

**STRASBURG SANITATION & WATER DISTRICT
AMENDED AND RESTATED RULES AND REGULATIONS
WITH DESIGN STANDARDS**

**ADOPTED DECEMBER 6, 2016
REVISED EXHIBIT B ADOPTED JULY 10, 2018**

**STRASBURG SANITATION & WATER DISTRICT
RULES AND REGULATIONS**

The Board of Directors of the Strasburg Sanitation & Water District hereby declares that the following Rules and Regulations have been prepared and adopted to provide for the construction, administration and operation of the water and sanitary sewage systems of the District. The Rules and Regulations shall be effective on the date of adoption.

The Board of Directors reserves the right to make any lawful additions and/or revisions in these Rules and Regulations when and as they may become advisable to properly manage the District and to promote the peace, health, safety and welfare of the people residing in the District. These Rules and Regulations are supplementary to, and are not to be construed as, any abridgement of any lawful rights of the Board as outlined in the Colorado Revised Statutes governing special districts, including the right to disconnect or to refuse permission to connect any water or sewer service for violation of these Rules and Regulations or the plumbing code of the State of Colorado.

**Adopted the 6th day of December, 2016
Revised Exhibit B Adopted the 10th day of July, 2018**

By: _____
President

Attest:

Secretary

**AMENDED AND RESTATED RULES AND REGULATIONS
OF STRASBURG SANITATION & WATER DISTRICT**

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SECTION 1 - GENERAL EXPLANATORY MATERIAL

1.1 AUTHORITY. The District is a quasi-municipal corporation and political subdivision of the State of Colorado, with those powers of a public or quasi-municipal corporation that are specifically granted for carrying out the objectives and purposes of the District under Article 1 of Title 32 of the Colorado Revised Statutes (the “Special District Act”).

1.2 SCOPE. These Rules and Regulations have been adopted and promulgated pursuant to § 32-1-1001(1)(m), C.R.S. and shall be treated and considered as new and comprehensive regulations, governing the operations and functions of the District as of the effective date stated herein.

1.3 POLICY. It is hereby declared that the Rules and Regulations hereinafter set forth will serve a public use and are necessary to insure and protect the health, safety, prosperity, security, and general welfare of the Customers and residents of the District.

1.4 PURPOSE. The purpose of these Rules and Regulations is to provide for the orderly financing, control, construction, management, and operation of the water supply and distribution systems, the sanitary sewer collection and treatment systems, and transmission systems of the District, including additions, extensions and connections thereto.

1.5 INTENT OF CONSTRUCTION. It is intended that these Rules and Regulations shall be liberally construed to effectuate the general purposes set forth herein, and that each and every part thereof is separate and distinct from all other parts. Nothing contained herein shall be so construed as to prejudice or affect the right of the District to secure the full benefit and protection of any law which is now enacted or may subsequently be enacted by the Colorado General Assembly pertaining to the governmental or proprietary affairs of the District.

1.6 AMENDMENT. It is specifically acknowledged that the District shall retain the power to amend these Rules and Regulations as it deems appropriate and such amendments shall be entered in the minutes of the District and periodically incorporated in printed copies of these Rules and Regulations. Prior notice of these amendments shall not be required to be provided by the District when exercising its amendment powers.

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

Actual Cost shall mean all direct costs applicable to the construction of a given facility, including surveys, preliminary and design engineering, construction, inspection, administrative, regulatory agency fees, bond fees, all required easements and/or rights-of-way, plan approval fees, “as-built” drawings, attorneys' fees, engineering fees, and other costs necessary for completion.

Board of Directors shall mean the governing body of the Strasburg Sanitation & Water District.

B.O.D. (Denoting 5-Day, 20 degrees centigrade Biochemical Oxygen Demand) shall mean the amount of oxygen which is utilized in the aerobic decomposition of sewage

under laboratory procedures in accordance with the current “Standard Methods for the Examination of Water and Wastewater.”

Customer shall mean any person, company, partnership, corporation or governmental entity or agency authorized to use the District’s water or sewer systems under a Tap Certificate or otherwise authorized by the Board of Directors or the Manager.

Developer shall mean the Person(s), firm, joint venture, partnership or corporation that is the owner or operator of land that seeks to have the land served by the District.

District shall mean the Strasburg Sanitation & Water District, acting through the Board of Directors or its designee.

Engineer shall mean the engineering firm, or duly authorized representative (engineer), designated by the District to act on its behalf in all engineering and related matters. This item includes an Inspector employed by the Engineer.

EQR This is an abbreviation for Equivalent Residential Unit, which is an average amount of water necessary to serve, or wastewater generated from, a single-family detached residential dwelling unit or equivalent with a 3/4” water tap.

Feasibility Study shall mean a study prepared at the expense of an applicant desiring water and/or wastewater service from the District that evaluates the financial and technical feasibility for a particular land development to connect to the centralized water and/or sanitary sewer system.

Industrial Waste shall mean the liquid wastes from industrial processes as distinct from sanitary sewage.

Inspector shall mean the Manager, Engineer, agent, officers, employees of the District or other person so designated by the Manager or Engineer to perform inspections pursuant to these Rules and Regulations.

Local Facilities are those facilities constructed by a Developer and dedicated to the District, which are generally designed to serve individual subdivisions or plats and which connect with a Water Main or Sewer Main in accordance with Appendix B hereto. Examples of such Local Facilities include water distribution systems and collector sewer lines, but do not include Service Lines.

Manager; District Manager shall mean the manager of the District or the District authorized facilities operator, or an authorized agent.

Owner shall mean the land's record title holder.

Oversize Costs are part of the costs of Local Facilities to be installed within, or for, a subdivision, but which the District has also assigned a transmission or collection function which results in the need for a larger pipeline. Oversize costs are the difference between the Actual Costs of the size line required by the District and the size required by the

Developer; however, for purposes of determining oversize, the minimum size shall be assumed to be 8-inch diameter for water and 8-inch for sanitary sewer. Engineering and inspection costs are assumed to be proportional to estimated or experienced construction costs. Incremental costs will be allowed for line fittings, valves, manholes and other appurtenances (if a size increase is required).

Person shall mean any individual, firm, company, association, society, corporation or group.

Regional Facilities shall mean those facilities generally serving all or a substantial portion of the District's service areas as a whole. Examples of Regional Facilities include water sources, water treatment plants and tanks, water and sewer transmission and collection lines, trunk sewers, sewage treatment plants, lift stations and outlet works.

Septic System shall mean a septic tank and leach field not connected to a public sewer.

Service Area shall mean the service area of the District as generally depicted on the map attached to the Service Plan, as now or hereafter amended.

Service Charges shall mean each of the charges and fees, excluding Sewer and Water Tap Fees and System Development Fees, identified in Appendix A, that the District adopts to inspect, maintain and operate the Regional Facilities and supply water and sewer service to Customers. The Service Charges may change from time to time at the District's discretion.

Service Line shall mean the privately owned sewer and/or water line connecting the Local Facilities or Main Lines to a building, unit or Customer and shall include the tap, building drain, corporation cock, and curb valve. The minimum sized service line for water shall be ¾" and the minimum sized service line for sanitary sewer shall be 4".

Service Plan shall mean the Service Plan or Statement of Purposes of the Strasburg Sanitation & Water District, as approved by the appropriate County, and as amended from time-to-time in accordance with Colorado law.

Sewer or Sewer Main shall mean a District owned sewer pipeline, carrying sanitary sewage or approved industrial wastes only, and shall be installed in a public street or easement.

Sewage shall mean any liquid waste containing animal or vegetable matter in suspension or solution from residences, commercial buildings, institutions and industrial establishments.

Shall is mandatory; may is permissive.

Suspended Solids shall mean the weight of filterable solids in milligrams present in one liter of Sewage.

System Development Fee shall mean the total of the Water System Development Fee and the Sewer System Development Fee as individually defined in the definition in Appendix A attached hereto. This fee is a one-time contribution required of new Customers (or existing Customers having a change of use requiring additional services or line capacities) to be used for capital investment in Regional Facilities.

Tap Application shall mean an application, in a form provided by the District, which is submitted to the District by a Developer, Owner, or other Person for the purpose of connecting to and receiving service from the District's water and/or sewer systems.

Tap Certificate shall mean written permission of the Board of Directors authorizing connection to a Water Main or Sewer Main of the District granting the applicant a license to use the water and sewer system or to receive water or sewer service from the system owned, operated or served by the District as the same is defined in the Rules and Regulations.

Tap Fee shall mean the cost of inspection of physical connection to District water or sewer systems, as set forth in Appendix A.

Water Main shall mean a District-owned water pipeline, carrying potable water only and shall be installed in a public street or easement.

Water Resource Charge shall mean the fee to be imposed on property within the District and/or included in the District in the future for development of the District's water resources. This fee is imposed if water rights conveyed to the District by the property owner or Developer are not adequate to serve the intended uses of the property in question. This charge is a one-time contribution required of new Customers (or existing Customers having a change of use requiring additional water usage) to be used for investment in water supplies for the District.

SECTION 2 - OWNERSHIP AND OPERATION OF FACILITIES

2.1 OWNERSHIP OF WATER AND RETURN FLOWS. The District shall have sole dominion, control, right and use of all water supplied through the water system, subject to reasonable, one-time use thereof by its Customers in compliance with applicable water service Tap Certificates and these Rules and Regulations. Such dominion and control shall continue without interruption as to all wastewater, return flows, runoff, sewage or tailwater attributable to or originating in water supplied through the water system. The District shall have the exclusive right to recapture such return flows or claim credit therefrom for exchange, replacement, augmentation, substitute supply, or any other lawful purpose, and the District's dominion and control over water shall continue to attach to all such return flows even after they return to the ground. All return flows from water supplied through the water system remain the property of the District. The District retains the sole authority to determine the yield of all water, water rights, and augmentation plans that are offered to the District for any purpose.

2.2 RESPONSIBILITIES OF DISTRICT FOR CONSTRUCTION OF FACILITIES. It is the District's responsibility to plan, finance, design, and construct all designated Regional Facilities. The District will only construct such facilities or portions thereof when the Board has made a determination that such construction is economically feasible. Such determination may require Owners/Developers to prepay or guarantee future payment of System Development Fees or provide such other guarantees as the Board may determine necessary.

2.3 RESPONSIBILITIES OF OWNER, DEVELOPER AND CUSTOMER FOR CONSTRUCTION OF FACILITIES. It is the Owner/Developer's responsibility to finance, design, and construct all Local Facilities. Such facilities shall be constructed in accordance with plans and specifications approved by the District's Engineer and the appropriate County or other entity having jurisdiction. The Owner/Developer shall pay the Actual Cost of all such facilities, including costs associated with the District Engineer's review of the project.

It is the responsibility of the Customer or its builder to pay the Actual Cost and construct all Service Lines and appurtenances. Such Service Lines shall be constructed in accordance with standards approved by the District and the appropriate County, and must be inspected and approved by the District prior to use.

2.4 RESPONSIBILITIES FOR MAINTENANCE OF FACILITIES. After construction and upon acceptance by the District of the Local Facilities, the District will be responsible for the maintenance, operation, repair and replacement of the Regional and Local Facilities (except as provided during the warranty period).

Service Lines shall be maintained as described in Section 4.4 herein.

Each Customer is responsible for complying with the District's Cross-Connection and Backflow Control Regulation as set forth herein. Each Customer having boilers and/or other appliances on its premises, depending upon pressure or water in pipes, or on a continual supply of water shall provide, at its own expense, suitable safety devices to protect such Customer and such Customer's property against a stoppage of water supply or loss of pressure. The District

disclaims any liability or responsibility for any damage resulting from a Customer's failure to equip the Customer's property.

Water meters shall be the property of the District. The District shall, at its own expense, have the right to access, install, set, test, remove, repair or replace water meters. It shall be the duty of each Customer to notify the District's operator if the water meter for such Customer's property is defective. If any meter fails to register in any period, the Customer shall be charged the average monthly consumption, as shown by the meter for the same month during the preceding two (2) years or such amount as will most closely approximate actual usages, as determined by the District.

2.5 OWNERSHIP OF FACILITIES. All existing and future Regional and Local Facilities connected to the District's system and accepted for operation and maintenance by the District pursuant to these Rules and Regulations shall become and are the property of the District, unless any contract with an Owner or Customer expressly provides otherwise.

That portion of all Service Lines extending from the Local Facilities to each unit or building for each Customer that is connected to the District's water or sewer system is the property of the Owner/Customer, regardless of whether the District might construct, finance, pay for, repair, maintain or otherwise affect the Customer's Service Line(s). The construction of and connection of any Service Line shall be done in compliance with these Rules and Regulations, including the mandate that all Service Lines be inspected, for a fee paid by the Customer, by the District or its contractors prior to commencement of service. The Owner/Customer's ownership of the Service Line shall not entitle the Customer to make unauthorized uses of the District's systems once the Service Line has been connected. All uses of the Local Facilities, Service Lines, or any appurtenances thereto at any time after the initial connection to the District system shall be subject to these Rules and Regulations.

2.6 LIMITATION OF LIABILITY OF DISTRICT. No claim for damage shall be made against the District, its agents or contractors by reason of the following: Blockage in the system causing the backup of sewage; damage caused by "smoking" of lines to determine drainage connections to District lines; breakage of Water Main Lines or Sewer Main Lines by District personnel or others; interruption of water or sewer service and damage resulting therefrom; breaking of any collection or distribution line, pipe, valve or meter by any employee or contractor of the District; failure of the water supply; shutting off or turning on water; making of connections or extensions; damage caused by water running or escaping from open or defective faucets; burst Service Lines and other facilities not owned by the District; damage to water heaters, boilers or other appliances resulting from shutting water off, or for turning it on, or from inadequate or sporadic pressures, or for doing anything to the systems of the District deemed necessary by the Board of Directors or its agents. The District shall have no responsibility for notification to Customers of any of the foregoing conditions. The District reserves the right to temporarily discontinue service to any property at any time for any reason deemed necessary or appropriate by the Board of Directors or its designated representatives. The District shall have the right to revoke service to any property for violations of these Rules and Regulations in accordance with the procedures set forth in these Rules and Regulations.

2.7 RIGHT OF ENTRY. The District Manager, Inspector, agent, officers, employees of the District, or other Person so designated by the District Manager, bearing proper credentials and identification, shall be permitted to enter upon all properties served by the District for the purpose of inspection, observation, measurement, sampling, and testing, in accordance with the provisions of these Rules and Regulations. The granting of Right of Entry by the Owner, Customer, and occupants is a condition precedent and a condition subsequent to the provision of water and sewer service by the District.

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

2.9 WATER RIGHTS. All Owners within the boundaries of the District are deemed to have given their consent to the District for the withdrawal and use of any and all groundwater underlying the District. The District shall be deemed to own all Water Rights for property located within the District, unless a written agreement stating otherwise is executed by the District and the property owner.

SECTION 3 - CONDITIONS OF USE OF UTILITY SYSTEMS

3.1 WHO MAY USE. The District will use its best efforts to provide water in sufficient quantity and of acceptable quality for its Customers. The District cannot and does not guarantee a quantity of water to be available to meet the demand that may arise nor does it guarantee water pressures sufficiently high to operate sprinkler systems, automatic household appliances or other equipment dependent upon water pressure for their operation. Accordingly, it can be anticipated that from time to time certain limitations and conditions may be imposed by the District with respect to the use of the water system and the ability to make new connections when requested.

Potable water and sanitary sewer services will be furnished subject to the District's Rules and Regulations and only to property included within, and subject to fees, charges and taxation by the District. It shall be incumbent upon the applicant to furnish satisfactory evidence that the property served is within the boundaries of the District whenever such evidence is requested by the District. Satisfactory evidence shall consist of a tax receipt or certification in lieu thereof received and signed by the County Treasurer. An exception to this rule requires a special service contract approved by the Board.

3.2 COMMITMENT TO SERVE. A request submitted to the District by an Owner/Developer for a commitment to serve the property with water and/or sewer services will be granted by the District only upon compliance with all Rules and Regulations and payment of all Tap Fees, System Development Fees, Service Charges, and other applicable fees.

3.3 INCLUSIONS. A Person owning land outside the boundaries of the District who desires service must include the entirety of the parcel for which service is requested within the boundaries of the District. A condition of inclusion is that the property owner dedicate all water rights appurtenant to the land to be included. In the event such water is not sufficient to provide service to the property then the Person must make a cash payment in lieu of such dedication, the cash in lieu shall be paid according to the schedule of rates and fees attached hereto as Appendix A. A formal request for inclusion within the District shall be made to the District on its standard form, accompanied by a non-refundable payment in an amount as set forth in the District's fee schedule for legal fees and the estimated costs of publication. Any additional costs or fee which may be incurred by the District shall be assessed and paid prior to consideration of the inclusion of the property by the Board.

3.4 SERVICE OUTSIDE THE DISTRICT. No service shall ever be provided to property outside of the District except pursuant to the terms of a written agreement with the District approved by the Board of Directors. This is an exception to the general rule that the property must be included within the boundaries of the District, and such exception is in the District's sole discretion. Charges for furnishing service outside of the District shall be at the discretion of the Board of Directors, but no service shall be furnished to property outside of the District unless the charge therefor equals at least the sum of the cost of service, the estimated mill levy, the Water Resource Charge, and the System Development Fees for which such property would be responsible if it were a part of the District. Any service provided to property shall be subject to these Rules and Regulations and any other agreements that the Board believes is in the best interest of the District. In every case where the District furnishes service to

property outside the District, the District reserves the right to discontinue the service when, in the judgment of the Board of Directors, it is in the best interest of the District to do so. An exception to this rule requires specific reference in a service contract approved by the Board of Directors.

3.5 APPLICATION FOR SERVICE. All applicants for connection to and service by the District's systems must submit a Tap Application to the District and pay required fees and deposits. No applicant shall begin work to connect to the District's systems until the Tap Application is approved by the District. A duplicate copy of the approved Tap Application must be filed with the Building Department of the County in which the property is located. The location of the water meter and the remote reading device shall be indicated on all applications for service.

If a fire protection water sprinkler system is to be used, a plan of the system is to accompany the Tap Application and is subject to the approval of the District. All fire sprinkler systems shall meet NFPA requirements and additionally shall meet the requirements of applicable fire protection district, County, and State building and fire protection codes.

No taps into the District's systems will be permitted or made during non-business hours without written approval of the District Manager.

All plan sets that provide for construction shall have the following disclaimer note placed on the cover sheet immediately adjacent to the District approval block: "The Strasburg Sanitation & Water District does not take any liability nor maintenance responsibility for foundation." All plan sets for construction within the District shall also have a review acknowledgment signature block for the District.

All information requested on the Tap Application must be completed, and a diagram of the meter and tap location included. Should any information disclosed on the application prove at any time to be false, or should the applicant omit any information, the District shall have the right to reassess the System Development Fees originally charged at the rate current to the discovery by the District of the false or omitted information, and/or disconnect the service in question, and/or back-charge the property in question for service fees that may be due and owing, and/or charge any other or additional fee or penalty specified in these Rules and Regulations. Any reassessment shall be due and payable, together with any penalties or other additional fees charged, and together with late fees, penalties and interest at the maximum legal rate on the entire balance, upon and from the date of the original Tap Application.

The District may require an applicant to pay a deposit at the time a Tap Application is submitted to defray the anticipated costs associated with the District's review of the project, including, but not limited to, expenses related to engineering, legal, title work, and filing fees. The amount of the deposit shall be determined by the Board and set forth in Appendix A, as may be amended from time to time. In the event the deposit amount is depleted prior to final issuance or denial of a Tap Certificate, the District may require additional amounts be deposited until further work is performed by the District. Deposit amounts not incurred by the District shall be refunded to the applicant after final approval or denial of a Tap Certificate.

Once all work that is the subject of the Tap Application has been completed, the District will perform a final inspection of the work. If the District approves the work, it will sign the Tap Application, which shall act to convert the Tap Application into a Tap Certificate.

3.6 FAILURE TO CONNECT. The Customer's right to connect to the District systems shall terminate and any System Development Fees paid shall be forfeited if the tap is not connected to the District's facilities within 12 months of the payment of the System Development Fees unless (1) the property owner begins to pay and continues to pay the minimum service charge imposed for that tap for each and every month, commencing with the first billing cycle after the 12-month period has passed, or (2) the property owner and District have entered into a written agreement providing for a connection time longer than 12 months.

3.7 DENIAL OF APPLICATION. The District reserves the exclusive right to deny application for service when, in the opinion of the Board, the service applied for would create an excessive seasonal or other demand on the Regional or Local Facilities. Denial may also be based upon an unresolved obligation between the District and the applicant, inadequate documentation of easements for Main Lines or other facilities that service the property, failure to comply with the requirements of these Rules and Regulations, or any other reason the Board of Directors feels is in the best interests of the District.

3.8 CANCELLATION OF APPLICATION. The District reserves the right to revoke any prior approval of a Tap Application before service has been provided, and thereafter for any violation of these Rules and Regulations or violation of any contractual obligation to the District by the Customer.

3.9 MOVED OR DESTROYED BUILDINGS. When buildings are moved or destroyed, the original tap authorization shall terminate and no credit shall be authorized for System Development Fees and other fees paid previously with respect to said building. However, the original tap shall remain in good standing, provided that uninterrupted payment of the District's minimum service charge (as the same may be amended from time to time) is timely made. If payment of the minimum service charge ceases for any reason, said tap shall be in violation of these Rules and Regulations and the tap shall be revoked. Non-payment for over thirty (30) days of the billing cycle shall be considered cessation of payment of the minimum service charge resulting in revocation of the tap.

3.10 CHANGE IN CUSTOMER'S EQUIPMENT, SERVICE OR USE OF PROPERTY. No change in the Customer's equipment, service or use of property served shall be made without the prior notification of and approval by the District. Any such change that, in the opinion of the District, will increase the burden placed on the District's systems shall require a redetermination of the System Development Fees, Water Resource Charge, monthly service charge, and other fees of the District, and a payment by the Customer of any additional amount of such fees that result from the redetermination. System Development Fees and/or Water Resource Charges previously paid with respect to the property in question shall be credited against the redetermined System Development Fees and/or Water Resource Charges so that only the unpaid portion of any redetermined fees and charges shall be due; provided, however, that redeterminations resulting in a conclusion that the System Development Fees, Water Resource Charges monthly service charges, and other fees of the District, if assessed currently, would be in an amount less than that originally paid shall not result in a refund or credit of any kind to the Customer. The District may also require physical changes in the facilities through which the services connect to the property as a result of the Customer's proposed changes. Any violation of these requirements shall result in the assessment of an unauthorized connection fee, as provided

in Appendix A, and possible revocation of services. The District shall take those steps authorized by these Rules and Regulations and Colorado law regarding the collection of said fees. Any Customer believed to have changed the equipment, service, or use of their property in violation of these Rules and Regulations shall be notified of such belief by the District, and shall be notified of the District's intent to assess any additional System Development Fees, service or unauthorized connection fees, and shall be afforded ten (10) business days in which to respond to the District's notice. Failure to respond as required herein within the ten (10) day period shall be deemed a conclusive admission of the nature and extent of the change, and such additional System Development Fees, service and unauthorized connection fees as are deemed appropriate by the District shall be assessed against the property in question and shall be collected as provided under these Rules and Regulations and Colorado law. To defer the collection of said fees, and as a prerequisite to the right to hearing as provided for in these Rules and Regulations, any response by the Customer must, in addition to being provided within ten (10) business days, include permission to make such inspection of the property in question as the District Manager or his representatives deem necessary to clearly establish the nature of equipment, service and use of the property in question.

3.11 UNAUTHORIZED CONNECTIONS AND FEES. No person shall be allowed to connect onto the sewer or water systems or to enlarge or otherwise change equipment, service or use of property without prior payment of System Development Fees, approval of application for service, and adequate supervision and inspection of the taps by District representatives. Any such connection, enlargement, or change shall be deemed an unauthorized connection. Upon the discovery of any unauthorized connections, the then-current System Development Fees shall become immediately due and payable, and the property shall automatically be assessed an unauthorized connection fee.

The unauthorized connection fee is an amount equal to twice the then-current System Development Fees that would be due for such property. The District shall send written notice to the Owner(s) of the property benefited by such connections stating that an unauthorized connection has been made between the Owner(s)' property and the District facilities. The Owner(s) shall then have ten (10) business days from the date of the notice to pay the then-current System Development Fees. If that fee is paid within the ten (10) business day period, the unauthorized connection fee shall be waived by the District. In the event the then-current System Development Fees are not paid within the ten (10) business day period, a notice of revocation of service shall be sent and service shall be disconnected pursuant to these Rules and Regulations.

Once discontinued, service may be returned to the property only upon receipt by the District of both the unauthorized connection fee and the then-current System Development Fees, and any turn-on/turn-off fees, service charges or any other charges that may be due. The District also reserves such rights of foreclosure as may be provided by law for the collection of unpaid fees and charges of the District. To defer the collection of said fees, and as a prerequisite to the right to hearing pursuant to these Rules and Regulations, any response by the Customer must, in addition to being provided in ten (10) business days, include permission to make such inspection of the property in question as the District deems necessary to conclusively establish clearly the nature of equipment, service, and use of the property in question. The District may exercise any and all rights provided by law, including foreclosure rights, for the collection of unpaid fees and charges of the District.

3.12 REVOCATION OF SERVICE. Service shall be revocable by the District upon non-payment of any valid fees or charges owing to the District or upon any violation of these Rules and Regulations. In the event of a proposed revocation of service, the Customer shall be given not less than ten (10) business days advance notice in writing of the revocation, which notice shall set forth:

- a. The reason for the revocation;
- b. That the Customer has the right to contact the District, and the manner in which the District may be contacted for the purpose of resolving the obligations; and
- c. That there exists an opportunity for a hearing in accordance with Section 7 of these Rules and Regulations.

If the obligations are not resolved or a request for a hearing, accompanied by a deposit equal to the amount of any fees and charges specified in the notice, is not received by the District within ten (10) business days, the District shall disconnect the service and the Customer shall be assessed the cost of the disconnection. The customer's deposit for service, if any, shall be applied against the outstanding obligation.

3.13 REVOCATION OF TAP RIGHTS FOR NON-PAYMENT. The right to connect to the District's system and receive services shall be revocable by the District upon non-payment of any District fees owing to the District and remaining unpaid for a period of ninety (90) days, whether or not the Customer has actually connected to the District's system. Such revocations shall be conducted in accordance with Section 3.12 above. If the right to connect to the District's systems is revoked, the Customer may reacquire such tap rights only by reapplying for service in accordance with Section 3.5 above and after paying all fees due and owing the District and the then-current System Development Fees charged by the District under these Rules and Regulations.

3.14 TURN-ONS/TURN-OFFS OF SERVICE. All turn-ons and turn-offs of water or sewer service through a curb valve on a Service Line that has been connected to the District's water or sewer system pursuant to a written Tap Certificate issued by the District shall be performed only by District personnel regardless of the ownership of the curb valve or Service Line and regardless of the circumstances respecting the turn-on or turn-off. The District shall assess a single turn-off/turn-on charge in an amount as set forth in its fee schedule as provided in Appendix A for any such turn-off and turn-on performed except when the service is performed for Customers requiring maintenance to their Service Line, in which case there shall be no charge. Except for those turn-offs/turn-ons specifically provided for by these Rules and Regulations, the District will provide this service only for (1) a tap for new construction, one time prior to the occupancy of the building served, and (2) for Customers requiring service to be turned off for maintenance of a Service Line. All other requests for a turn-off or turn-on of District service may be granted or denied by the Manager in his/her sole discretion. Violation of this Section and/or failure to pay the fee shall result in the assessment against the property served of a penalty as set forth in the District's fee schedule, in addition to the turn-on/turn-off fee, and in addition to the penalties provided for unauthorized tampering with the District's system in these Rules and Regulations.

3.15 **JOINT SERVICE.** Except with respect to services existing on the date of the adoption of these Rules and Regulations, water and sewer service shall be furnished jointly, unless separate service is specifically authorized by the Board.

SECTION 4 - WATER AND SEWER SYSTEMS

4.1 UNAUTHORIZED TAMPERING WITH SYSTEMS.

4.1.1 No unauthorized Person shall uncover, use, alter, disturb, or make any connection with or opening onto, use, alter, or disturb the potable water or sewer system without first obtaining a written Tap Certificate from the District. Unauthorized uses of the District's systems include, but are not limited to, an unauthorized turn-on or turn-off of potable water or a tampering with or in any way modifying any meter, even though the same may be performed on a privately owned and maintained service line. No Person shall maliciously, willfully or negligently, break, damage, destroy, uncover, deface or tamper with any portion of the District's system.

4.1.2 There shall be no tampering with water meters. If the Customer knows or has reason to believe that a water meter has been tampered with, bypassed, or is inaccurate or defective, the Customer shall notify the District within thirty (30) days. If the District is not notified within thirty (30) days, the Customer will be charged the highest monthly usage occurring during the twenty four (24) months prior to the first occurrence of tampering, bypass or inaccurate or defective reading for each month after the occurrence; or a greater or less amount if deemed necessary by the District until the water meter is replaced. The District may charge the Customer for the repair or replacement of water meters and appurtenant facilities that are damaged due to tampering.

4.1.3 Any Person violating any of the provisions of these Rules and Regulations shall become liable to the District for any expense, loss or damage occasioned by reason of such violation, and upon non-payment thereof at the demand of the District Manager, shall be assessed a penalty in an amount set forth in the District's fee schedule, which penalty shall be a lien upon the violator's property, as allowed by Section 32-1-1001, C.R.S.

4.2 WATER SYSTEMS. The District's potable water system has been planned and constructed to provide potable water service for residential, limited commercial, light industrial and fire protection uses. Persons wanting to use the water systems for an industrial or high-demand commercial water supply, which could be expected to require large quantities of potable water or unusual demand rates, shall be required to submit demand data as to water use before a Tap Certificate will be issued; said Tap Certificate may contain use limitations as determined necessary by the Board. No taps will be permitted or made during non-business hours without specific, written approval of the District Manager/water operator.

4.2.1 Cross-Connection/Dual Supply. Water from the District's potable system and any other source shall be distributed through systems entirely independent of each other, and cross-connection between such supplies is prohibited. A cross-connection is defined as any physical arrangement whereby the District's water supply is connected, directly or indirectly, with the District or any other nonpotable or unapproved water supply system, sewer drain, well, conduit, pool, reservoir, plumbing fixture or other device which contains or may contain any contaminated water, liquid or other waste of unknown, nonpotable or unsafe quality that could impart a contaminant to the District's water supply as a result of backflow. Where a potential of backflow is present, a protective device or system acceptable to the District shall be

installed to prevent its occurrence. All such facilities shall be maintained in accordance with District standards or reasonable industry practices.

4.2.2 Vacuum Breaker System. All automatic lawn sprinkler systems shall be equipped with an approved vacuum breaker installation and are subject to regular inspection by the District. The District may require separate metering of fire protection and sprinkler systems.

4.2.3 Codes. All plumbing installations shall be designed and installed in conformity with the latest edition of the “Manual, Cross-Connection Control”, published by the Colorado Department of Public Health and Environment. All backflow preventer installations shall be as approved by the District. The Customer shall install, operate, test and maintain the backflow preventer as required by the District.

4.2.4 Fire Protection Systems. Dedicated fire protection system taps shall be subject to payment of System Development and Tap Fees as stated in the schedule of fees in Appendix A. A plan of the system shall accompany the application and shall be subject to the approval of the District. All fire sprinkler systems shall meet NFPA requirements and additionally shall meet the requirements of all the applicable fire protection district, City, County and State building and fire protection codes. Fire protection systems shall conform to the requirements of Section 5.6 and 3.5 of these Rules and Regulations.

4.3 SEWER SYSTEM. All proposed connectors to the District’s sewer system shall complete a Feasibility Study and upon completion and review by the District’s engineer, sewer facilities and service arrangements for those portions of the Service Area may be provided by the District after pursuant to a Tap Permit and payment of the requisite System Development Fees and Service Charges. The sewer facilities will be constructed to coincide with development needs.

Septic systems (ISDS) may not be utilized within the District except by special permit and agreement with the District. District Customers maintaining individual septic systems shall comply with certain maintenance requirements with respect to the individual septic systems so that the system does not adversely impact the District’s water supply. The District will have the right to inspect the individual septic systems during construction as well as during operation to insure compliance. No septic systems will be allowed without written approval of the health department having jurisdiction over the property in question.

The sanitary sewer system is for the disposal of water contaminated by biodegradable wastes. No person shall make connection of roof downspouts, exterior foundation drains, areaway drains, surface drains or other sources of surface runoff or groundwater to a building sewer or building drain that in turn is connected directly or indirectly to the District's sanitary sewer system. The prohibitions against unauthorized discharge of wastes proscribed in this Section include the dumping or pumping of wastes directly into the District's manholes without the prior written consent of the District Manager.

All plan sets that provide for subdrain construction shall have the following disclaimer note placed on the cover sheet immediately adjacent to the District approval block: “Strasburg Sanitation and Water District does not take any discharge from or maintenance responsibility for

foundation subdrains.” In order to protect the District's sewage system from damage, destruction, deterioration, misuse or malfunction and to guard against health hazards and the creation of public nuisance the following regulations shall apply relative to the discharge of sewage containing deleterious wastes.

4.3.1 Specially Regulated Wastes

a. Industrial Wastes. No Person or Persons shall discharge or cause to be discharged any industrial waste of any type into the District's sanitary sewer system unless prior written permission is received from the District and applicable fees are paid.

b. Inflow/Infiltration. No Person or Persons shall discharge or cause to be discharged into the sanitary sewer of the District, storm water drainage from ground surface, roof ladders, catch basins, or any other source, or sub-surface drainage or ground water.

c. Other Wastes. Industrial cooling water, unpolluted process waters, bakery/restaurant wastes, car washing wastes, swimming pool drainage and floor drainage from enclosed and covered areas may be connected to the sanitary sewerage system only by a special Tap Certificate from the District and payment of all applicable fees.

1. A Tap Certificate for such purpose will be considered by the District based upon an application containing the following general information:

- A. Name and address of owner.
- B. Location of property for which the request is made.
- C. Description of the facility or operation requested for connection.
- D. Estimated quantities and qualities of the waste to be discharged including maximum rates.
- E. Plans and specifications of related waste generating processes and any pretreatment processes.

2. The District may issue Tap Certificates for the connections conditioned upon the following but not limited to:

- A. The construction of flow measuring and/or sampling devices.
- B. The construction of valves or gates to stop flows on an emergency basis.
- C. The construction of grease, oil and sand traps, or other pretreatment facilities.

- D. Submittal of appropriate cleaning/removal schedules and approval of same by the District.

4.3.2 Prohibited Wastes. Toxic or non-biodegradable waste or any wastes which make the effluent not within state standards after providing conventional treatment shall not be discharged into the sewer systems. No drain accepting discharge from vehicle wash racks, filling stations, restaurants or other building sewers as specified by the District shall be connected to any sewer service line unless the discharge first passes through an acceptable grease, sand or oil interceptor. Except as provided herein, no Person shall discharge or cause to be discharged any of the following described waters or wastes to any public sewer:

- a. Any liquid or vapor having temperatures higher than 104 degrees Fahrenheit.
- b. Any water or waste which may contain more than 100 ppm by weight of animal or vegetable fat, oil or grease.
- c. Any gasoline, benzene, naphtha, fuel oil, other flammable or explosive liquid, solid, gas, oil or grease.
- d. Any garbage that has not been properly shredded to less than 1/2-inch in the largest dimension.
- e. Any ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastic, wood, paunch manure, or any other solid or viscous substance capable of causing obstruction to the flow in sewers or other interference with the proper and normal operation of the sewage or treatment works or otherwise violate the treatment plant discharge permit requirements.
- f. Any waters or wastes having pH lower than 5.0 or higher than 9.0, or having any other corrosive or toxic property capable of causing damage or hazard to structures, equipment or personnel of the sewage works.
- g.. Any water or wastes containing a toxic or poisonous substance in sufficient quantity to injure or interfere with any sewage treatment process, constitute a hazard to humans, animals or fish, create any hazard in the receiving waters of the sewage treatment plant effluent or violate discharge permit requirements.
- h. Any waters or wastes containing suspended solids of such character and quantity that unusual attention or expense is required to handle such materials at the sewage treatment plant.
- i. Any noxious substances or malodorous waste, waters, gases or substance capable of creating a public nuisance, either in the public sewer or at the sewage treatment plant.
- j. A 5-day B.O.D. concentration greater than 300 ppm.

- k. A concentration of more than 300 ppm of Suspended Solids.
- l. Concentrated wastes from septic tanks and portable sanitary devices.
- m. A peak flow rate greater than 4 times the average flow rate.
- n. Any chemicals having a 24-hour proportionate composite sample concentration at the point of discharge in excess of the following:

Cadmium	0.10	mg/l
Chromium	5.0	mg/l
Copper	3.0	mg/l
Cyanides	2.0	mg/l
Iron	15.0	mg/l
Phenol	10.0	mg/l
H ₂ s (Hydrogen Sulfide)	1.0	mg/l
Zinc	2.0	mg/l

- o. Any hazardous chemicals.

4.3.3 Pretreatment. Where necessary, and the District determinations shall be final, the Customer shall provide, at its expense, such preliminary treatment as may be necessary. Where preliminary treatment facilities are provided for any waste or water, they shall meet with the approval of the Board and the Water Quality Control Division for adequacy of design, and once built, shall be maintained continuously in satisfactory and effective operation by the Customer. When required by the Board, the Owner of any property served by a Service Line or Main carrying industrial wastes shall install a suitable control manhole or monitoring point in the building sewer to facilitate observation, sampling, and measurement of the wastes. Such manhole or monitoring point shall be accessible, safely located, and constructed in accordance with plans and specifications approved by the District. The manhole or monitoring point shall be installed and maintained by the Owner at its expense.

In addition to the foregoing requirements for District purposes, the Customer shall also comply with those Regulations attached hereto as Appendix B.

4.3.4 Sump Pumps and Surface Water Drainage. No plumbing fixture, device, facility, construction or plumbing system shall be installed within any building or improvement which will provide a connection between the sanitary sewer system of the District, directly or indirectly which will allow draining ground or surface waters into the sanitary sewer system of the District. No physical connections shall be permitted whereby a Sewer Service Line is connected to a sump pump or other facility in such a manner that through the

manipulation of valves or because of lack of back pressure valves, or because of any other arrangement, it is possible to drain flood, overflow, drain, storm or groundwater, directly or indirectly, into the sewer system of the District. Any Person having connected, or having permitted to be connected such a forbidden system to a Service Line or the Sewer Main of the District, may be summarily ordered to disconnect such forbidden device or pumping system at his cost, and upon failure to do so, the District may forthwith disconnect any Service Line from the property containing such a forbidden device or pumping system at the Sewer Main of the District, reconnection of which shall be subject to the same requirements of section 3.1 of these Rules and Regulations and proof that such improper and illegal connection or device has been removed and will not thereafter be reconnected to the sanitary sewer system of the District.

4.3.5 Construction and Cleaning of Grease, Oil and Sand Traps. Grease, oil and sand interceptors shall be provided at the sole cost and expense of the Customer when, in the opinion of the District Manager or Engineer, they are necessary for the proper handling of liquid wastes containing greases, oil, etc., in excessive amounts, or any flammable wastes, sand or other harmful ingredient. All interceptors shall be located as to be readily available and accessible for cleaning and inspection. Grease and oil interceptors shall be in an accessible location for maintenance and inspection and shall be constructed of impervious materials capable of withstanding abrupt and extreme changes in temperature. They shall be watertight, and, if necessary as determined by the District, gastight and vented and otherwise comply with standards and drawings as set forth in Appendix B and approved by the District's Engineer. Where installed, all grease and oil and sand interceptors shall be maintained by the Customer at its expense, in continually efficient operation at all times. The District requires monthly or otherwise regularly scheduled cleaning and pumping of any grease traps as approved by the District. Periodic inspections shall be made of sand and grease traps and interceptors, and in the event the Customer is in violation of these Rules and Regulations, the Customer shall be liable for payment of a penalty in an amount as set forth in the District's fee schedule, Appendix A.

4.3.6 Swimming Pools. No public or private swimming pool shall be connected to the sewer system without first obtaining a special Tap Certificate from the District. Such Tap Certificate shall define and specify the hours during which water may be discharged from such pools into the sewer system and prescribe the fees and charges thereof.

4.4 RESPONSIBILITIES OF THE CUSTOMER.

4.4.1 Water Service Line Maintenance. The District shall be responsible, at its expense, for maintaining, repairing, and replacing Water Service Lines from the Main Lines to the discharge or effluent side of the yoke located on a Water Service Line. Each Customer shall be responsible, at its expense, for maintaining, repairing and replacing all other portions of the Water Service Lines. Damage or breaks in the Customer's portion of a Water Service Line shall be repaired by the Customer within 72 hours from the time of notification of such condition by the District. If satisfactory progress toward repairing the leak has not been made by the time specified, the District shall have the authority to repair, or have repaired, the Water Service Line and shall charge the Customer all resulting costs thereof. The District shall have a lien against the property of such Customer or Owner securing payment of such costs.

If repairs to Customer's portion of a Water Service Line require access to the water meter pit, the Customer shall not perform the repairs. Instead, the District will perform repairs, or portions thereof, that require access to the meter pit and will bill the Customer for the Actual Cost of such repair work. It shall remain the Customer's responsibility to notify the District of the need for such repairs.

4.4.2 Sewer Service Line Maintenance. Each Customer shall be responsible for maintaining, repairing, and replacing the entire length of his or her Sewer Service Lines. Excess infiltration leaks or breaks in the Sewer Service Lines shall be repaired by the Customer within 72 hours from the time of notification of such condition by the District. If satisfactory progress toward repairing the leak has not been made by the time specified, the District shall have the authority to repair, or have repaired, the lines and shall charge the Customer all resulting costs thereof. The District shall have a lien against the property of such Customer or Owner securing payment of such costs.

4.5 ENFORCEMENT.

a. The responsibility of cleaning and maintaining all grease interceptors, sand and oil traps shall be the Customer's and/or Owner's responsibility. Grease interceptors and sand and oil traps shall be inspected periodically by the District's operator in responsible charge and if not properly maintained, the District will initiate procedures to obtain compliance with these Rules and Regulations.

b. The charge for these inspections to the Customer and/or Owner shall be a direct pass-on of the expense to the District and shall be billed directly by the District for all costs incurred by the District in inspecting the property.

c. Discharge of Sewage in any manner in violation of the Rules and Regulations is hereby declared a public nuisance and may be corrected or abated as directed by the District.

d. Whenever a discharge of Sewage or the operation of a grease interceptor or sand or oil trap is in violation of the provisions of these Rules and Regulations or otherwise causes or threatens to cause a condition of contamination, pollution or nuisance, the District will issue a 72 hours' written notice to correct the practice. If the practice is not corrected within such time, the District may notify the Colorado Department of Public Health and Environment and turn off water service or effect disconnection of the sanitary sewage Service Line from the District's system until such time as the District has received adequate assurances that any and all violations of the District's Rules and Regulations will cease and will not occur in the future. If the violation is not corrected after notice, reconnection shall be subject to Section 3 of these Rules and Regulations.

e. When a discharge of wastes causes an obstruction, damage or any other impairment to the District facilities, the District may assess charges against the Customer and/or Owner for the work required to clean or repair the facility and add such charge to the Customer and/or Owner's sewer service charge, and the District shall have such remedies for the collection

of such costs as it has for the collection of sewer service charges until paid shall constitute a perpetual lien against the property.

f. Any person who intentionally or negligently violates any provisions of these Rules and Regulations or conditions set forth in Tap Certificates duly issued shall be liable civilly to the District. The District may petition the District Court to impose, assess and recover such sums.

g. In order to effect its powers, the District may enter upon private property for the purpose of inspection and maintenance of sanitary and waste disposal facilities and may terminate service to property in which a violation of any of these Rules and Regulations is found to exist.

SECTION 5 - SERVICE EXTENSION POLICIES

5.1 GENERAL POLICY. New service will be furnished only after all of the following conditions are satisfied:

- The proposed new service area/Customer is included within the boundaries of Strasburg Sanitation & Water District, or the Board has approved a written agreement for out-of-District Customers; and
- Regional Facilities needed to serve the area/Customer have been provided by the District after payment of any applicable costs by the Customer; and
- All Local Facilities needed to serve the area/Customer are in place and have had design and construction approval by the District's Engineer and all governmental entities having jurisdiction; and
- The applicable Tap Certificates have been applied for and approved and all required Tap Fees, System Development Fees, and other applicable fees have been paid; and
- The Customers' Service Lines have been installed in accordance with District Standards and construction approved by the Manager.

No privately owned wells or other water supply systems, septic tanks or other individual sewage disposal system, or on-site facilities shall be planned or constructed within the boundaries of the District without the express written consent of the District and written approval of the Tri-County Health Department. Violation of the provisions of this paragraph shall result in revocation of all Tap Certificates applicable to the property in question and imposition of a fine in the amount of \$5,000. The District shall be entitled to recover all costs and attorneys' fees incurred as a result of such violation and any hearings, appeals or litigation related to such violation. Privately owned wells existing as of January 1, 2000 shall be permitted to continue in operation until such time as a replacement well bore is required after which the well shall be capped and abandoned pursuant to the requirements of the Colorado State Engineer's office.

5.2 REGIONAL FACILITIES. If the District determines that it can construct the Regional Facilities necessary to serve a land development, the Developer shall provide the District with adequate lead time to permit the reasonable construction of any needed Regional Facilities. The District may require financial commitments from Developers in order to incur the expense of planning and constructing required Regional Facilities.

Upon a determination of economic feasibility by the Board, and a determination by the Board that the best interests of the District will be served, the District may enter into an Agreement related to such Regional Facilities with a Developer or Owner and may construct or acquire, on such terms and conditions it deems appropriate, the water and sewer Regional Facilities.

5.3 LOCAL FACILITIES.

5.3.1 Ownership. All Local Facilities may, at the discretion of the District and only after expiration of the warranty period, final inspection and acceptance, be owned by the District.

If the Local Facilities are to be transferred to the District, the Developers/Owners who have completed construction of water and sewer lines shall, before these lines are approved by the District for preliminary acceptance: 1) prepare a bill of sale or deed conveying the Local Facilities and appurtenances to the District, free and clear of all liens and encumbrances; 2) furnish a bond, letter of credit or other surety in a form and amount approved by the District to cover all maintenance for two years from the date of acceptance of the lines by the District; 3) provide any and all easements and rights-of-way reasonably requested by the District, without cost; and, 4) attach a summary of the actual original cost of all deeded facilities, complete with verified invoices. At the end of the two-year maintenance period, the District, upon application of the Developer or Owner, shall conduct a final inspection of the improvements. When all punch list items are completed to the satisfaction of the District Manager, the District may accept the lines for ownership, operation, and maintenance responsibilities.

5.3.2 Pipeline Sizing. Water distribution pipelines and collection sewer pipelines shall be sized adequately to serve the development tract for which they are designed. Where the distribution or collection lines also have a transmission or collection function serving areas outside of the subject tract, as determined by the District, then the District may require that the lines be oversized. In such case, the District may contribute to the Actual Cost up to an amount equal to the extra cost of over sizing, as provided in Section 6.2.3. In no case shall Water Mains of 8-inch diameter or less, Sewer mains of less than 12", or storm sewer pipelines 30" or less, be considered as having a transmission function.

5.3.3 Preliminary Design Procedures. Water distribution and collection system planning may at the Developer's option and expense be accomplished by the District or by an Engineer registered in Colorado. All preliminary plans and final designs must be prepared by or reviewed by the District's Engineer and approved by the Board. The District Engineer or Inspector shall perform prescribed inspection services at the Developer's expense.

Any Developer desiring to have water and/or sewer service extended shall fill out a main extension application available in the District's office and submit both the application and the feasibility study to the District for review. After preliminary review and approval, the Developer may proceed with final design. Normally, during the preliminary review phase the pipeline sizing will be reviewed and oversize requirements, if any, established. It is noted that water and sewer system planning may also require approval by other governmental agencies, including the local fire departments. The Developer is responsible for obtaining any necessary governmental approvals and paying the costs thereof as well as resolving any differences in design requirements imposed by the District.

5.3.4 Easements/Rights-of-Way. All Water and Sewer Mains must be installed in trenches containing no other conduits except that the Developer may install subsurface drain lines in conjunction with the sanitary sewer lines when approved by the District. The line and depth of such installations shall be as determined by the District's Engineer. The topography and

alignment of such rights-of-way shall be suitable for main installation as determined by the District's Engineer.

Preliminary and final planning shall be such that adequate space and easement reservations shall be made available permanently to the District without charge, as approved by the District Engineer.

5.3.5 Final Design. The extension application and final design documents will be furnished to the District Engineer for review.

The submittal shall include construction drawings, specifications and other contract documents. These documents shall be prepared by the District's Engineer or a registered engineer acceptable to the District. In all cases, the contract documents must be reviewed and approved by the District. Plan and profile drawings shall be on a horizontal scale 1" = 50' (other scales may be accepted, as determined by the District Engineer). All elevations must be USGS datum. Elevations of existing District facilities shall be field verified in the final design at the Developer's expense. Designs and specifications must include the provisions included as Appendix B with other detailed provisions as required by good engineering practice, all subject to the Board's approval.

Designs for potable water and sanitary sewer extensions shall be submitted for review at least forty (40) days before approval is expected. Plans, specifications and easements submitted for Board approval must be complete and meet with the approval of the District Engineer. Design approvals are valid for 12 months from the date of Board approval unless otherwise specifically noted in the approval. If construction is not substantially complete by that time, resubmittal of the plans may be required and new construction may not be initiated without the District Manager's approval.

5.3.6 Construction Phase. After all approvals have been granted, the Developer must have the extensions constructed in strict accordance with the approved design and inspected by the District's Engineer or Inspector.

The District Engineer or Inspector will inspect the extensions, at the Developer's expense, to assure good quality construction, installation materials and practices, in general conformity with the approved plans and specifications. The District Engineer or Inspector will not handle or be responsible for other construction phase inspection-related services (e.g., staking easement and/or line locations, measuring quantities, preparing pay estimates, and administrative or management-type relations with the contractor), unless the District's Engineer is used for design or unless a contract for services is executed with the District.

The Developer shall schedule a pre-construction conference on the job site with the District Engineer/Inspector prior to construction. The Developer shall notify the District seven (7) business days prior to beginning construction and thereafter keep the Engineer or Inspector informed of the construction schedule. No work may be covered, hidden or completed without the presence and approval of the Engineer/Inspector. Any Engineer/Inspector time or expense caused by the Contractor failing to work according to the proposed schedule shall be charged to the project as part of the Actual Cost.

Construction staking shall be completed prior to the installation of the potable water or sewer lines. All staking shall be maintained throughout the installation of the water or sewer lines. Staking shall include easement or right-of-way stakes and cut/offset stakes (50 max. spacing unless otherwise approved).

5.3.7 As-Built Drawings. Accurate “as-built” drawings (sealed by the Design Engineer) showing adequate ties to physical facilities must be provided at the completion of work by the Owner/Developer's Engineer. The District or its Engineer shall be provided with a reproducible set of “as-built” drawings on mylar. These may be the original tracings or photographic reproductions.

As-built drawings shall furnish information in a manner similar to the approved standard drawing “Typical As-Built Information” in Appendix B attached hereto.

5.3.8 Maintenance. The District operates and maintains all potable Water Mains and Sewer Mains within the District which have been completed, accepted, and deeded to the District, except that the Developer shall provide for a two-year warranty period, beginning at the time of preliminary acceptance by the District.

5.4 TAP CERTIFICATE REQUIRED. The right to take and use water distributed and the right to discharge sanitary sewage through the facilities of the District shall exist only pursuant to a Tap Certificate. No physical connection may be made or modified to any such facilities or to any privately or publicly owned extension thereof for any purpose unless a Tap Certificate shall have first been obtained authorizing the use for which such a connection is sought.

Notwithstanding the issuance of a Tap Certificate, the District reserves the full power and authority to determine all matters in connection with the control and use of water from the District’s water system and sewage in the District’s sewer system.

5.4.1 Separate Tap Certificates. No water user in or upon any premises to which water is supplied under a Tap Certificate for such premises, shall supply or allow water to be supplied for use on any other premises unless a Tap Certificate for use on such other premises shall have been procured. Nor shall any sewer user similarly allow discharge of wastes generated from an offsite property to a sewer connection located on his property.

A separate Tap Certificate is required for each and every building using water, and/or discharging sewage.

The Water and Sewer Service Lines to any structure served by the District must be independent of the Service Line to any other structure, except where the structures involved comprise an undivided unit with no potential for separate ownership. Individual water service and meters will be required for each individual Owner, unless a specific exemption has been granted by the Board.

5.4.2 Increased Services for Existing Customers. Any water Customer/Owner expanding his building(s) or otherwise increasing water demand, must apply for a modified Tap Certificate if an increase in service size is determined to be required.

Any sewer Customer/Owner expanding his building or otherwise increasing Sewage flows so that the number of equivalent units will be increased, must apply for a modified Tap Certificate, whether or not the actual Service Line size is increased.

In these cases, the Owner shall pay incremental System Development Fees at the rate in effect at the time the modified Tap Certificate is issued.

5.4.3 Transfer of Tap Certificates. Tap Certificates attach to the designated premises only. They are not affected by changes in the ownership of the licensed premises and are usable only in accordance with the terms of the Tap Certificate.

Neither Tap Certificates nor the associated System Development Fees are transferable to other properties.

5.5 TAP CERTIFICATE ISSUANCE. A Tap Certificate to take and use water from the District's system and/or a Tap Certificate to discharge sanitary sewage to the District's systems may only be issued under the following conditions:

5.5.1 Application. The applicant or his/her agent shall submit a signed, written application for service on a form supplied by the District and presented to the Board of Directors or their authorized agent and shall contain the following information.

a. A description of the premises to be served under the Tap Certificate by reference to land survey, or by designation of Lot and Block, or other legal description adequate to define the area to be served by convenient references.

b. A description of the building, or buildings, to be constructed and their purpose. If the buildings are to be used for commercial or industrial purposes (any use other than residential) then the applicant shall furnish an estimate of expected peak and average flow loads, with calculations and information as required by the District Engineer. The applicant must also provide a description of the waste to be received by the District's collection system.

c. An acknowledgement and agreement by the applicant that use under the Tap Certificate must be as limited and defined by applicable law and Rules and Regulations of the District.

d. If a use is proposed which could result in high rate service demands, then the Manager may require that the applicant submit additional information regarding demands or load rates.

e. A copy of the Tap Permitt applicable to the property to be served and evidence that no uncured deficiencies are outstanding pursuant to the terms of such System Development Fees Agreement.

5.5.2 Payment of Capital Fees. Prior payment of:

a. Standard District tapping/inspection fees.

b. Standard District Water System Development Fees and Sewer System Development Fees for the appropriate number of equivalent units. Normally, simultaneous payment for all applicable District fees, including water and sanitary sewage, will be required.

c. Water Resource Charge for real property to be served.

5.5.3 Payment of Connection Fees. Prior payment of:

a. Water and sewer connection fees which are administratively set to cover the cost of Service Line and tapping inspection by the District, and for any Service Line materials furnished by the District.

5.5.4 Prepurchase of System Development Fees. A Developer/Owner may prepurchase System Development Fees pursuant to agreement with the District. The rights derived by payment of such fees shall be as set forth in the agreement and as stated on the Certificate. Any prepurchase of System Development Fees shall be subject to the District's sole discretion.

5.6 FIRE PROTECTION SERVICE. A Tap Certificate to take and use water from the water system for private fire protection service is granted only upon the following conditions:

a. The applicant shall have secured a Tap Certificate for water service from the District.

b. The applicant shall have specified with particularity, the fire protection facilities for which water service is desired.

c. The applicant shall have executed an agreement adequate to control the use of the fire protection facilities to assure that they will not be used for any purpose other than extinguishing hostile or unfriendly fires, unless specifically exempted by the District Board. Each direct fire protection service line shall be equipped with an approved flow detection device. These facilities are subject to inspection at the District's discretion. The applicant shall have obtained all approvals, written or otherwise, as required by the appropriate County or other applicable jurisdiction.

d. If the water is to be supplied for fire protection through the Service Line through which water is supplied for other purposes, the fire protection facilities shall be so installed as to prevent the use of water through such facilities for any purpose other than fighting hostile or unfriendly fires.

e. The District assumes no obligation for adequacy of fire protection service.

The only use for which water may be taken from fire protection facilities under Tap Certificate is to extinguish hostile or unfriendly fires. Any other use of water from such facilities shall be deemed as unauthorized use of water for which a Tap Certificate for fire protection service may be suspended or revoked. The District may require that a fire protection system be separately metered.

5.7 SERVICE LINES AND CONNECTIONS.

5.7.1 Design - Construction. Services shall not be used until inspected and approved by the District Manager. Cost for this inspection service is included in the Tap Fees as set forth in Appendix A. Services shall be designed and constructed according to the Public Utility Design and Construction Specifications contained in Exhibit B.

5.7.2 Pressure Regulating and Relief Valves. All Water Service Lines shall be equipped with a line-pressure regulating valve, except in areas specifically exempted by the District's Engineer. Pressure regulating valves shall be upstream of all uses. Installation in the meter pit is acceptable to the District if the pit and piping are designed to permit convenient servicing of the meter. The pressure regulating valve shall be set for a downstream pressure not exceeding 80 psi. A water pressure relief valve shall be installed on the plumbing of every Customer. The valve shall be provided with a discharge line to a drain in any areas where discharge could cause damage.

5.7.3 Service Lines. Each individual commercial structure hereinafter connected shall pay for an individual potable water and/or sewer tap and install separate Service Lines for each commercial structure. Each individual residential structure hereinafter connected shall pay for an individual potable water and/or sewer tap and install separate Service Lines for each residential structure. Any variance from this requirement must be authorized by obtaining written approval of the Board of Directors of the District.

SECTION 6 - RATES AND CHARGES

6.1 GENERAL. The District is authorized to assess and collect fees, rates, tolls, assessments and user charges for water and sewer services within and outside the boundaries of the District. The District has entered into an Intergovernmental Agreement with the Eastern Adams County Water and Sanitation District and may enter into other intergovernmental agreements with other governmental entities to provide for the provision of water and sanitary sewer service and the payment of Fees and Charges.

6.2 TAPPING FEES. Water and sewer tapping fees are set to cover the actual cost of inspection and records processing for connecting the taps and installing Service Lines. Tapping fees are set administratively by the District Manager, based on actual cost experience. If multiple inspections are required because of poor installation or poor scheduling on the part of the contractor, the District Manager may increase a specific tapping fee to cover the actual cost increase.

6.3 INSPECTION FEES. Water and Sewer Inspection Fees are set to cover the actual cost of inspection and records processing for connecting the taps and installing service lines. Inspection Fees are set administratively by the District Manager, based on actual cost experience. If multiple inspections are required because of poor installation or poor scheduling on the part of the contractor, the District Manager may increase a specific Inspection Fee to cover the actual cost increase. The District may elect to furnish water meters (for standardization and convenience purposes) to Service Line installers or Customers. In this case the Inspection Fees will be set to also cover the actual costs of the furnished meters.

6.4 EQUIVALENT RESIDENTIAL UNIT (EQR) SCHEDULES. For the setting of certain fees the District has found it convenient to establish Equivalent Residential Unit Schedules. The base for this schedule is an average detached single-family residence, or its equivalent. The schedules are given in the following tables. Note that Table 6.3.1 is applicable only to calculation of monthly sewer charges.

**TABLE 6.3.1
EQUIVALENT RESIDENTIAL UNIT (EQR) SCHEDULE –
WATER AND SEWER UTILITIES**

	<u>Class of User</u>	<u>EQR</u>
A.	RESIDENTIAL CLASSIFICATIONS	
1.	Single-family Residential Units (per each) Single-family Homes, individually billed mobile homes, mobile homes on single lots, mobile homes established for permanent residences.	1.0
	Note: Subrental privileges of all kinds are prohibited.	
2.	Multi-family Residential Units. Apartments, condominiums, townhouses, and similar facilities in the same complex; all units intended for long-term rental or ownership.	
	<ul style="list-style-type: none"> • Small sized unit. Shall not have more than one bedroom and one bathroom. • Medium sized unit. Shall not have more than 2 bedrooms or 2 bathrooms. • Large sized unit. Shall not have more than 3 bedrooms and 2 1/2 bathrooms. • Any larger single unit. 	0.5 0.75 0.90 1.0
3.	Transient Residential Units Hotels, motels, mobile home parks, dormitories, recreational vehicle parks, and similar facilities.	
Note:	Includes: laundry facilities in mobile homes; swimming pools and laundry facilities (except those in mobile homes) are additive; room counts shall include rooms furnished to employees; each billing unit shall have a minimum of one Manager’s unit.	
	a. Manager’s Unit (per each)	0.80
	b. Motels, hotels and rooming houses without kitchen facilities	
	- with not more than 2 bed spaces per room (per each rental room)	0.20
	- with more than 2 bed spaces per room (per each room)	0.35
	c. Motels with kitchen facilities	
	- with not more than 2 bed spaces per unit (per each unit)	0.3
rental	with more than 2 bed spaces per room (per each	0.4
room)	d. Dormitories (per each rental bed space)	0.1

	<u>Class of User</u>	<u>EQR</u>
	e. Recreational vehicle parks	
	i. camping or vehicle spaces without sewer hookup (per space)	0.17
	ii. camping or vehicle spaces with sewer hookup (per space)	0.20
	iii. If a store is present add for store in accordance with paragraph B.2.b., of this Table 6.4.1	
Note: Spaces which have year-round mobile home to be evaluated per mobile home park		
	f. Mobile Homes in Park-with laundry	0.80/space
	g. Add for laundry facilities (or available hookup) in each building, % of total EQR served	20.0%

B. COMMERCIAL CLASSIFICATION

1. Restaurants and Bars
Restaurants, bars, lounges, banquet rooms and drive-ins
 - a. Restaurants and bars first 20 seats (per 10 seats); all remaining seats (per 10 seats) 1.0
0.5
 - b. Banquet Rooms (per 10 seats) 0.25
 - c. Drive-ins (per car stall) 0.20
 - d. Drive through take out service window .5

2. Commercial Buildings

Office buildings, retail sales buildings, multiple use buildings, Laundromats, service stations, shops, garages and similar facilities

- Note: No process water will be allowed to enter the sewer.
- a. Offices and office buildings (per 1,000 s.f. of gross floor area) 0.50
 - b. Retail sales area (per 1,000 s.f. of gross sales and display area) 0.30
 - c. Laundromats (per washing machine) 0.50
 - d. Service stations (a set of pumps is defined as a fueling space (not more than one nozzle for each available type of fuel)
 - first set of pumps 1.0
 - each additional set of pumps (per set) 0.6
 - add for each bay/rack where cars can be washed 1.0
 - e. Non-retail work areas such as garages, machine shops (per each 10 employees) 0.7

C. CHURCH AND SCHOOL CLASSIFICATIONS

1. Churches (per 100 seats)

	<u>Class of User</u>	<u>EQR</u>
Note:	Rectories, social areas with kitchen facilities are additive	1.0
	2. Schools	
	Day care centers, public and private day schools	
Note:	Includes teachers, librarians, custodians and administrative personnel associated with the school function; administrative centers, warehouses equipment (such as buses) repair and/or storage centers, swimming pools and similar facilities are additive	
	a. Without gym and without cafeteria (per 50 students)	1.40
	b. Without gym and with cafeteria or with gym and without cafeteria (per 50 students)	1.75
	c. With gym and cafeteria (per 50 students)	2.10

D. MISCELLANEOUS CLASSIFICATIONS

	1. Swimming pools and wading pools	
Note:	A permanent sign must be placed prominently at all pool filter installations stating that pools are not to be drained without permission from the District Manager, that pool draining rates will be subject to approval of the District, and that draining shall be limited to the hours between 11 p.m. and 6 a.m. the next day	
	a. Private pools associated with single-family residential units (per 40,000 gallons of pool volume)	
	b. Pools associated with multi-family and transient residential units (per 40,000 gallons of pool volume)	0.40
	c. Commercial and public pools. Total EQR to be computed from pool volume and per capita capacity as follows:	0.80
	• first 40,000 gallons of pool volume	1.05
	• each additional 40,000 gallon capacity	0.75
	2. Recreational Vehicle Waste Disposal Stations	
	The operator of the disposal facility shall provide a means acceptable to the District of counting the number of times the disposal facilities are used.	1.0

The District shall review and approve charges made to users of dumping facilities by facility owners; no system development fees will be assessed for camper dump facilities, and the District reserves the right to cease service to such facilities at any time.

	3. Medical Hospital	
Note:	Includes staff and administrative personnel associated with the hospital function	
	• per bed	0.60
	4. Public Restrooms (per toilet or urinal)	.20

E. OTHER CLASSIFICATIONS

Equivalents shall be established on an individual basis for all users other than those identified in Classifications A, B, C, and D above. Industrial users will be subject to the requirements of the Environmental Protection Agency as those requirements pertain to assessment of users charges and cost recovery (refer to 40 C.F.R., Section 35 (1987)).

F. GENERAL NOTES.

1. Each Customer of the system will be charged a minimum of 1 EQR for purposes of defraying fixed costs.

6.5 WATER SYSTEM DEVELOPMENT FEES. These are one-time fees designed to provide recovery of capital investment attributable to Regional Facilities of the District's water systems.

Water System Development Fees shall be assessed based on Service Line and meter size, except that a minimum fee will be established for multi-family use, regardless of actual service size. The current fee schedule is included in Appendix A. Water System Development Fees are not applicable to fire protection Service Lines for water Customers. Where Service Lines also serve a fire protection function, the District Engineer will estimate the size line required for potable use only.

6.6 WATER RESOURCE FEE. This is a charge designed to provide funding for acquisition of water resources for use in providing water service to the District as further described in Appendix A.

6.7 SEWER SYSTEM DEVELOPMENT FEE. These are fees designed to provide recovery of capital investment attributable to Regional Facilities of the District's sewer system.

Sewer System Development Fees shall be assessed based on water Service Line and meter size, except that a minimum fee will be established for multi-family use, regardless of actual service size. The current fees are as provided in Appendix A.

6.8 SERVICE CHARGES. The Schedule of Fees and Charges attached hereto as Appendix A sets forth the current fees and charges applicable to services currently provided by the District. Such fees and charges shall remain in effect until modified by the Board in accordance with these Rules and Regulations and applicable laws. Nothing contained herein shall limit the Board from modifying fees and charges from time to time per separate agreement if deemed by the Board of Directors to be in the best interests of the District. Revised fees adopted by the District will become a part of these Rules and Regulations.

6.9 PAYMENT OF FEES AND SERVICE CHARGES.

6.9.1 Billing. It is the policy of the District to bill all monthly service charges in arrears. The District shall have the right to issue only one (1) bill for a multi-unit structure or development off the Service Line that is not separately metered. When a condominium or homeowners' association exists for a number of units receiving service from the District, said association shall receive an invoice for all units included in the association. Any other structure with more than one (1) residential or commercial unit off the Service Line which is not separately metered shall establish one (1) responsible party for billing.

6.9.2 Due Date. The Customer shall pay to the District the full amount invoiced by the fifteenth of the month in which the invoice was issued. Where the Customer believes said statement is in error, the Customer must file within fifteen (15) days after the statement date, in writing, a notice to the District of the presumed error and request a clarification from the Manager. Upon review by the Manager and re-submittal and/or revision of the statement, payment shall be due no later than fifteen (15) days from the date of the resubmitted statement.

6.9.3 Penalty for Late Payments. At any time the Customer is fifteen (15) days tardy in payment of any fees or charges due the District, the District shall have the right to assess an interest charge at a rate of one percent (1%) per month on the unpaid balance plus a late fee as adopted by the Board of Directors of the District. The District shall further have the right, in its sole discretion, to terminate service to any Customer who becomes thirty (30) days or more tardy in payment for amounts due the District, following the opportunity for a hearing as set forth in Section 3.12 and Section 7 of these Rules and Regulations. The District also has the right to assess to any Customer who is tardy in payment of its account all legal, court, disconnection, and other costs necessary to or incidental to the collection of said account.

6.9.4 Collection of Delinquent Amounts. In addition to any other means of collecting delinquent fees, rates, tolls, penalties, charges or assessments made or levied solely for water and sewer service, including charges for availability of such service, the District may certify the delinquent amounts to the County Treasurer for collection in the same manner as property taxes. The District shall charge a fee in the amount stated in Appendix A for the administrative costs of this collection method, which fee shall be added to all delinquent amounts, including other penalties and interest charges, before certification.

6.10 SEWER SERVICE CHARGES. District sewer system operating revenues are primarily derived from sewer service charges. Service charges shall be based on a flat rate schedule, using the appropriate EQR value.

6.10.1 High Strength Sewage. The service charges rates given in Appendix A are based on Sewage strength similar to normal domestic wastes. For any commercial or process water use where high strength wastes may be expected (above 230 mg/1 BOD, and 230 mg/1 SS) the District reserves the right to require installation of a sampling point, as approved by the District Engineer, and to charge a premium fee. Such premium shall be determined by the Manager based on current treatment costs plus the administrative costs of sampling, testing, and billing.

6.11 ADJUSTMENT OF SERVICE CHARGES. In those situations where, in the Board's sole discretion, the fees and charges shown on Appendix A do not represent a fair, reasonable, and equitable charge for the intended use, the Board, in its sole discretion, may adjust said fees and charges.

6.12 CONNECTING LINES, OVERSIZING AND REBATES. Where a proposed development is not contiguous to existing development, the District may require the Developer to construct any intervening connecting water or sewer lines. In this case, the District will set an amount for maximum rebate, being the approved actual cost of the connecting line. This rebate amount will be assigned to Owners of the intervening property if, in the opinion of the District, the intervening Owners can make reasonable use of the line in the future. Future Developers or Customers in the intervening area shall be required to rebate the actual cost, or a *pro rata* portion thereof, before connecting other Mains or Service Lines to the subject line.

6.12.1 Oversize. Where the District requires that a line be oversized for future users, the District may pay for oversize directly. However, if the Board determines it infeasible to participate immediately in such oversize, then the actual cost of the oversize may be considered a rebatable amount. At the discretion of the Board of Directors, the District may pay such rebate from the income obtained from future Customers located in an area determined by the District to have benefited from the oversize pursuant to an oversizing agreement approved by the District Board of Directors.

6.12.2 Rebate Amounts. Where the Developer did not have the facilities installed after advertised bids, the actual cost shall be as estimated by the District's Engineer and approved by the Board. In case of disputed eligibility of costs, the Board's decision will be final. In case of disputed method of rebate, a rational proposal shall be prepared by the District Engineer and approved by the Board; the Board's decision shall be final. No interest shall be allowed when determining rebate amounts. A rebate agreement will be made for a maximum period of ten (10) years from the date of facilities acceptance.

6.13 TRANSFER OF SYSTEM DEVELOPMENT FEES.

6.13.1 Transfer Requirements. No System Development Fee paid on behalf of one property, or any portion thereof, may be transferred to any other property unless there is a separate written authorization from the District for the transfer and the following conditions are met:

- a. The Owner requesting the transfer is the common owner of the property for which the System Development Fee has been paid and the property to which the transfer of the System Development Fee or portion thereof is being requested;
- b. The Owner requesting the transfer has no outstanding unpaid accounts with the District and has previously maintained a good credit record with the District;
- c. The property to which the System Development Fee initially applied has never been connected to the District's system; and

d. The Owner requesting the transfer has filed an application for service for the property to which the System Development Fee is to be transferred.

Any approval of a request for transfer of a System Development Fee shall be in the sole discretion of the District. Upon payment of all applicable fees and approval of a request for transfer of a System Development Fee, the Tap Certificate issued for the property to which the System Development Fee initially applied shall be canceled, and a new Tap Certificate shall be issued with respect to the property to which the System Development Fee is transferred.

6.13.2 Transfer Fee. Unless a separate written agreement provides otherwise, the Owner requesting the transfer shall pay to the District the difference between the System Development Fee which would otherwise be charged on the date the transfer is requested for the property to which transfer is being sought, and the System Development Fee previously paid, but in no event shall the District make a credit or refund.

6.14 CONSTRUCTION WATER CHARGE. Any person who desires to have water service available at the premises for individual building sites for construction use prior to the time a meter may be properly set and protected from damage, shall pay the full Tap Fee and have a temporary meter installed. Occupancy of the premises shall not occur until a permanent meter shall have been installed.

For other requests for construction water, the District at its discretion may provide a fire hydrant meter and permit connection on a designated hydrant after receipt of a written request for temporary construction water service and a cash deposit in an amount to be set by the District Manager. The cash deposit shall cover the value of the meter and prepayment of two months anticipated water use. Such service may be curtailed by the District at any time; and no Tap Fee is required for this service. The District shall read the meter, normally monthly (or at more frequent intervals at the District's option), and bill for water used. Payment shall be made within 10 days of receipt of the bill. Water gallonage charges shall be in accordance with the regular commercial schedule with a base fee of not less than the 1-inch size commercial meter to cover billing costs. At the cessation of service the District will refund the deposit less any damages to the meter and any outstanding charges. Any shortage shall be promptly paid by the user.

For all construction water accounts, a non-refundable start-up charge will also be assessed, as provided in Appendix A.

6.15 PENALTIES FOR FORECLOSURE PROCEEDINGS. At any time it becomes necessary for the District, following efforts to collect overdue payments of any fee or charge assessed by the District under these Rules and Regulations and/or Colorado law, to initiate foreclosure proceedings as allowed by Section 32-1-1001(1)(j)(I), C.R.S., as amended, the District shall in each such case assess a foreclosure fee against the subject property in an amount as set forth in the District's fee schedule which fee shall be payable in full upon assessment and shall be included in the amount then being foreclosed. Payment of said foreclosure fee and any and all other fees outstanding against the subject property shall be a precondition to the resumption of service to that property.

SECTION 7 - HEARING AND APPEAL PROCEDURES

7.1 APPLICATION. The hearing and appeal procedures established by this Section shall apply to all complaints concerning the interpretation, application or enforcement of the Rules and Regulations of the District, as they now exist or may hereafter be amended. The hearing and appeal procedures established by this Section shall not apply to the following complaints:

- a. Complaints arising out of the interpretation of the terms of District contracts;
- b. Complaints which arise with regard to personnel matters, and
- c. Any other complaint which does not concern the interpretation, application, or enforcement of the Rules and Regulations of the District.

7.2 INITIAL COMPLAINT - RESOLUTION. Complaints must be presented in writing to the Manager or such representative as may be designated by the District concerning the interpretation, application or enforcement of Rules and Regulations of the District. Upon receipt of a complaint, the Manager or the designated representative, after a full and complete review of the allegations contained in the complaint, shall take such action and/or shall make such determination as may be warranted and shall notify the complainant of the action or determination by mail within fifteen (15) days after receipt of the complaint.

7.3 HEARINGS BEFORE THE BOARD. In the event the complainant disagrees with the determination of the Manager or the designated representative, the complainant may, within fifteen (15) days from the date of the mailing of the determination, file with the District a written request for a hearing before the Board. The request for a hearing shall set forth with specificity the facts or exhibits presented at the formal hearing upon which the complainant intends to rely, and shall contain a brief statement of the complainant's reasons for the complaint. The Manager or the designated representative shall compile a written record consisting of all exhibits or other physical evidence reviewed in making his or her determination, and a copy of the written determination. The Board shall hold a formal hearing on the complaint at the next regularly scheduled meeting held no earlier than ten (10) days after the filing of the complainant's request for a hearing. At the hearing, the Manager or the designated representative and the complainant shall be entitled to present all evidence that is, in the Board's view, relevant and material to the dispute, and to examine and cross-examine witnesses. The Board may establish rules and procedures governing the hearing. A record of the hearing shall be maintained.

7.4 BOARD'S FINDINGS. Based on the record established, the Board shall issue a written decision concerning the disposition of the dispute presented to it and shall cause notice of the decision to be hand delivered or sent by U.S. Mail to the complainant within thirty (30) days after the hearing. Such decision shall constitute the final administrative action of the District and no appeal shall lie from the decision of the Board. The Board's decision shall be final and binding upon the District and the complainant.

7.5 NOTICE. A complainant shall be given notice of any hearing before the Board by U.S. Mail at least seven (7) calendar days prior to the date of the hearing, unless the complainant requests or agrees to a hearing in less time. When the District is made aware that a complainant is represented by an attorney, notice of any action, finding, determination, decision or order affecting the complainant shall also be served upon the attorney.

7.6 COSTS AND ATTORNEYS' FEES. In the event the prior decisions of the District are upheld, the District shall be entitled to recover its costs and attorneys' fees from the complainant. In the event of any litigation undertaken contrary to this Section, the District shall be entitled to recover its costs and attorney fees from the complainant.

SECTION 8 – MISCELLANEOUS

8.1 SIGNS. No billboard, sign, notice or advertisement, whether of a permanent or temporary nature, shall be constructed or posted within any easement, right of way, roadway or other property belonging to the District.

8.2 CONSTRUCTION WITHIN EASEMENTS.

8.2.1 Prohibition. No structure or facility of any type shall be constructed within, under or over, or which encroach any easement, right-of-way or dedication granted in favor of the District, or public easements, rights-of-way or dedications which benefit the District (collectively referred to in this Section 8.2 as “District Easements”), without the express written consent of the Board.

8.2.2 Variances. Upon written application to the Board, the Board may, after consultation with the District Engineer and in the Board's sole discretion, grant written variances to allow construction within, under or over District Easements. All variances must be signed by the property owner to be benefited and shall specify that the property owner will indemnify and hold the District harmless from any damage to the landowner's structure or facilities, or any landscaping, located within District Easements which may occur as a result of the District's exercise of its easement rights, including the excavation of such easement. Such variance shall be recorded with the Clerk and Recorder of the applicable county and will constitute covenants which run with the land.

8.2.3 Removal of Unauthorized Structures. The District, in its sole discretion, may remove any unauthorized structure or facilities and all landscaping located within, under or over, or which encroach on any District Easement, which are inconsistent with the District's use of such easement, at the sole cost of the property owner. Such cost shall include reasonable attorneys' fees and damages incurred by the District. The District shall not be responsible for repair or replacement of unauthorized structures or facilities, or any landscaping, if such is required as a result of the District's exercise of its easement rights.

8.2.4 Private Use of Easements. Except where the language of a District Easement so provides, private use of District Easements incompatible with the District's rights is prohibited.

8.3 SEVERABILITY. If any provision of these Rules and Regulations, or its application to any person or circumstances is held invalid, the application of such provision to other persons or circumstances, and the remainder of these Rules and Regulations shall not be affected thereby.

8.4 MODIFICATION, WAIVER AND SUSPENSION OF RULES. The Board of Directors or the Manager, acting on instructions of the Board, shall have the sole authority to waive, suspend or modify the application of these Rules and Regulations, and any such waiver, suspension or modification must be in writing, signed by the Board or the Manager and shall not be deemed an amendment of the Rules and Regulations. No waiver, suspension or modification of any one occasion shall constitute a waiver, suspension or modification on any subsequent or other occasion.

8.5 MANHOLES. No Person shall cover or obstruct a manhole of the District without prior written authorization of the District. In the event a manhole is covered without the District's prior authorization, the District may enter upon the property to uncover the manhole and perform any related activities; any and all costs related to the uncovering of the manhole shall be the sole responsibility of the Person or Owner, and the District shall be entitled to reimbursement from the Person or Owner for such costs borne by the District.

8.6 ENTERPRISE.

8.6.1 Establishment. The District operates and owns the Strasburg Sanitation and Water District Water Activity Enterprise, which was established by Resolution No. 2012-1 of the Board of Directors on April 10, 2012 to provide retail and wholesale water and wastewater services and to acquire water rights ("Water Activities").

8.6.2 Enterprise Activities and Facilities. The Enterprise shall manage, operate, use, maintain, and conduct all Water Activities, services, and facilities of the District. The Enterprise is authorized to use, operate, improve, extend, enlarge, repair, replace, acquire, dispose of, encumber, contract with respect to, and otherwise control and supervise all activity, facilities and property of the District. All facilities, property, and assets utilized by the Enterprise shall remain the property of the District.

8.6.3 Governing Board. The Board of Directors of the District shall be the governing board of the Enterprise ("Enterprise Board"). The Enterprise Board shall conduct the business of the Enterprise in the manner and following the same procedures as the Board of Directors. All public business of the Enterprise shall be conducted only during regular or special meetings of the Board of Directors at which a quorum is present. The record of proceedings of the Enterprise Board may be incorporated into the minutes of the Board of Directors of the District. No additional oaths, bonds, or other qualifications shall be required of the Enterprise Board. All activities of the Enterprise and actions of the Enterprise Board shall be governed by and made subject to all requirements, privileges, immunities, protections, limitations, and other provisions of law relating to the Board of Directors.

8.6.4 Powers. The Enterprise Board may, without limitation, exercise the District's legal authority relating to Water Activities. Such authority shall include the powers set forth in the Special District Act that are consistent with the business operations of an enterprise under TABOR and that are necessary to operate the Enterprise.

8.6.5 Taxes. The Enterprise shall have no power to levy or assess any tax which is subject to TABOR or to direct the District to exercise its taxing powers on behalf of the Enterprise.

8.6.6 Grants. The Enterprise shall not accept or receive any revenue in grants from the District, state or any local government, unless authorized by the Board of Directors, and any such grants shall be less than ten percent of the annual revenues of the Enterprise.

8.6.7 Contracts. All contracts relating to Water Activities shall be approved by the Enterprise Board and executed by one or more District officers on behalf of the Enterprise. Any pre-existing contract relating to Water Activities shall be deemed to have been approved and entered into by the Enterprise Board.

8.6.8 Revenue. All revenue for Water Activities services and facilities provided by the Enterprise, including rates, fees, tolls, charges, and any other legally available income of the Enterprise shall be collected, used, and expended for Water Activities purposes as determined by the Enterprise Board. Rates for services and facilities shall be established by the Enterprise Board and collected and enforced in accordance with state law.

8.6.9 Enterprise Fund. An Enterprise Fund shall be established to separately account for all revenue and expenditures of the Enterprise.

8.6.10 Continuation of Enterprise. Nothing in this Section shall be deemed to limit the authority of the Enterprise Board to utilize other policies or procedures for operating or continuing the Water Activities in accordance with TABOR. If any provision of this Section is determined to be invalid or in violation of the enterprise qualification provisions of TABOR or the Colorado Revised Statutes, this Section shall be enforced to the extent possible to preserve the benefits afforded to an enterprise under TABOR and Section 37-45.1-101, *et seq.*, C.R.S.

8.7 IDENTITY THEFT PREVENTION PROGRAM. The District shall comply with the Identity Theft Prevention Program attached as Appendix C.