertising Materials at District Facilities.

The Board has adopted policies for the placement of signs and dissemination of information and advertising at District Facilities. These policies shall be adhered to in all park & recreational Facilities, as well as generally on District property. No Customer shall be unduly approached, harassed or annoyed by the distribution of any material in violation of this policy while using District park and/or recreational Facilities, it being the intent of the District to provide a safe, comfortable and tolerant environment to all viewpoints and beliefs of Customers using District Facilities.

The Board has a substantial interest in maintaining the aesthetic quality of its parks, protecting the health and integrity of its trees, and preventing any harm or injury to its residents and Customers, particularly children. To that extent, posting of signs other than District signs on District facilities and property, or distribution of advertising materials on vehicles parked at District Facilities and properties is prohibited within park properties. This policy does not intend to regulate logos or advertising which is contained within or upon a vehicle and placed there by the owner of the vehicle (i.e., a service vehicle or a business vehicle, with a business logo).

Facility Use:

RCE- Upon entry, everyone must either present their membership card or provide first and last name, phone number, and address in order to enter building. WHMD reserves the right to verify with District office before allowing any entry.

New Addition/Gymnasium/Weight Room- Before entry, person must buzz in and provide first and last name, phone number, and address in order to be buzzed in. If more than one person is at door, each person will have to provide the same information. If information does not match up, people will be asked to enter RCE to verify information with front desk attendants.

CCW- Must use a fob key purchased from WHMD in order to enter 24 hour weight and cardio facility.

SECTION 9: Drainage Rules and Regulations

Section 9.1. General Provisions.

The District operates and maintains watershed drainage facilities within District boundaries that have been deeded to the District, or that the District has accepted responsibility for pursuant to Intergovernmental Agreement with other agencies, or which have otherwise been accepted into the District system. These facilities include ponds for the temporary collection and dispersal of stormwater along the watersheds located within and through the District, along with the necessary easements and channelways to direct such stormwater into the appropriate drainageways.

Section 9.2. Ownership of Drainage Facilities.

Watershed drainage facilities operated and maintained by the District are the District's property and shall not be interfered with by any Customer or other person not a Customer of the District.

Section 9.3. Access to Drainage Facilities and Easements.

Easements for the collection and dispersal of collected stormwater shall not be interfered with by any person. The District shall maintain the right to access for operation and maintenance of such easements at all times.

Section 9.4. No Public Access; Liability.

Any stormwater collected in a District watershed drainage facility shall be temporarily collected and then appropriately dispersed out of the drainage facility (pond) as part of the District's drainage management responsibilities. Any facility which is used to temporarily collect stormwater is not a part of the District's recreation facilities and shall not be used for any public purpose, including swimming, fishing, boating, wading or other recreation. The District does not maintain drainage facilities for such public use and shall not be liable for accidents or injury caused by any violation of these Rules and Regulations.

SECTION 10: Rates, Fees and Charges

Section 10.1. General.

10.1.1. Establishment of Rates, Fees and Charges. Rates, fees and charges for the various categories and classifications of water, wastewater, drainage, street lighting, and park and recreation services furnished by the District shall be established by the Board and set forth in Appendix C. In the event of a conflict between Appendix C and this Section 10, the Board shall determine which shall control.

10.1.2. Perpetual Lien. Until paid, all fees, rates, tolls, penalties or charges due to the District in accordance with these Rules and Regulations or any contract shall constitute a perpetual lien on and against the property served, and such lien may be foreclosed or otherwise collected in accordance with the Act.

10.1.3. Joint Liability. The District shall have the right to charge any Customer, including both the occupant and owner of the Licensed Premises, who is delinquent in payment of any rate, toll, fee, charge or penalty, all legal, court and other costs necessary or incidental to the collection of such account, including attorneys' fees, and such costs of collection shall be secured by a perpetual lien until paid. The occupant and owner of the Licensed Premises shall be equally liable for any rate, toll, fee, charge or penalty of the District. Any agreements entered into between Customers, property owners, or other Persons with regard to responsibility for payment of rates, tolls, fees, charges and penalties of the District shall be of no force and effect upon the District, and the District may collect its rates, tolls, fees, charges and penalties from any Person responsible hereunder for payment.

10.1.4. Change of Rates, Fees and Charges. The Board shall have the authority to change the rates, fees and charges for any services provided at any time.

10.1.5. Payment of Bills.

- A. Bills for water, wastewater service, parks and recreation, street lighting, drainage and water acquisition fees will be issued monthly. The term "month" for billing purposes means the period between any two consecutive regular readings by the District of the water meter at the Licensed Premises, such readings to be taken as nearly as may be practicable every 30 days. The initial, final or regular monthly bill for service will be for a period of not less than 25 days nor more than 35 days. Upon request, the District will perform and document a special meter reading during the billing period upon payment of a meter charge in accordance with Appendix C, but the normal billing of any Customer account will not be affected thereby.
- B. All bills for service are due and payable at the business office of the District or such other address designated by the District not later than the due date shown on the bill and shall bear a delinquency and/or late charge at the rate of 1% per month on the unpaid balance. A delinquency penalty (as set forth in the Appendix) shall be charged for any past due account not paid within 26 days of the billing date. If water, wastewater and other service charges are combined on the same bill, the delinquency and/or late charge and delinquency penalty referred to herein shall apply to the combined bill and will not be assessed separately. The bill will be considered as received by the Customer when mailed or delivered to the Licensed Premises, or to the designated address of the owner of the Licensed Premises if the owner of the Licensed Property is not the actual Customer and authorizes the mailing of bills to such location, or to another location that has been agreed upon by such owner and the District. Final, weekly and special bills and bills for connection and reconnection are due on presentation. If the Customer fails to receive a bill, the District upon request will provide an accounting of the Customer's monthly bill. Failure to receive a bill shall not exempt the Customer from payment for services furnished.
- C. Any Customer account which has been shut off due to non-payment or is scheduled to be shut off must be paid in full to prevent shut-off and arrange restoration of service.
- D. Until paid, all such fees, rates, penalties or charges shall constitute a first and perpetual lien on and against the property served, and any such lien may be foreclosed or collected in the manner set forth in the Act. The lien shall include, and the District shall be entitled to recover all collection costs, including without limitation attorneys' fees, county fees, court costs and recording fees. If a lien has been recorded by the District, a minimum charge (as set forth in the Appendix) must be paid to release such lien.
- E. If a Customer gives notice to the District prior to the date payment is due disputing correctness of the bill, the District will investigate the complaint. Such notice shall not constitute sufficient reason for withholding payment. If the bill is found to be incorrect, the

District will refund the amount of overpayment or credit the amount of overpayment to the Customer's next bill. If the bill is determined to be correct, the District may collect reasonable fees and expenses incurred in connection with such investigation.

10.1.6. Customer Account. The District will exercise all reasonable means to assure accurate computation of all bills for water, wastewater and other services. In event of error, the District shall refund to the Customer the amount of any overpayment or credit the amount of the overpayment to the Customer's next bill. The District may collect from the Customer the amount of any undercharge regardless of the date or duration of such billing error, subject to any statutory limitations. No charge for an error in any billing that dates back more than six years from the date of such corrected billing will be imposed or collected, except under circumstance of fraud.

Section 10.2. Availability of Water and Wastewater Service.

Water and wastewater services shall be available to Applicants and Customers within the District and any Contracting District only in accordance with these Rules and Regulations and on the basis of the rates, fees and charges set forth in Appendix C, subject to (i) all penalties and charges for violations thereof; (ii) the availability of Facilities, supply and capacity of the Public Water and Wastewater Systems; and (iii) the payment of all unpaid fees, penalties, and charges as indicated by District records, regardless of whether such delinquent amounts have been certified to the County Treasurer for collection or any claim that such amounts have been eliminated by the issuance of a Treasurer's Deed or other instrument.

10.2.1. Residential Service.

- A. **Definition.** Residential water or wastewater service is the furnishing of water or wastewater service for the exclusive use of the Customer for domestic purposes in a Single-Family Dwelling or a Dwelling Unit in a Multiple-Unit Dwelling. Service to appurtenant Improvements, including without limitation garages, barns and other structures for residential use shall also be authorized under the License for the Licensed Premises.
- B. **Availability.** Residential water or wastewater service is available to Customers within the District or any Contracting District, subject to the issuance of a License.

10.2.2. Non-residential Service.

- A. **Definition.** Non-residential water or wastewater service is the furnishing of water or wastewater service to Non-Residential Improvements for the exclusive use of a Non-residential Customer.
- B. **Availability.** Non-residential water or wastewater service is available to Customers within the District or any Contracting District.

Section 10.3. Water Rates, Fees and Charges. 10.3.1. Applicability.

No License or application for water service to any Residential or Non-residential Customer shall be issued or approved by the District without payment of a System Development or Tap Fee.

10.3.2. System Development or Tap Fee. System development or tap fees for a new or altered water service connection of any Residential or Non-residential Customer to the Public Water System shall be determined in accordance with the classifications and methods set forth in this Section 10.3.2. A meter serving a previously activated water service connection may be increased in size by payment of any additional system development fee equal to the difference in system development fees between the original and enlarged water tap equivalents for such service connection calculated at current rates in accordance with the provisions hereof; provided, however, that no additional system development fee shall be assessed if the water tap equivalents of such altered water service connection are not increased thereby.

10.3.3. Inspection Fee and Connection Charge for Connections or Disconnections.

- A. Before the connection or disconnection of any Water Service Line, there shall be paid to the District, at the time of issuance of the License, a fee for the inspection of each such connection or disconnection as set forth in Appendix C.
- B. In the event such connection or disconnection requires the tapping of the water Main, the District shall perform the tapping operation and the Applicant shall pay the costs for any materials and a tapping charge for each such connection or disconnection based upon actual time expended by the District, including the minimum charges as set forth in Appendix C.

10.3.4. Payment. System development or tap fees, along with any other charges, costs, penalties or fees for water service shall be paid before water service is activated for any Customer.

10.3.5. Fire Hydrant Charge. An Applicant for a License for temporary use of a fire hydrant shall pay a deposit for each fire hydrant, which is refundable upon an inspection of the Facilities and determination by the District that there has been no damage to the Facilities. If the District must repair or replace any Facilities, including the fire hydrant, any cost or repair shall be paid by the Licensee when invoiced by the District. The Licensee shall pay all applicable rates, fees and charges for use of water from the fire

hydrant as is generally applicable for water use within the District. If a Licensee leases a fire hydrant meter from the District, the Licensee shall also pay a fee of \$15.00 per day, which shall be payable on a monthly basis.

Section 10.4. Wastewater Rates, Fees and Charges.

10.4.1. Residential Connection Fee. A connection fee shall be charged by the District for the proportionate cost of utilizing Facilities already constructed by the District and for future expansions of and Improvements to the Public Wastewater System necessitated by the application and acceptance for service of new Residential Service Customers. The connection fee shall be in addition to all other fees and charges imposed under these Rules and Regulations. All connection fees shall be paid at the time of issuance of the License as set forth in Appendix C. Where there is an addition to or remodeling of an existing Residential Improvement, which increases the number of Dwelling Units on the Licensed Premises, an additional connection fee shall be assessed according to the usage classification as set forth in Appendix C. Where the Improvements on the Licensed Premises consist of any combination of uses as defined in these Rules and Regulations, the connection fee will be determined in each case according to the classifications set forth in these Rules and Regulations or any combination thereof.

10.4.2. Non-residential Rates, Fees and Charges.

- A. **Administrative Review and Inspection Fee.** The District shall conduct an initial administrative review to determine whether pretreatment is required for a Nonresidential connection. If the Non-residential connection does not require pretreatment, no further inspection fees apply. If the Non-residential connection requires pretreatment, an inspection fee for the connection to the system shall be assessed regarding pretreatment processes installed on the Licensed Premises. Additionally, a Non-residential wastewater discharge permit application shall be submitted to the District. Initial and final inspections are included in the inspection fee, and if subsequent inspections are required, an hourly rate determined by the Board shall be charged. Subsequent inspection fees shall be proprietor-induced.
- B. **Non-residential Connection Fee.** A Non-residential connection fee shall be paid to the District for wastewater service before a Non-residential account shall be allowed to physically connect to the Public Wastewater System. The amount of such fee shall be determined in accordance with Appendix C and reviewed by the District annually. If, by administrative review, a Non-residential Service is determined to require pretreatment devices, a Non-residential wastewater discharge permit shall be issued to the owner of the Licensed Premises detailing the requirements of the pretreatment devices.
- C. **Non-residential Connection.** Connection fees for any Non-residential Wastewater Service connection shall be determined in accordance with the Nonresidential Connection Fee Table set forth in Appendix C based upon the tap equivalents of such connection. The Board reserves the right to determine the connection fee to be imposed thereon based on the nature of the Non-residential use, content and loadings, the number of projected Personnel, and the number of fixture units contained therein. The tap equivalents of any Non-residential wastewater service connection shall be calculated based upon the estimated annual water consumption (exclusive of irrigation) and wastewater flows from such connection, as determined by the Wastewater Enterprise Director after review of various water consumption and wastewater loading indicators, including but not limited to Fixture Units, water or wastewater tap size, and gpm design flows and loadings and estimated annual water usage and wastewater loadings by tap equivalents as set forth in Appendix C. The annual water consumption and wastewater loadings of any such connection will be reviewed by the District after two years of actual wastewater service, and an adjustment of the connection fee will be made if the actual water consumption and wastewater loadings averaged on an annual basis over the two-year period is different than the estimated annual water consumption and wastewater loadings. If the actual water consumption and wastewater loadings of such wastewater service connection increases thereafter because of a change in the nature of water usage and wastewater loadings thereby placing such connection in a higher tap equivalency classification for a period of two or more years consecutively, the District may charge an additional connection fee based upon such higher tap equivalency classification calculated at current rates as set forth in Appendix C. Any refund or additional charge of a connection fee shall be made to the owner of the subject property at the time of such review. Connection fees for non-residential wastewater service connections with estimated annual water consumption and wastewater loadings in excess of the amounts set forth in Appendix C shall be determined by the Board.
- D. **Wastewater Service Charges.** At the beginning of each operational year, the Board will establish a standard equivalent charge based upon the average monthly cost of service per Single Family Dwelling, which will be used as the basis for determining service charges against all residential Customers. The base rate wastewater service charge for Non-residential Customers shall be equal to the standard equivalent residential charge times the relevant tap equivalents. Specific commercial accounts that pose a higher risk to the Public Wastewater System will be adjusted with a non-residential factor. The non-residential factor shall be determined and reviewed annually by the District, and is set forth in Appendix C.
- E. **Surcharges.** Certain Non-residential Customers pose a higher risk to the Public Wastewater System than other Customers. Those Customers identified with potentially higher risk discharges shall be sampled by the District to determine compliance. The District

must have access to a sampling port to perform this monitoring task. For initial sampling purposes, a Wastewater Service Line cleanout can serve as a sample port provided this line handles flow from the Nonresidential processes. Businesses that do not have sample ports shall be surcharged per tap equivalent per month, to be determined by the District and reviewed annually in addition to the Non-residential base rate. Once a sample port has been installed and the discharge is in compliance, the surcharge shall be removed and the service charges shall be decreased to the base Non-residential rate.

If an account without pretreatment equipment installed has been sampled and found to be in compliance, no action must be taken. If an account without pretreatment equipment installed has been sampled and found to be in noncompliance, a higher surcharge per tap equivalent per month, to be determined by the Board and reviewed annually, shall be charged. The surcharge shall remain in effect until the Customer submits a Compliance Schedule indicating the type of pretreatment equipment that shall be installed to achieve compliance, and when the installation shall be completed. The Compliance Schedule shall be reviewed and approved by the District. Once pretreatment equipment has been installed, the service charges shall be decreased to the new Non-residential base rate. These surcharges are set forth in Appendix C.

- F. **Notice of Violation.** NOV's may be verbal or written. Verbal warnings do not carry a penalty. Written NOV's shall carry a penalty of increasing amount from initial to second (or final). Written NOV's shall be issued when discharge limits are exceeded and when District inspection of records or facilities indicate noncompliance with Rules and Regulations. Penalties shall be an added fee to the monthly wastewater rates until the violation is remedied. Initial NOV shall be followed by an inspection, within a reasonable time, to confirm compliance. If non-compliance still exists, a second NOV and accompanying penalty shall be imposed. If a follow-up inspection results in compliance, no further action is required. The next violation shall be considered a separate incident. Excessive wastewater discharges as detailed above shall be surcharged on a monthly basis, until the District can confirm that the wastewater discharge is in compliance. The Customer shall bear all expenses of laboratory analyses incurred by the District in addition to self-monitoring expenses. Fees associated with rates, surcharges, penalties and violations are set forth in Appendix C.
- G. **Penalties for Non-compliance.** Additional wastewater service charges for processing wastewater from all Non-residential Customers shall be determined by compliance monitoring. The District shall determine discharge limits for parameters of concern that will be used as the basis for determining compliance with discharge limits. Constituent effects on the Public Wastewater System, biosolids, the environment and the health and safety of District personnel and the general public shall determine discharge limits. Violations shall be determined by sampling and monitoring performed by the District. After establishing the level of non-compliance in accordance with the District's compliance monitoring plan, the penalty shall be determined by the Notice of Violation schedule.

Section 10.5. Differential Fees and Charges.

Whenever the District has installed water or wastewater Mains or Facilities within areas not served or not adequately served by the Public Water or Wastewater Systems, the Board, in its discretion, may establish different rates, fees and charges for all new connections to and use of the Facilities within such area, in addition to the regular system development fees and water service charges assessed under these Rules and Regulations. The costs of furnishing such different Facilities, including all capital interest or income expenses, may be prorated among the potential new Customers using such Facilities on a Tap equivalent basis or upon any other formula determined appropriate by the Board. Such proportionate costs may, in the Board's discretion, be assessed as an additional system development fee at the time of activation of water or wastewater service to the Licensed Premises and/or as an individual water or wastewater service charge until paid in full, including escalating fees and charges in relation to the initiation of use of such Facilities. The Board, at the time of making any such Facilities available for public use, shall establish by resolution specific rates, fees and charges for connection to and use of such different Facilities, and including an accurate description of the area subject to such resolution.

SECTION 11 Inclusion and Exclusion of Property

Section 11.1. Inclusion.

Where it is desirable and technically feasible to provide water and/or wastewater service to a Parcel of Land located outside the District and the Board determines that inclusion of such property is in the best interests of the District, such Parcel of Land and any Improvements thereon shall be included into the District or a Contracting District in accordance with the Act and as otherwise agreed by the Board in a written Inclusion Agreement. The Applicant shall submit a petition for inclusion and shall pay an inclusion fee as established by the Board.

11.1.1. Inclusion Procedure. The procedure for inclusion of property, specified in the Act, is summarized here:

- A. The Water Enterprise Director and Wastewater Enterprise Director shall determine if the Public Water and Wastewater Systems are physically capable of furnishing service to such property. The Enterprise Directors shall also determine the nature of required extensions, facilities, or other possible on-site and off-site facilities that may be required to provide such service.
- B. If the Public Water and Wastewater Systems can serve such property, the Applicant must submit a petition for inclusion, including an accurate legal description and address of the Parcel of Land, to the District on a form prescribed by the District. The petition shall be submitted by the fee owner or owners of such Parcel of Land and be acknowledged by a notary public. The petition shall be accompanied with payment of the inclusion fee set forth in Appendix C. The District's attorney will then review the petition for legal compliance.
- C. In the case of significant inclusions, it may be required that the terms of an Inclusion Agreement be worked out with staff prior to public hearing in order to address the specifics required of the property and any terms and/or provisions of service or other elements considered necessary to provide services.
- D. The District will cause a notice of hearing on the petition to be published in a newspaper of general circulation in the District setting forth the time and place for such hearing. The petition may not be withdrawn after filing with the District.
- E. Upon completion of publication and payment of all requisite fees, the Board will consider the petition at the public hearing. 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 subject property into the District. The Board may also simultaneously act on any draft Inclusion Agreement and approve, deny, or modify the terms of such Inclusion Agreement and/or may attach any additional terms and conditions considered necessary to the inclusion of such property. If the Board imposes such terms and conditions, then the inclusion of such property shall be subject to all such terms and conditions.
- F. A certified copy of the court order will be recorded in the El Paso County Clerk and Recorder's office, at which time the property becomes included within the District. A copy of the recorded court order shall be submitted to the El Paso County Assessor and Colorado Division of Local Government.

11.1.2. Water Rights Considerations in Inclusions; Any property considered for inclusion will be required to relinquish all existing water rights associated with the property and dedicate said water rights to the District in exchange for water service. Water rights may or may not be adequate to serve the property or proposed development on the property. In cases where water rights are estimated to be insufficient to serve the property, the District's water policy shall be applied and Water Acquisition Fees will be assessed in accordance with the shortage.

Where water rights have not been formally determined and/or decreed but may be applicable to the property, the property considered for inclusion will deed any potential water rights under the lands to the District and the District may or may not seek the appropriate determinations and/or decrees when desired at the sole discretion of the District. If/when unknown rights or quantities may be deeded to the District no Water Acquisition Fee Credits will be granted.

The various terms of application of Water Acquisition Fee Credits and the amount of such credits shall be noted in the Inclusion Agreement.

If/when decreed or determined water rights are deeded to the District, the property owner may be required to process certain water case changes that may include but not limited to, place of use, and or beneficial uses.

11.1.3. Inclusion Fees. For any property accepted for inclusion within the District or a Contracting District for services of the District, the Applicant shall pay inclusion fees at the timing noted in Appendix C and in the amount set forth in Appendix C. Inclusion Fees paid will not be refunded except as herein provided. Under such circumstances as are deemed appropriate, in the Board's discretion, any inclusion fee paid less any cost incurred by the District may be refunded to an Applicant who is unable to successfully complete the inclusion of property into the District.

11.1.4. Major vs Minor Inclusions;

- A. A Minor Inclusion is considered to be less than 5 acres and may include no more than a single existing or anticipated SFE and/or tap. A Minor inclusion must not include transfer of an actual or prior water right even though the inclusion agreement will contain a clause dedicating any future or potential water right under or associated with the property to the District. A Minor Inclusion may be completed with a standardized Inclusion Agreement. The Enterprise Directors will decide if/when a petition for inclusion consists of a minor or major inclusion.
- B. A Major inclusion is any inclusion not covered above. Major inclusions are generally associated with properties intended for additional development over and above existing or for multiple taps and/or services. A Major Inclusion will require development of a site specific Inclusion Agreement. Major inclusions may include no more than four SFE's and/or taps per acre.

Inclusion fees are charged for the purpose of offsetting costs incurred by the District in accepting a petition, determining and developing terms of service and other incidental costs in processing an inclusion. District direct and indirect costs to be covered by inclusion fees;

- A. Legal Fees
 - Legal fees associated with actual inclusion terms/agreement, hearings, drafts, Board meetings, meetings with developers, preparation of resolution(s), District Court Filing
 - Legal fees and negotiations relative to “conveyance of water rights to district”---
- B. Staff and Administrative Time;
 - Negotiation/preparation of actual inclusion terms/agreement, hearings, meetings with developers. Associated Board meetings. Development of impact assessments (projection of potential fees, WAFs, etc). Development of offsite facility requirements.
 - Development of any required facility reimbursement formulas or requirements.
 - Support for any necessary easements, required permits, but not including actual acquisition, funding of acquisition, and/or negotiations.
 - Review of preliminary plans/ final plats/and/or other Land Use approval processes.
 - Preparation of preliminary and final service Commitment Letters. If developer requires modified letters due to changes in land uses, or otherwise, the District may invoice the developer for administrative, legal, and or engineering cost directly associated with revised letters.
- C. Engineering Costs covered by Inclusion fees;
 - Assistance to staff in developing offsites; inclusion requirements; analysis of water rights credits; for inclusions.
 - Negotiation/preparation of actual inclusion terms/agreement, hearings, meetings with developers. Associated Board meetings. Development of impact assessments (projection of potential fees, WAFs, etc). Development of general offsite facility requirements.
 - Participation in facilities permitting meetings
 - The District will provide **one** Water and Wastewater Report at the preliminary stage of development. Land use changes, lapses in timing, and or phased development requirements that entail or require additional and/or modified reports will be at the sole cost of the developer and will be invoices directly to the developer. Commitment letters will be updated for any Final Plats.

District direct and indirect expenses of the District NOT included in Inclusion fees,

- A. Formation of and/or support in forming overlapping, secondary, sub districts or other forms of government/covenants.
- B. Any costs of developing, processing, or implementing changes to WHMD Service Plan necessitated by an inclusion(s)
- C. Any out of the ordinary costs to District associated with the inclusion or service to the property not included in the above listing.
- D. Actual preparation/filing of Change Cases on Water rights/determinations

Section 11.2. Exclusion.

11.2.1. Exclusion of Property. Real property within the District may be excluded from the District upon proper petition being filed by the owners of the Parcel of Land sought to be excluded, in a form provided by the District, and payment of the requisite fees for exclusion as specified in Appendix C. A Public hearing shall be held upon each petition for exclusion after publication of notice. Exclusion of property from the District shall not excuse the liability of such property for any charge, lien or bonded indebtedness existing at the time of the exclusion. All unpaid 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 if (i) the District is unable to serve the property, (ii) in serving the property, the District would be duplicating existing public water and wastewater services, or (iii) the inclusion of the property into the District was improper. The decision of the Board upon any petition for exclusion shall be made at the time of public hearing thereon. The Board's decision shall be final and conclusive. The District may attach any terms and conditions considered necessary by the Board, in its discretion, to the exclusion of any property from the District.

11.2.2. Exclusion Fee. For any property approved for exclusion from the District, the Applicant shall pay an exclusion fee in the amount set forth in Appendix C or as determined by the Board. Such property shall also be subject to any obligation of the District established pursuant to the Act. Any exclusion fee paid less any costs incurred by the District may, in the Board's discretion, be refunded to an Applicant who is unable to complete the exclusion of property from the District.

SECTION 12 Enforcement

Section 12.1 Prohibitions.

No unauthorized person shall turn on service from, uncover, make any connection or reconnection with, open into, extend, use, alter, or disturb any public water or wastewater main or parks and recreation facilities or appurtenances, or fail to comply with these Rules and Regulations, or construct a main line extension without first obtaining a written permit from the District, paying all applicable fees and charges and complying with all applicable Rules and Regulation of the District.

Section 12.2 Violations.

In case of violation of Section 12.1 herein or any other requirement of these Rules and Regulations, and in addition to the penalties set forth in Section 12.3 herein, the District may revoke, disconnect, or turn off service, require the responsible person to disconnect, or return or require the responsible person to return the District's system to its original condition, and shall require payment of all applicable fees and charges provided by these Rules and Regulations and all costs associated with the violation, including any expense, loss, damage or attorney's fees occasioned by such violation prior to the District providing any service to any property or facilities owned, leased or occupied by the responsible party, whether or not such property or facilities are directly involved in the violation of this Section. This Section shall not be construed to limit the rights of the District to pursue other fees, charges, penalties, remedies or forms of relief provided in these Rules and Regulations and by other applicable law.

Section 12.3 Penalties.

In addition to any other method of enforcement provided by these Rules and Regulations, the District may impose the following penalties against any violator:

12.3.1 Illegal Discharge. Any person making an illegal discharge into the District's water or wastewater system shall be penalized a minimum of \$500, plus any costs incurred by District as a result of such discharge.

12.3.2 Unpermitted Connection or Water Use. Any person who has made an unpermitted use of District water or an unpermitted connection to the District's water or wastewater system, whether metered or not metered, may be penalized a minimum of \$500, plus any costs incurred by the District as a result of such unpermitted connection or use of water. A 10-day grace period will be given to cure an unpermitted connection. If a cure is not effected within the 10-day grace period, an additional penalty will be assessed as set forth in Appendix C.

12.3.3 Tampering With Fire Hydrants or Blow Offs. Any person who tampers with a District fire hydrant or blow off shall be penalized for the water loss resulting from such tampering at a rate determined in the discretion of the Board or as set out in the District's Schedule of Fees as amended from time to time. Such person shall be further penalized any additional amount necessary to repair damages to the fire hydrant, blow-off valve or other components of the District's water distribution system.

12.3.4 Tampering With Water Meters or Wastewater System. Any person who tampers with a District water meter or the District's wastewater system shall be penalized at a rate set in the District's Schedule of Fees plus any amounts necessary to repair any damage to such water meter or wastewater system.

Section 12.4 Misdemeanor Offenses

Any person who shall maliciously, willfully, or negligently, break, damage, destroy, uncover, deface or tamper with any portion of the District's water or wastewater system or parks and recreation facilities, or takes water from the District's system, including fire hydrants, without written authorization, shall be charged with a misdemeanor, and upon conviction thereof, shall be fined for each violation in an amount as established by the court, along with additional penalties as may be appropriate.

Section 12.5 Revocation of Service

Service shall be revocable by the District upon non-payment of valid fees, charges or penalties owing to the District, upon failure to comply with the Rules and Regulations or when the Water Enterprise Director or authorized representative determines that an emergency exists and such revocation is necessary to protect the health, safety and welfare of the inhabitants and visitors of the District.

12.5.1 Notice and Hearing. In all cases except those involving an imminent hazard to the health, safety or welfare of the inhabitants or visitors of the District or to the District's water or wastewater systems, the affected Customer and, if different than the Customer, the owner of the property served shall be given due notice of the opportunity to request a hearing prior to involuntary disconnection or termination of service. The District shall concurrently mail such notice to the Customer and to the property owner, if the property owner of record is known and neither resides nor conducts business at the property. If the District believes that such mailed notice would not be effective, such notice should also be posted at the property served. Such notice shall be deemed to have been received by the Customer or owner three (3) days after the mailing of such notice to the Customer's billing address and last known owner's address. Any request for a hearing concerning the District's intent to disconnect service shall be provided in writing to the District

Representative within ten (10) days of receiving such notice. Said hearing shall be conducted by Water Enterprise Director or authorized representative, at which time the Customer and owner of the property served shall have an opportunity to present testimony and evidence supporting continued service. Following said hearing, the Water Enterprise Director’s decision concerning disconnection or the conditions of continued service shall be final. Disconnection of service to the property shall be effected by disconnecting or blocking either or both the water and wastewater lines serving the property as the District deems appropriate.

APPENDIX A

Procedure for Public Hearings

After notice of such hearing being published and except where special circumstances require otherwise, the formal hearing by the Board of Directors on petitions for inclusion or exclusion of properties into or from the District, or on any other matter requiring a public hearing, will be conducted according to the following procedure:

1. Statement by or on behalf of Applicant - time not to exceed 15 minutes;
2. Statement in opposition thereto presented by designated Person representing objectors - time not to exceed 15 minutes;
3. Evidence on behalf of Applicant;
4. Evidence on behalf of objectors;
5. Evidence and statements presented by members of Board, attorney and engineer, etc;
6. Argument by Applicants - time not to exceed 5 minutes;
7. Argument by objectors - time not to exceed 5 minutes;
8. Reply by Applicant – time not to exceed 2 minutes;
9. Any order or action by Board.

At any time when there is more than one Applicant or more than one objector, such parties shall select not more than two of their group to make arguments and to present evidence on behalf of such group. At such hearings, only evidence pertinent to the statutory and/or duty of the Board in regard to such matter shall be presented and accepted.

APPENDIX B

Service Installation Information Sheet For Water Service

See District Specifications

APPENDIX C

Schedule of Rates, Fees and Charges

C.1 Rate and Fee Schedule

C.1.1 Fee for Inspections and Connections/Disconnections. Each Applicant for a License to connect or disconnect any Improvements to the Public Wastewater or Water System shall pay the fees as detailed below:

- a. Before the connection or disconnection of any Wastewater or Water Service Line to or from the Facilities, there shall be paid to the District, at the time of issuance of the connection or disconnection License, a fee for the inspection of each such connection or disconnection as follows:
 - An inspection fee for any wastewater or water Connection of: \$50
 - An inspection fee for wastewater and water Connections of: \$50
 - An inspection fee for a call-back on a meter set: \$50
 - An inspection fee for disconnections of: \$50 plus any additional actual costs.
- b. In the event such connection or disconnection requires the tapping of the public Wastewater Main, the District shall be present for the tapping operation, and the Applicant for the connection or disconnection License shall pay the costs for any materials and a tapping charge for each such connection or disconnection as follows:
 - A fee for connections of: Minimum \$900 plus any additional actual costs.
 - A fee for disconnections of: Minimum \$900 plus any additional actual costs.
- c. In the event such connection includes setting the water meter, an additional charge of \$500.00 for 5/8”/3/4” \$1700.00 for a 1” meter, and for larger meters, the actual cost of such meter plus 18%.
- d. An initial administrative review fee for a Non-residential connection in connection with a Pretreatment Permit shall be paid to the District. Costs associated with this review are found in Appendix C.

C.1.2 Inspection Fee for Stub-ins. Each Applicant for a License to install any Stub-in connection for Wastewater or Water Service Lines shall pay the fees as detailed below:

- a. For a Stub-in connection to the Public Wastewater or Water System, there shall be paid to the District, before issuance of the Stub-in License, a fee for the inspection of each such Stub-in connection of: \$1,000.
- b. If such Stub-in connection requires the tapping of the Public Wastewater or Water Main, the District shall be present for the tapping operation, and the Applicant shall pay the costs for any materials and a tapping charge for each such Stub-in connection of: \$1,000, together with all costs in the approximate amount of \$670 for Wastewater Stub-in connections and \$620 for Water Stub-in connections.

Any inspection fee and tapping charge levied under this Section C.1.3 shall be in addition to all inspection fees, tapping charges, connection fees and other fees and charges currently applicable.

- 1. Either \$500 or, if greater, the actual administrative costs incurred by the District in processing the petition for inclusion in which case a deposit of \$500 is required;
- 2. A fee of \$1,000 per equivalent unit for the number of wastewater equivalent units to be served; and
- 3. A fee of \$5,000 per equivalent unit for the number of water equivalent units to be served.

C.1.3 Inclusion Fee. An inclusion fee may be established by the Board on a case-by-case basis during negotiation of an inclusion agreement with the property owner seeking the inclusion of property into the District.

C.1.4 Exclusion Fee. For any property approved for exclusion from the District, the Applicant shall pay an exclusion fee necessary to cover the costs of processing the exclusion, including legal fees necessary to determine service impacts and statutory criteria necessary for the Board to consider any approval of an exclusion. For purposes of filing the exclusion, an Applicant should pay \$500 with the Application, but shall be responsible for payment of all costs incurred by the District to process such exclusion. Each petition for exclusion shall be accompanied by full payment of the exclusion fee, which will not be refunded, and the Applicant shall be billed for and must pay any remaining costs prior to formalizing any exclusion.

C.1.5 System Development Fee.

a. Residential Development. System development fees for any residential service connection shall be determined as follows:

| Classification | System Development | Wastewater Tap | Water Tap |
|---------------------------|--------------------|----------------|------------|
| | Fee | Fee (X2) | Fee |
| 1. Single Family Dwelling | \$1,250.00 | \$6,500.00 | \$6,500.00 |
| 2. Multi-unit Dwelling: | | | |

Where there is a conversion of a Single Family Dwelling to a residential Multi-Unit Dwelling or an alteration of a Single Family Dwelling or a Residential Multi-Unit Dwelling to increase the unit size or to add additional Dwelling Units, an additional system development fee shall be charged for each additional tap equivalent contained therein in accordance with the above classifications.

- b. Non-residential Connection. System development fees for any non-residential wastewater service connection are according to tap size.
- c. Irrigation Water Service. The system development and tap fee for an irrigation only water service connection shall be as set forth in a.1 above.
- d. Transfer Fee. A fee of \$2,000 for each equivalent unit shall be charged for the transfer of any water or wastewater License authorized under the Rules and Regulations.

C.1.7 Disconnection or Reconnection Fee. In the event that wastewater or water service is discontinued to any Licensed Property because of (i) non-payment of service charges or other fees, (ii) a violation of these Rules and Regulations, or (iii) failure to comply with any duly promulgated order of the Board or any other federal, State or local regulatory agency, service to such Licensed Premises shall not be resumed until the on the bill. For billing purposes, service to any Single Family Dwelling, Dwelling Unit in a Multiple Unit Dwelling or other separate building shall be deemed to have commenced upon the later of (i) the date that the Wastewater or Water Service Line is connected to the Public Wastewater or Water System; or (ii) the date that the permanent water service meter therefore is set for water service to the Licensed Premises. Service will be prorated based upon the number of days of service in the billing period. In no event shall termination of service by the District, discontinuance of usage by the Customer, or other non-use of the Public Wastewater or Water System constitute grounds for any refund of service charges. All bills shall bear a delinquency and/or late charge for any delinquent Customer account of one percent on the unpaid balance thereof per month, plus a delinquency penalty of \$10.50 for any account not paid within 26 days of the billing date. If water and wastewater service charges are combined on the same bill, the delinquency and/or late charge and delinquency penalty referred to herein shall apply to such combined bill and shall not be assessed separately. The District may terminate water service and/or begin appropriate legal action

against any Customer who is delinquent in the payment of wastewater or water service fees and surcharges. The District shall be entitled to recover all collection costs, including but not limited to attorneys' fees, court costs, county assessor's fees and charges, and recording fees.

- A. **Base Rates.** The Board will annually review and establish the base rates for wastewater, water and park and recreational services. The base rates are set forth in Appendix C-1 immediately following this section.
- B. **Non-residential Additional Rates.** All non-residential wastewater Customers shall pay \$1 per SFE per month to the Pretreatment Program. This amount is included in the wastewater base rate. The following schedule details additional monthly charges to non-residential accounts. Risk of accounts shall be determined according to criteria developed by the District.

Category 1

This Low or No risk category charge is the \$1.00 included in the wastewater base rate.

All wastewater accounts are established at the Category 1 rate.

Category 2

This higher rate category charge is \$1.00 added to the base rate for accounts deemed to be at a higher risk of contributing substances that disrupt the treatment processes.

Category 3

This higher rate category charge is \$2.00 added to the base rate for Category 2 accounts without adequate sample ports.

Category 4

This higher rate category charge is \$3.00 added to the base rate for Category 2 accounts with sample ports that are out of compliance. A Category 2 multiple tenant account with one or more or higher risk businesses will be charged at a rate determined on a case-by-case basis.

- C. **Penalties for Excessive Wastewater Discharges.** Once sampling has been established for a discharge, monitoring for compliance will begin. Noncompliance will result in penalties (Notice of Violation) assessed to the account. The following schedule details penalties associated with non-compliance Notice of Violation:

Notice of Violation

- † The first violation (with pretreatment equipment installed), up to twice the discharge limit, carries a \$150 penalty.
- † The first violation (with pretreatment equipment installed), over twice the discharge limit, carries a \$300 penalty.
- † The second violation (with pretreatment equipment installed), up to twice the discharge limit, carries a \$300 penalty.
- † The second violation (with pretreatment equipment installed), over twice the discharge limit, carries a \$600 penalty.
- † The third violation (with pretreatment equipment installed) carries a \$600 penalty, a base rate surcharge equal to the Category 4 charge per month until compliance is achieved, and possible termination of water and wastewater service.

Administrative violations may be assessed to an account for administrative noncompliance, including but not limited to, recordkeeping. The following schedule details penalties associated with administrative non-compliance:

- † The first administrative violation carries a \$25 penalty.
- † The second administrative violation carries a \$100 penalty.
- † The third administrative violation carries a \$200 penalty and possible termination of water and wastewater service.

- D. **Compliance Schedule Surcharge.** Based on the results of an Inspection by the District, a Compliance Schedule may be required to install sampling or pretreatment equipment, or take other measures necessary to achieve compliance. A Compliance Schedule shall be completed within six months and a surcharge equal to the non-residential base rate plus up to the Category 3 charge per tap equivalent per month shall apply until the Compliance Schedule is completed.

If the Compliance Schedule is not completed within the six month timeframe, a surcharge equal to the non-residential base rate plus the Category 4 charge shall apply each month until the Compliance Schedule is completed.

- E. **Inactive Water Service.** The monthly service charge for inactive water service shall be the total amount of a base utility bill per month per equivalent unit, unless otherwise provided in a written agreement with the District.
- F. **Water Meter Inspection and Rereads.** Unless waived by the Director, the Customer shall pay an inspection fee of \$30 and a testing charge of \$30 for any inspection, reread or testing of a water meter requested by the Customer.

C.4 Miscellaneous Fees, Charges and Penalties.

C.4.1 Regulation Violations. Any Customer or user of the Public Wastewater or Water System shall be subject to additional fees, charges and penalties for violations of the Rules and Regulations as follows:

- a. For any unauthorized connection or disconnection from the Public Wastewater or Water System, a penalty of \$1,000 per incident.
- b. For any unauthorized activation of water service, a penalty of \$1,000 per incident.

- c. For any unauthorized use of a fire hydrant connected to the Public Water System, a penalty of \$1,000 per incident (unless after application to the Water Enterprise Director and Comptroller a reason and showing of lesser actual damage and/or extenuating circumstance is presented within ten days of such incident and such lesser fee is approved after considering the circumstances).
- d. For any unauthorized diversion of water from the Public Water System, a penalty of \$1,000 per incident.
- e. For any violation of the cross-connection and back-flow control Rules and Regulations, a penalty of \$150 per incident.
- f. For any other violation of the Rules and Regulations not specified herein, a penalty of \$25 per incident (with each additional day being considered as a separate incident).

APPENDIX C-1

Woodmen Hills Metro District Utility Rates:

Residential Water

Water Usage Base Rate Fee: \$17.64

Water Leasing Fee: \$36.76

0 to 7,500 gallons will be billed at a rate of \$0.30 per hundred gallons

7,501 to 10,000 gallons will be billed at a rate of \$0.44 per hundred gallons

10,001 to 20,000 gallons will be billed at a rate of \$1.30 per hundred gallons

20,001 to 30,000 and up gallons will be billed at a rate of \$1.74 per hundred gallons

Over 30,001 gallons will be billed at a rate of \$2.21 per hundred gallons

Builder Flat Fee \$101.21 per month

Residential Sewer

Sewer Base Rate Fee: \$45.699 per month

Falcon Highlands Customers (per IGA Dated April 17,200)

Flat rate:\$45.69 per month

Flow: per hundred gallons \$0.28

Paint Brush Hills Customers Flat Rate: \$40.48per month

(per IGA Dated June 3,2011)

Commercial Water Rate Inside District

Water Leasing Fee \$36.76 per SFE

All use will be billed at a rate of \$ 0.98 per hundred gallons

Commercial Sewer Rate Inside District

All flow will be billed at rate of \$1.99 per hundred gallons

Commercial Outside

Water Usage Base Rate Fee: \$15.08

0 to 7,500 gallons will be billed at a rate of \$0.24 per hundred gallons

7,501 to 10,000 gallons will be billed at a rate of 77\$0.36 per hundred gallons

10,001 to 20,000 gallons will be billed at a rate of \$1.07 per hundred gallons

20,001 to 30,000 and up gallons will be billed at a rate of \$1.43 per hundred gallons

Over 30,001 gallons will be billed at a rate of \$1.78 per hundred gallons

Other

Parks & Rec. Charges \$58.47 per month

Street lighting \$ 6.92 per month

Late Fee (If payment is not received by the 25th) \$10.50

Disconnect Fee \$50.00

Reconnect Fee \$50.00

APPENDIX D

Public Water Line Extension

1. All water main extensions shall be engineered, constructed and supervised by the District or its representative. Upon submission of a written application for the extension of a water main, accompanied by a deposit in the amount of \$300.00, plus \$0.25 per estimated

foot, the District Engineer will be directed to prepare a preliminary cost estimate of the proposed extension for the Applicant. After notification of the preliminary cost estimate, the Applicant shall, within thirty (30) days, either advise the District to proceed with the main extension project, or to discontinue further action on such project. If the proposed project is terminated at this point, the Applicant shall pay the District for actual costs incurred to date, including engineering fees, with the deposit of \$300.00, plus \$0.25 per estimated foot, being credited against such costs.

2. If the Applicant elects to continue with the project, the District Engineer shall prepare all necessary designs, specifications and plans and arrange either for public bidding of the proposed project in accordance with Colorado statutes, if so determined by the District, or for letting of contracts without public bidding, if permitted in accordance with the Rules and Regulations. Prior to preparation of any plans and specifications by the District Engineer, the Applicant shall deposit with District an amount equal to 10% of the estimated project costs. After the low bid, the Applicant shall, within thirty (30) days, then determine whether or not a contract will be entered into with the low bidder for construction of the subject main extension. If the Applicant elects not to continue with the project at this point, the Applicant shall pay the District for actual costs incurred to day, with all deposits being credited against such costs.
3. If the Applicant elects to continue with the project, the District shall enter into a written agreement with the low bidder, setting forth all relevant contractual items, and the District Engineer shall authorize commencement of construction. Prior to actual commencement of construction activity, the Applicant shall tender to the District a deposit, in cash or certified funds, in the full amount bid, plus estimated engineering fees, or, in lieu of a cash deposit, a letter of credit or other acceptable security approved by the District. The Applicant shall also submit to the District duly granted easements or such sums as are necessary to acquire easements for the main extension, including surveys therefore, if so required. The District, through its Engineer, shall supervise construction activity and coordinate all matters relating to completion of the subject project.
4. Upon completion of the project, the District shall prepare an accounting of all construction and engineering costs for the Applicant. The amounts held on deposit with the District shall be applied toward such expenses, with any balance being remitted to the Applicant and with any deficits being immediately payable to the District by the Applicant. At such time as all expenses have been paid, and all procedural items (including obtaining easements) have been satisfied, and upon payment of all applicable fees, the District shall issue water connection permits to the Applicant.
5. The Applicant for a water line extension may, in his discretion, direct the District Engineer to obtain lump-sum bids or unit price bids for the above construction work. Engineering fees for preliminary study of construction expenses shall be based on an hourly rate. Engineering fees for complete project design and supervision shall be established under the professional services agreement with the District Engineer as approved from time to time by the Board. Costs of surveys for easements shall be in addition to ordinary engineering fees.

APPENDIX E WATER SUPPLY POLICY

1. Water Supply.

The following is a summary of current water supply and a set of raw water policies for consideration of future growth. The WHMD water supply is in fair shape for the current conditions, but those conditions are continuing to change over time and this policy is meant as an outline and guidance for the future.

Existing Water Supply:

The Woodmen Hills Metropolitan District is supplied by a combination of two major sources. A significant portion of the District's Supply is from the Denver Basin. The Denver Basin is a non-renewable aquifer that has four water bearing formations.

- Dawson
- Denver
- Arapahoe
- Laramie-Fox Hills

The Arapahoe and LFH formations are the leading producers but water tables are dropping within these formations. The Dawson and Denver formations are weak producers in the Woodmen Hills areas and do not cost-effectively or reliably produce as much physical supply.

The second source of supply is the Upper Black Squirrel alluvium. This source is a renewable supply. WHMD currently has alluvial rights to 89 annual Acre-feet from Guthrie Ranch and an additional 350 Acre-feet source from Cherokee Metropolitan District on a perpetual contractual basis. It should be noted that currently the 89 AF right yields 95 AF through an exchange with CMD.

Table 1, attached, is a listing of the District's current legal water supply presented on both a 100 year and a 300 year basis. The total WHMD legal supply (on a 300 year basis) not including return flows is 1358.55 annual acre-feet.

Return Flow Credits:

In the past few years, WHMD has worked to obtain legal access to certain return flow credits, since the Denver Basin water is legally fully consumable. This means that the District has the right to use and re-use this supply to extinction. Consequently, water released from the District's WWTP which can be calculated as coming from the WHMD Denver Basin is a stream credit to the District. Currently the District diverts in-stream credits equal to its Denver Basin returns from the plant. These waters are sold to the Antler Creek Golf Course for irrigation. WHMD has a contractual requirement to sell up to 120 Acre-feet/year to Antler Creek GC. As the use of Denver Basin supply increases the potential quantity of usable return flow increases as well.

A second source of return flow credits is to claim the "Lawn Irrigation Return Flow" or LIRF credits. The District is currently in the process of finalizing a replacement plan which acknowledges those return flows as an offsetting credit towards evaporative losses and groundwater exposure due to underdrain releases.

Water Policy:

Woodmen Hills currently has a wide mix of legal and physical water rights and sources. All of the District's water sources have varying levels of reliability, cost to access, and conditions of use. The strength of the District's reliability is based on having a wide variation in the nature of supplies. This policy is intended to provide a guidance document to help plan, finance, and maintain, sustainable, stable and reliable water supplies for the District. WHMD does not consider any source to be more or less important than any other. Rather WHMD believes that the proper balance and management of the various sources is critical to both optimization and longevity of overall supply.

1. WHMD believes that its responsibility for delivery of safe reliable potable and non-potable water is a permanent (forever) commitment which has neither a 100 year or 300 year deadline or any other finite commitment.
2. WHMD believes that its' water supply and demand inventory will be an ever evolving portfolio that will continue to evolve for as long as the District is serving customers. Changes in both supply and demand are expected to evolve for as long as WHMD is supplying water to customers and the District must continuously plan, evolve, and change in order to meet changing conditions.
3. WHMD believes that a mix and balance of water supplies is more reliable and effective than reliance on a single type or source of water. WHMD seeks to expand renewable supplies while simultaneously accepting the unique value of fully consumable non-renewable supplies and the physical aquifer asset.
4. WHMD further believes
 - Increased acquisition and reliance on renewable water supply is critical to WHMD long term water sustainability. WHMD has already made significant strides in this area. But the overall water supply inventory should contain multiple sources of supply to remain viable on a sustainable basis.
 - Programs to manage Denver Basin supplies to a) extend the life of those supplies and b) manipulate the actual aquifer storage element are potentially keys to long term Denver Basin sustainability

Current Status of Supply:

Woodmen Hills Metropolitan District currently has adequate legal and physical water supply to serve existing and future water users within its current boundaries. Figure 1 is the current Legal Supply Inventory of the District. Figure 2 attached is the physical source allocation from 2016. In recent years, WHMD has reduced its' pumping of local Denver Basin wells partially to extend the life of those wells and partially due to currently observed drawdowns in each of the producing formations.

Non-Renewable Water:

- a.) Non-renewable Water from the Denver Basin is a finite supply and can be expected to dwindle in yield over time especially where no steps are taken to manage and potentially recharge the supply. Denver Basin water in the Falcon area itself, is on a depletion curve that is somewhat more advanced than Denver Basin water to the north and west of the Falcon area. The Denver Basin supply in the Guthrie area has been mined to a much lessor degree than in the Falcon area and therefor has exhibited a potentially longer declination curve.
- b.) In spite of its finite limitations, the Denver Basin water offers a unique opportunity as it is fully consumable. This allows for increased management of the source in order to make multiple use of a single supply.

- c). The Denver Basin Aquifer offers a storage vessel that may be managed in the future to bank and withdraw water on a more sustainable basis.

Renewable Water:

- a.) One component of the District's supply is a perpetual contractual right to 350 annual acre-feet of alluvial water from the Upper Black Squirrel Groundwater Management District. The water is wheeled to WHMD by Cherokee Metropolitan District. The contractual right is perpetual.
- b). WHMD has two additional alluvial wells at what is known as the Guthrie Ranch. These wells have an annual yield of 89 annual acre-feet.

District Water Supply Goals:

1. WHMD currently serves its customers using a mix of sources which include a substantial amount of renewable water supply. The District has determined that the balance of supplies is important to maintain long term sustainability. Recent use of WHMD water assets in the last few wet years have been roughly 50/50 based on renewable vs non-renewable supply.
 2. Except where existing agreements are in place, the District shall require that it owns all water rights or perpetually has access to all water rights in its inventory.
 3. Long Term Goals;
 - Acquire additional renewable water supplies. Acquisition of renewable supplies shall, over time, maintain a minimum of 40% of current physical water demand in a wet year scenario. The percentage of physical supply shall target increased balance by roughly 10% per decade for the foreseeable future.
- 2020 40 % physical supply
 2030 50% physical supply
 2040 60% physical supply
 2050 70% physical supply
- It is not intended at this time, that non-renewable water be 100% phased out. Rather, this policy shall focus on increased management of the non-renewable assets (which may include recharge/banking) since the non-renewable water component has significant value in the overall inventory.

Development of additional physical supplies (additional wells) in the Denver Basin within the Falcon area is not a high priority and will not be implemented except if/where such wells are

- a) already enumerated in existing agreements or
 b). such wells have value or potential value in recharge/banking and withdrawal.

- Acquire additional Denver Basin supplies,

but only in geographical areas where production yields are significantly greater than the Falcon area. Any acquired Denver Basin supplies

Development and Inclusion:

1. Any and all water rights under and associated with any parcel to be served shall be dedicated to the District upon inclusion into the District boundaries.
2. If/when inclusion is anticipated, the inclusion and/or service agreement must specify all water to be "turned-over" to the District and any water rights credits that may be assigned to those rights for the purpose of development. If the water rights credits are less than the anticipated service demand, the inclusion agreement shall specify how the shortage will be satisfied and how it might be phased.
3. A fee in-lieu-of-water is being created through this policy that will allow for funds to be generated by the District to acquire and fund water projects consistent with this policy.
4. The District is not obligated to provide raw water inventory for development unless such is only temporary and is clearly defined in such Inclusion agreements or service agreements.

Water Rights Credits:

1. The District will determine if any of the water rights "turned over" would be eligible for water credits toward development and if so at what quantity.
 - Denver and Dawson formation water in the Falcon area will generally not be considered as creditable towards development.

- The Arapahoe formation in the Falcon area is also currently becoming less cost effective as a wet water supply due to declining levels and yields. However, limited credit may be considered if potential well sites are geographically suitable for future Aquifer Storage Projects.
 - Laramie Fox Hills formation in the Falcon area, may be considered as legal supply in the Falcon area.
3. Non-tributary or augmented Not-non-tributary Denver Basin water in other areas significantly away from the Falcon area may be considered if/when the anticipated yields are considered in the opinion of the District to be cost effective and reasonably reliable. The District will determine the value and credit-worthiness of any such water right.
 4. The District's supply goals include balancing non-renewable and renewable supplies. Where a "turned-over" supply is of one category, the District may allow for the fee in-lieu- of water to be phased or used to provide for a missing element.

Water Supply Funding:

The District wishes to expand its method of funding of future water supplies and create a sustainable mechanism for long term funding of such. A designated Water Development Fund will be established and maintained in order to acquire and/or develop supplies consistent with this policy.

The WDF can be used for acquisition, development, or transmission of raw water supplies. This may include recharge facilities for the purpose of future or concurrent withdrawals. Examples of such projects are but not limited to;

- Acquisition of Water Rights
- Raw water development infrastructure to access, divert, deliver and/or mine raw water supply. This might include wells, diversions, recharge facilities used for concurrent or future withdrawal, raw water pipelines and pump stations. It does not include water treatment except to the extent such may be used to recharge and/ or bank supplies.
- Joint Water projects that develop water supplies where all other parties are governmental entities. Where monies are expended in joint projects, the District shall have adequate ownership and control as to assure the perpetual access to such water rights/projects.
- Pilot projects intended to extend or develop existing and/or future water rights and supply.
- Recharge projects that are designated only for replacement are not eligible for funding through the WRF. The water fund will be funded by the following sources. Funds received from any of these sources must be deposited in the WRF and can only be used for WRF designated projects or efforts.
- Sale of water rights (not suggested) but if such should occur, any funds must go back into the WDF.
- Fees in lieu of water rights. If/where lands are to be included and/or developed, a fee in lieu of water may be charged. The initial fee shall be based on \$25,000 per acre-foot of shortage attributable to any given inclusion or development. This fee may be changed from time to time as needed to manage the fund and changing water market. If/when fees in lieu of water are to be paid, they shall be paid as follows;

No final plat shall be recorded unless the fees assessed for said final plat lots are fully paid. Any "Letter of Commitment" for a final plat shall have any/all of the cash commitment designated. Preliminary plats may be processed without payment of fees.

- Charges to customers designated as Future Water Supply charges shall be deposited into the WRF only.

Water Quantity:

This policy establishes a 0.353 acre-foot per Urban Density Single Family Equivalent home. (SFE) The unit characteristic may be modified at any time by the Board if/when changes in user trends suggest a more accurate user characteristic. Commercial or other uses may be converted to SFE using an extrapolation of the unit user characteristic.

The application of any water right or source must additionally consider average daily-maximum month AD-MM user characteristic and Maximum Daily Use characteristics.

APPENDIX F

PUBLIC WASTEWATER LINE EXTENSION

1. All sewer main extensions shall be engineered, constructed and supervised by the District or its representative. Upon submission of a written application for the extension of a sewer main, accompanied by a deposit in the amount of \$300.00, plus \$0.25 per estimated foot, the District Engineer will be directed to prepare a preliminary cost estimate of the proposed extension for the Applicant. After notification of the preliminary cost estimate, the Applicant shall, within thirty (30) days, either advise the District to proceed with the main extension project, or to discontinue further action on such project. If the proposed project is terminated at this point, the

Applicant shall pay the District for actual costs incurred to date, including engineering fees, with the deposit of \$300.00, plus \$0.25 per estimated foot, being credited against such costs.

2. If the Applicant elects to continue with the project, the District Engineer shall prepare all necessary designs, specifications and plans and arrange either for public bidding of the proposed project in accordance with Colorado statutes, if so determined by the District, or for letting of contracts without public bidding, if permitted in accordance with the Rules and Regulations. Prior to preparation of any plans and specifications by the District Engineer, the Applicant shall deposit with District an amount equal to 10% of the estimated project costs. After the low bid, the Applicant shall, within thirty (30) days, determine whether or not a contract will be entered into with the low bidder for construction of the subject main extension. If the Applicant elects not to continue with the project at this point, the Applicant shall pay the District for actual costs incurred to date, with all deposits being credited against such costs.
3. If the Applicant elects to continue with the project, the District shall enter into a written agreement with the low bidder, setting forth all relevant contractual items, and the engineer shall authorize commencement of construction. Prior to actual commencement of construction activity, the Applicant shall tender to the District a deposit, in cash or certified funds, in the full amount bid, plus estimated engineering fees, or, in lieu of a cash deposit, a letter of credit or other acceptable security approved by the District. The Applicant shall also submit to the District duly granted easements or such sums as required. The District, through its engineer, shall supervise construction activity and coordinate all matters relating to completion of the subject project.
4. Upon completion of the project, the District shall prepare an accounting of all construction and engineering costs for the Applicant. The amounts held on deposit with the District shall be applied toward such expenses, with any balance being remitted to the Applicant and with any deficits being immediately payable to the District by the Applicant. At such time as all expenses have been paid, and all procedural items (including obtaining easements) have been satisfied, and upon payment of all applicable fees, the District shall issue sewer connection permits to the Applicant.
5. The Applicant for a sewer main extension may, in his discretion, direct the District's engineer to obtain lump-sum bids or unit price bids for the above construction work. Engineering fees for preliminary study of construction expenses shall be based on an hourly rate. Engineering fees for complete project design and supervision shall be based upon a percentage of total project costs, as established from time to time by the Board of Directors in conjunction with the engineer's regular fee schedule.

APPENDIX G

WASTEWATER SERVICE LINE

See District Specifications

APPENDIX H

SPECIFICATIONS FOR INTERCEPTORS

See District Specifications

GREASE CONTROL QUESTIONNAIRE

Please complete the questionnaire, sign and return it to the address above.

Some questions may or may not apply

1. Inlet and Outlet Tee must be capped. o your business If you have any questions
2. Inlet downpipe must extend 12-16"
3. First **Section** chamber **1.** must be approximately 2/3 of capacity.
4. Slot in baffle wall must be approximately 6" high.
5. Slot must be approximately 1 foot from bottom of tank. Business Name: _____
6. Outlet of tank must be slightly lower than inlet.
7. Outlet downpipe must extend 2/3 the distance between outlet pipe and tank bottom. Business Address _____
8. Second chamber and outlet pipe must be vented. _____
9. Sample port must be separate from outlet cleanout. Business Phone: _____ Fax: _____
10. Cleanouts on inlet and outlet lines.
11. Minimum capacity must equal 750 gallons.

Owner/Manager's Name and Phone Number:

Days of Operation: _____ Hours of Operation:

Seating Capacity: _____ Number of Meals Served per Day:

Menu Type: American ____ Chinese ____ Italian ____ Mexican ____ Other

Breakfast Only _____ Breakfast/Lunch _____ Lunch/Dinner _____ Other _____

In the area below, draw a layout of the kitchen facilities and indicate the quantity of all fixtures.

Grill
 Pot sink
 Vegetable sink
 Dishwasher
 Deep Fryer
 2 Comp. Sink
 3 Comp. Sink
 Hand Sink
 Garbage Disp.
 Floor drains
 Mop/Floor sinks
 Toilets

Section 2. Answer the following questions as best as you can. Call the number list above for assistance.

In order to verify proper size of a new or existing grease interceptor, please answer the following questions. This information will provide data for a calculation that will affect the size and performance of the grease interceptor.

1. Number of seats in dining area Indoor Outdoor
2. Number of hours (per day) the restaurant is open
3. Number of meals per peak hour of business
4. Does the restaurant have a dishwasher? (Y/N) _____ Number
5. Does the restaurant have a food disposer? (Y/N) _____ Number

If the facility has a commercial kitchen, but is not a restaurant:

6. How many meals per day are served?

This information will result in the recommended proper size for the new or existing grease interceptor. Note that the minimum size for a grease interceptor is 750 gallons, waterline capacity. Please mail or fax this form to the address above.

Does this facility have a Grease Interceptor? (A grease interceptor is an underground tank located outside the building.) Yes

No

Where is it located? _____ What is the capacity in gallons?

How often is your interceptor pumped? _____ Name of pumper?

NOTE: IN-LINE OR UNDER SINK GREASE TRAPS ARE PROHIBITED BY DISTRICT RULES AND REGULATIONS.

REMEMBER TO KEEP A COPY OF ALL INVOICES FROM YOUR PUMPING CONTRACTOR.

"I certify that the above information is true and accurate to the best of my knowledge."

Signed _____

Date _____

APPENDIX I **DISCHARGE LIMITS**

In addition to the prohibitions listed in Section 6.2, the following numerical limits have been established for discharges into the collection system:

Oil and Grease (as measured at the sample port) 100 mg/L
 Oil and Grease (as measured at the connection to the collection system) 75 mg/L
 Benzene 50 ug/L
 BETX 750 ug/L
 TPH (Total Petroleum Hydrocarbons) 750 ug/L
 Silver (measured by silver recovery pretreatment effluent) 1.0 mg/L

Limits may be assigned to additional pollutants as deemed necessary.