

RULES & REGULATIONS
Morrison Creek Metropolitan Water and Sanitation District
Adopted 8/18/94

Revised 11/18/99, 7/18/02, 1/15/04, 5/19/05, 6/16/05, 9/22/05, 10/20/05, 2/16/06

ARTICLE 1
GENERAL

1.1 AUTHORITY

The Morrison Creek Metropolitan Water and Sanitation District is a subdivision of the State of Colorado and body corporate with those powers of a quasi-municipal corporation that are specifically granted for carrying out the objectives and purposes of the District.

1.2 PURPOSE

The purpose of this consolidated body of Rules and Regulations is to ensure an orderly and uniform administration of water and sewer operations in the Morrison Creek Metropolitan Water and Sanitation District, Stagecoach, Colorado.

1.3 POLICY

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

1.4 SCOPE

These Rules and Regulations shall be treated and considered as new and comprehensive regulations governing the operations and functions of the District, and shall supersede all prior rules and regulations of the District.

1.5 INTENT

It is intended that these Rules and Regulations shall be liberally construed to effect the general purposes set forth herein, and that each and every part thereof is separate and distinct from all other parts. No omission or additional material set forth in these rules and regulations shall be construed as an alteration, waiver or deviation from any grant of power, duty or responsibility, or limitation or restriction, imposed or conferred upon the Board of Directors by virtue of statutes now existing or subsequently amended, or under any contract or agreement existing between the District and any other governmental entity. Nothing contained herein shall be so construed as to prejudice or affect the right of the District to secure the full benefit and protection of any law which is now enacted or may subsequently be enacted by the Colorado General Assembly pertaining to the governmental or proprietary affairs of the District.

1.6 AMENDMENT

It is specifically acknowledged that the District shall retain the power to amend these Rules and Regulations, with respect to the District, to reflect those changes determined to be necessary by the Board of Directors of the District. Prior notice of these amendments shall not be required to be provided by the District exercising its amendment powers pursuant to this section.

ARTICLE II
DEFINITIONS

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

2.1 APPLICANT

"Applicant" means any person who applies to the District for a service connection or service disconnection, main line extension or other such service agreement or who attempts to have real property included within, or excluded from the District, as the case may be.

2.2 BOARD

"Board" and "Board of Directors" mean the elected Board of Directors of the District.

2.3 BUILDING

Building shall mean a separate enclosed structure or improvement intended to be used at any time for human occupancy, permanently or temporarily situated on land, and containing any water and /or wastewater disposal fixtures connected or previously connected to District facilities. A mobile home or camper shall be deemed to be a building if it is connected or was previously connected to District facilities.

2.4 CONTRACTOR

Contractor means any person, firm or corporation authorized by the District to perform work and to furnish materials within the District.

2.5 CUSTOMER

Customer means any entity authorized to connect to and use the District's water and/or sewer services.

2.6 DEVELOPER

Developer shall mean a person or entity, or more than one person or entity having a common development purpose, which is the owner of a development parcel and which constructs or has constructed and installs water mains and /or sewer mains as extensions of the District facilities pursuant to, the procedures described in paragraph 7.5 Subsidiaries. Affiliates and related parties shall be deemed to be a single developer.

2.7 DEVELOPMENT PARCEL

Shall mean the entirety of contiguous land owned by a developer, whether or not previously platted, and planned or to be planned for development as residential, commercial, industrial or recreational lands under a common scheme or plan. All lands included within one or more subdivision plats or replats recorded at or about the same time, and all lands included within a common or joint application for planning approval from Routt County, shall be deemed to be a single development parcel.

2.8 DISTRICT

District means the Morrison Creek Metropolitan Water and Sanitation District.

2.9 DISTRICT ENGINEER

District Engineer means the person or firm that has been authorized by the District to perform engineering services for the District.

2.10 DWELLING UNIT

Any living unit with a kitchen and bathroom. A kitchen is defined as including, but not limited to, hot and cold water, stove, microwave or hot plate, sink and refrigerator. Examples: detached residences, condominiums, townhouses, apartments, duplexes, triplexes, mobile homes.

2.11 FACILITIES

Facilities means the District's office, water mains, sewer mains, wells, and infiltration galleries, surface water diversion and collection structures, fire hydrants, valves, water storage tanks sewerage treatment plants, water treatment equipment, booster pumps, lift stations, and all other appurtenances owned by the District and necessary or desirable for, or used in, the operation of the Districts water distribution and sewerage collection and treatment systems and the administration thereof.

2.12 FIELD SUPERVISOR

Field Supervisor means that person appointed by the manager to operate and maintain any of the Districts facilities.

2.13 INSPECTOR

Inspector means that person who, under the direction of the Field Supervisor or Manager, shall inspect all water and sewer connections, excavations, installations of and repairs to the water and sewer system and facilities of the district to ensure compliance with the rules and regulations.

2.14 KITCHEN

Kitchen shall mean any area having a refrigerator and facilities for cooking and dishwashing.

2.15 MULTI-FAMILY RESIDENTIAL

Shall mean any structure or building providing two or more dwelling units.

2.16 MAIN LINE

Main line means any water or sewer interceptor used as a conduit serving more than one customer, and as further described in section 3.3.

2.17 MANAGER

Manager of the District means the person or entity retained by the Board to administer and supervise the affairs of the District and its employees.

2.18 NON-POTABLE WATER

Non-potable water shall mean water that is not safe for human consumption or that is of questionable portability.

2.19 PERMIT

Permit shall mean a building permit issued by the Routt County Building Department.

2.20 PERSON

Person means any entity of any nature, whether public or private.

2.21 PRETREATMENT FACILITIES

Pretreatment facilities means structures, devices or equipment for the purpose of treating or removing from the sewer system any wastes which would be harmful to the District's sewer mains or sewage treatment facilities.

2.22 RULES AND REGULATIONS

"Rules and Regulations" means the Rules and Regulations of the District, including all the amendments and policies as set forth in the District minutes and resolutions.

2.23 SANITARY SEWAGE

Water contaminated by biodegradable wastes and flood waters, industrial process water or any type of drainage water.

2.24 SERVICE LINE

Service line shall mean a water line or sewer line providing service to only one building. A Water Service Line includes the corporation stop, curb valve, and associated copper piping. A Sewer Service Line includes the sewer tap saddle, clean outs, and associated PVC piping.

2.25 SEWER SYSTEM

"Sewer System" means any sewer main line, sewer collection line, appurtenances, accessories or portion thereof owned and maintained by the District.

2.26 SHALL OR MAY

Whenever "shall" is used herein, it will be construed as a mandatory direction. Whenever "may" is used herein, it will be construed as a permissible, but not mandatory direction.

2.27 STUB-OUT

"Stub-out" shall mean any connection to a main line which is intended to facilitate connection to the water or sewer system.

2.28 TAP AND CONNECTION

Tap or connection means the connection of the service line to the water or sewer system, either directly to a main line or stub out from the main line.

2.29 TAP FEE

"Tap Fee" means the payment to the District of a fee for the privilege of connecting a particular use to the water or sewer system. The tap fee may also be known as a use or plant investment fee. And may be a set amount or gauged upon impact by a point system.

2.30 LATERAL FEE OR CONNECTION FEE

"Lateral Fee or Connection Fee" means the cost for actual physical connection by the District of a particular use to the water or sewer system. The fee is dependent upon the cost of making the actual connection. A lateral or connection fee is payable in addition to a tap fee.

2.31 WATER SYSTEM

Water system means any water main line, appurtenances, accessories or portion thereof owned and maintained by the District.

2.32 DUPLEX

Any building containing two dwelling units.

ARTICLE III
OWNERSHIP AND OPERATION OF FACILITIES

3.1 RESPONSIBILITIES OF DISTRICT

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

3.2 LIABILITY OF DISTRICT

It is expressly stipulated that no claim for damage shall be made against the District by reason of the following: Blockage in the system causing backup of effluent; damage caused by smoking of lines to determine drainage connections to district lines; breakage of main lines; interruption of water or sewer service and the conditions therefrom; breaking of any service or collection line, pipe, cock, or meter; failure of the water supply; shutting off or turning on water; making of connections or extension; damage caused by water running or escaping from open or defective faucets; burst service lines or 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 high sporadic pressures; or from doing anything to the facilities 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 forgoing conditions. The District reserves the right to discontinue, temporarily, service to any property, at any time, for any reason deemed necessary or appropriate by the Board of Directors or the Manager. The District shall have the right to revoke service to any property for violation of these Rules and regulations.

3.3 OWNERSHIP OF FACILITIES

All existing and future main lines and treatment works connected with and forming an integral part of the water and sewer system shall become and are the property of the District. All fire hydrants are District facilities. Any water line 6" or larger in diameter shall be deemed to be a Water Main, unless such line: (i) provides water service to a single building only; or (ii) is declared in writing by the District Manager or Board to be a service line. Any sewer line 8" or larger in diameter shall be deemed to be a sewer main, unless such line; (i) provides sewage collection service only to single building or to two houses or (ii) is declared in writing by the District manager or the Board to be a service line.

Any other water line or sewer line may be declared to be mains if done so in writing by the District Manager or Board.

That portion of all existing or future service lines including the corporation valve, curb valve, curb box, clean outs, tapping saddles, extending from the main line to each unit or building for each customer that is connected with and forms an integral part of the District's water or sewer system, shall become and is the property of the customer. This principle shall not be changed by the fact that the District might construct, finance, pay for, repair, maintain, or otherwise affect the customer's service line. The construction of any service line shall be done in compliance with Article VI of these Rules and Regulations. The 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 to a District main line. All uses of the service line or any appurtenances thereto at any time after the initial connection to the District system shall be subject to these Rules and Regulations.

Notwithstanding the above, all water meters shall become and are the property of the District. Said ownership shall remain valid whether the meters and or shut off valves are located on a privately owned and maintained service line or within a private residence.

3.4 INSPECTION AUTHORITY OF DISTRICT AGENTS

The Manager, Field Supervisor, and other duly authorized employees of the District, bearing proper identification, shall be permitted to enter upon all properties for the purpose of inspection, observation, measurement, sampling,

and testing in accordance with the provisions of these Rules and Regulations. Failure to permit such inspections, observations, measurements, samplings and/or testings upon the request, in writing, by the manager may result in the disconnection of service to the property of the party failing to permit such activity.

3.5 MODIFICATION WAIVER AND SUSPENSION

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

ARTICLE IV
USE OF SEWER AND WATER SYSTEMS

4.1 UNAUTHORIZED TAMPERING AND USE OF SYSTEM

No person other than the District Manager or a District employee shall uncover, use, alter, or disturb the water or sewer system without first obtaining permission from the District. Unauthorized uses or tampering with the District's systems include, but are not limited to, an unauthorized turn-on or turn-off of water or sewer service, burying valve boxes, modifying or removing any water meter, connection of a water or sewer service line to the District's main line except by a District employee, discharging Prohibited Sewage into the District main sewer line or sewer plant, or discharging or depositing Special Sewage or Prohibited Sewage into the District's sewer plant system from any vault system. In addition, unauthorized use or tampering of the District's sewer plant system includes the discharge and deposit into such District sewer plant of sewage from any sewage haulage truck which has been pumped and obtained from any sewage vault or sewage source located or generated outside of the boundary of the District. No person shall maliciously, willfully, or negligently break, damage, destroy, cover, uncover, deface or tamper with any portion of the District's system.

4.2 USE OF SEWER SYSTEM

4.2.1-The customer shall notify the District prior to any expansion to the service or use of the property served by the District and upon any change of ownership of the property. The customer is responsible for giving his/her correct billing address to the District Manager at all times. Each customer shall be responsible for the total cost of constructing and maintaining the entire length of the service line serving such customer's property and/or any related service facilities, including but not limited to, lift stations and clean outs. Service lines shall be constructed in accordance with these Rules and Regulations and the District's standard specifications. The water service line extends from the tap on the main line, and not just from the curb stop. The sewer service line extends from the tap on the main line. Leaks or breaks in the service line shall be repaired by the property owner within seventy-two (72) hours of obtaining knowledge of a leak or from the time of notification of such leaking condition by the District. The District's personnel may enter upon private property and buildings at any time to test and check for leakage of water or sewer main lines or service lines. If satisfactory progress toward repairing a leak for which the District has given notice has not been completed within the 72-hour time period, or if the District determines that environmental or property damage is being caused by such leakage, the Manager shall shut off the service until the leaks or breaks have been repaired. In addition, the District shall have the right, using its employees or contractors, to accomplish the repair, and the cost therefore shall constitute a perpetual and first lien on and against the property of such customer, securing payment of such cost, as provided by C.R.S., 32-1-1001, until such cost and accrued interest and any attorneys' fees and costs are fully paid and recovered.

4.2.2-No person shall discharge, or cause to be discharged, any storm water, surface water, ground water, roof runoff, subsurface drainage, or industrial process waters to any sanitary sewer.

4.2.3-The District shall make periodic inspections of grease pretreatment facilities to insure compliance with these Rules and Regulations.

4.2.4-In the event a building cannot gravity feed into the main sewer system the owner will be responsible for the installation and maintenance of a suitable lift pump and force main, meeting the specifications of the District.

4.2.5-This subsection 4.2.5. of the Rules and Regulations shall provide the basic policies of the District of classification of wastes and for control of discharge of water into the sewer system.

- A. It shall be the policy of the District to classify wastes into four main categories, termed "Normal Sewage", "Special Sewage", "Vault Sewage", and "Prohibited Sewage", which are generally defined herein. The classification of wastes shall be the responsibility of the Manager and shall follow recommended procedures of the State Board of Health, and, subject to approval of the Board, shall be final and binding.
- B. "Normal Sewage" shall mean sewage which can be treated at the District's wastewater treatment

plant without pretreatment and within normal operating procedures, and which, when analyzed, shows by weight a daily average of not more than 250 parts per million of suspended solids and 5 day biological oxygen demand each.

- C. "Special Sewage" shall mean any sewage which does not conform to the definition of Normal Sewage, but which can be treated by the District after pretreatment by the user or by utilization of special operating procedures by the District at the sewage treatment plant. All sewage from vaults within the boundary of the District shall be deemed to be "Vault Sewage", rather than "Special Sewage". "Industrial Pretreatment regulations" adopted by the District identifies various types of special sewage and treatment criteria required prior to discharge into the District's collection system. A list of various types of special sewage is included in Appendix A, attached hereto.
- D. "Vault Sewage" shall mean any sewage which does not conform to the definition of Normal Sewage, which is pumped from residential vault located within the boundaries of the District, and which can be treated by the District utilizing special operating procedures at the sewage treatment plant.
- E. "Prohibited Sewage" shall mean any sewage which may reasonably be anticipated to have a deleterious effect upon the sewer system, or any persons or property, and therefore, in the opinion of the District, cannot be serviced by the District. Prohibited Sewage shall include water injected into the sewer system by means of a drainage collection system. Said drainage water is determined to the sewer system since it interferes with the District's volume capacity and with the biological process necessary to proper treatment. Prohibited Sewage also includes sewage pumped by a licensed Pumper from any source outside of the boundaries of the District, and such Prohibited Sewage shall not be dumped or deposited into any sewer service or main line or into the sewer treatment plant. A list of various other types of prohibited sewage is included in Appendix A, attached hereto, but such list is representative only and not deemed to be inclusive of all prohibited sewage.
- F. The manager shall be responsible for all sampling, testing, analyses and classifying of sewage. Testing and analyses shall be determined in accordance with "Standard Methods for the Examination of Water and Wastewater", latest edition, or by methods approved by the United States Environmental Protection Agency for NPDES permit reporting and the Colorado State Health Department. Results of these tests shall be made available to the customer at the District's office.

4.2.6-No person shall discharge, or cause to be discharged, to the sewer system, any Special Sewage or Prohibited Sewage or any harmful waters or wastes whether liquid, solid, or gas, capable of causing obstruction to the flow in sewers, damage or hazard to structures, damage to the operations of the sewer plant, damage to equipment or personnel of the District, or other interferences with the proper operation of the system.

4.2.7-Special Sewage shall not be deposited into the sewer plant from any sewage holding tank truck which has pumped sewage from sources outside of the boundaries of the District. The admission into the sewer system of any Special Sewage through the sewer main lines shall be subject to the review and approval of the manager, which may prescribe limits on the strength and character of such Special Sewage. Where necessary, in the opinion of the Manager or the Board, the owner who desires to deposit Special Sewage into the sewer mains shall provide, at his expense, such pretreatment facilities as may be necessary to treat such Special Sewage prior to discharge to the sewer main. Such facilities shall be maintained continuously in satisfactory and effective operation by such owner, at his own expense. A grease, oil, and sand trap of a design approved by the Colorado Department of Health shall be provided when , upon the advice of the Field Supervisor, they are necessary for the proper handling of Special Sewage or liquid wastes containing grease in excessive amount, or any flammable wastes, sand or other harmful ingredients: except that such traps shall not be required for private living quarters or dwelling units. Where installed, they shall be maintained by the owner, at his expense, in continuously effective operation at all times. Plans, specifications, and any other pertinent information relating to proposed pretreatment facilities shall be submitted for

approval of the District and the Colorado Department of Health, and no construction of such facilities shall be commenced until such approval is obtained in writing.

4.2.8.-When required by the District, the owner of any building served by a service line carrying Special Sewage to the District's sewer main shall install and maintain, at his expense, a suitable control manhole in the service line to facilitate observation, sampling and measurement of waste. The manhole shall be installed by the customer and maintained at his expense. All measurements, tests, and analyses of the characteristics of waters and wastes shall be determined in accordance with "Standard Methods for the Examination of Water and Wastewater", latest edition, or by methods approved by the U.S.E.P.A. for NPDES reporting and shall be collected at the control manhole. In the event that no special manhole has been required, the control manhole shall be considered to be the nearest downstream manhole in the sewer interceptor to the point at which the service line is connected.

4.2.9.-An adequately sized grease trap in compliance with the uniform plumbing code will be required for all buildings where its sewage has an adverse grease impact on the District's system or the grease is causing the BOD to exceed 250 ppm. The size of the grease trap will be determined by a licensed plumber, pursuant to specifications adopted by the Manager of the District, and such grease trap shall be installed by the owner at his expense. If at a later time it has been determined by the District that the sewage still has excess grease in it, the owner will be required to install a larger grease trap within 90 days of being notified from the District Manager. A manhole on the sewer service for monitoring sewage may be required for any restaurant, bakery or other facility. Grease traps shall be maintained on a regular basis to insure proper operation. No chemicals will be allowed to be used for dissolving grease.

4.2.10-Pursuant to IGA between the District and Routt County, sealed sanitary systems (sometimes herewithin referred to as "vaults" or "sewage vaults") may be constructed on lots within the District which were platted prior to 1974, provided that the lot owner complies with certain conditions set forth in such IGA and signs a Lot Owner's Agreement with the District Among other requirements, the sewage vault must be pumped on a regular basis as set by the Board of Directors of the District, by an approved Pumper Contractor. The sewage pumped from such sewage vaults shall be deemed to be Vault Sewage and shall not include any Prohibited Sewage, and shall be deposited and transferred to the District's sewer plant at such location and at such times and under such procedures as are set from time to time by the District Manager.

4.2.11-Approved Pumper Contractors who may pump and collect Vault Sewage from sewage vaults within the District shall not deposit and deliver into the District's sewer plant any sewage or other material from any vault or source other than an approved sewage vault from a lot owner who has signed a Lot Owner's Agreement with the District. Sewage collected by such Pumper Contractors from sources other than approved sewage vaults subject to Lot Owner's Agreements shall be taken for deposit and treatment outside of the District, and constitute Prohibited Sewage.

4.2.12-The district shall charge each Pumper Contractor a volume charge for depositing sewage pumped and collected from approved sewage vaults within the District into the District's sewer plant. Such charges shall be 2.5 cents per gallon.

4.2.13-If a violation of this Section 4.2 is also a violation of Colorado law, then the District shall seek to have the person committing such violation prosecuted to the full extent of Colorado law. Any person who violates any of the provisions of this Section 4.2 shall be liable to the District for payment of any expenses, loss or damage occasioned by reason of such violation, and shall in addition be liable to the District for a penalty in the nature of liquidated damages as set by the Board of Directors up to \$5,000 for each violation. The continuance of a violation for each day shall be a separate violation, so that the liquidated damages shall be set by the Board of Directors up to \$5,000 per day during which such violation continues. Such penalty and liquidated damages shall be imposed upon notice of such violation from the District Board of Directors. If any Pumper Contractor dumps or attempts to dump Prohibited Sewage into the District's sewer system (whether into service or trunk lines or into the sewer treatment plant), then in addition to the remedy of the District to impose the penalty up to \$5,000 against such Pumper Contractor, the District may, after written notice to the Pumper Contractor, terminate the license and permission of the Pumper Contractor to dump sewage from sewage vaults within the District into the District's sewer system or sewer

treatment plant, and thereafter such Pumper Contractor may not dump any sewage from any source into the District's sewer system. If the violator of any provision of this Section 4.2 is the owner of a lot within the District, or a tenant, licensee, family member, or guest of any such owner, then any penalty imposed by the District as above provided shall be in the nature of a special assessment by the District against the lot of such owner, in which case such liquidated damages special assessment shall be a perpetual lien upon such owner's lot, as allowed by section 31-1-1001, C.R.S., as amended.

4.3 USE OF WATER SYSTEM

4.3.1-The customer shall notify the District prior to any expansion or addition to the service or use of the building served by the District and upon any change of ownership of said building. Any change may result in a re-determination of the tap fees or service charges. Each customer shall be responsible for all costs associated with the construction and maintenance of the entire length of the service line serving his building. Service lines shall be constructed in accordance with these Rules and Regulations and the District's standard specifications. Leaks or breaks in the service line shall be repaired within seventy two (72) hours of obtaining knowledge of a leak or from time of notification of such condition by the District. If satisfactory progress toward repairing said leak has not been made within the same time period, the manager shall cause the service to be terminated until such time as the leak or break has been repaired; in addition the District shall have the right to effect the repair, and the costs therefore shall constitute a lien on and against the property of such customer, to secure payment of such cost, as provided for by C.R.S., 32-1-1001.

4.3.2-Each customer is required to maintain a year round access to their curb valve or have measured ties to its location.

4.3.3-Each customer is responsible for complying with the Colorado Department of Health's, Cross Connection Control Manual, with the additional requirement that all "wet type" fire protection systems must utilize a reduced pressure type back-flow prevention device.

4.3.4- No stop and waste valve is permitted in conjunction with a customer's service line. It is the responsibility of the customer to bury the service line with 6 feet of cover to prevent it from freezing.

4.3.5- The District will usually deliver water at a pressure of between 25 and 145 PSI, but in the event the District cannot maintain a delivery pressure of 25 PSI, the customer will be responsible for the installation of a booster pump, and an approved double check valve for backflow prevention.

4.3.6- Each person having boilers and/or other appliances in his building that depend on pressure or water in the pipes, or on a continual supply of water ,shall provide, at his own expense, suitable safety devices to protect himself and his property against a stoppage of water supply or loss of pressure. The District expressly disclaims any liability or responsibility for any damage resulting from a customer's failure to provide such appropriate protection.

4.3.7-It shall be unlawful for any person to operate District valves or fire hydrants without prior authorization by the District; any police officer, personnel of the District or fire department is hereby authorized to confiscate any hydrant wrench or valve shut-off key found to be used without District authorization.

4.3.8- By prior arrangement the District may allow use of a fire hydrant for delivery of water. A set up charge of \$25.00 will be assessed for district personnel to set up the hydrant. Water will be charged for at the rate of 1 cent/gallon with a \$5.00 minimum. The user will report the amount of water taken to the District Manager on a daily basis.

4.3.9- No connection shall be made to the District's water facilities without a water meter having been installed to serve the dwelling unit. The location of the meter and its shut off valve must be readily accessible in a dry and warm location on a year round basis. Any damages done to the meter as a result of freezing and labor of District personnel in repair will be paid for by the owner with a minimum service fee of \$25.00. All water meters shall have devices for remote reading. Remotes are typically located with the electric meter. The type of water meter and its location shall be subject to the approval of the District. All water meters shall become and are the property of the District. Said

ownership shall remain valid whether the meters are installed, financed, paid for, repaired, or maintained by another person. The district shall have the right to test, remove, repair or replace any and all water meters. It shall be the duty of each customer to notify the District office if their water meter is defective. If any meter is suspected to be defective, the district shall diligently pursue repair or replacement of said meter. During the interim period prior to repair, the customer shall be charged twice the minimum rate during the winter (October through April) and 3 times the minimum rate during the summer (May through September), or an amount consistent with historic use, whichever the district deems most appropriate.

4.3.10-All new connections are required to install water saving devices as follows:

1. All toilets shall have a maximum flush of 3.5 gallons.
2. All showers shall have a shower restriction device installed, which shall have a measured flow, at 60 PSI, of not greater than 3.2 G.P.M.

4.3.11-A shut off and pressure reducing valve (PRV) shall be installed on all service lines immediately before the Water meter insuring that the water meter and the building plumbing system are protected from fluctuating water main delivery pressures. The pressure setting on the PRV should not exceed 60 PSI.

4.3.12- Minimum clearances must be maintained around fire hydrants to facilitate their use. It shall be the responsibility of property owners to maintain a serviceable clearance on either side of fire hydrants.

4.3.13-The customer shall take precautionary measures to protect all pipes and appurtenances from freezing. It is absolutely forbidden to allow faucets or other devices to flow or drip to prevent freezing.

4.4 PREREQUISITE TO WATER AND SEWER SERVICES

4.4.1- The District will not provide central water service to a property or improvement unless there exists a District water trunk line within 100 feet of the boundary of the property to be served. The District will not provide central sewage collection service to a property or improvement unless there exists a District sewage collection trunk line within 100 feet of the boundary of the property to be served. The Board of Directors of the District may, in its sole discretion, exempt any property or structure from the prerequisites of either or both of the preceding two sentences upon the written request of the owner of the property to be served.

4.5 USE OF SEALED SANITARY SYSTEMS (VAULTS)

4.5.1- No person shall install or use, or knowingly permit or allow the installation or use of, any sewage or wastewater disposal means or system on any property within the District or from any dwelling other than connection of such property and dwelling to (i) the central sewage collection system of the District, (ii) an engineered septic system meeting all of the requirements of the Routt County Department of Environmental Health, or (iii) a "Sealed Sanitary System" as hereinbelow described and then only in accordance with the procedures and requirements of this Subsection 4.4 below. By delivering or causing through one or more pumpers the delivery of any wastewater or effluent from a Sealed Sanitary System to the wastewater treatment plant of the District, the owner of the Sealed Sanitary System shall be deemed to have accepted all of the restrictions and limitations of this Section 4.4. The District has no obligation whatsoever to accept wastewater or effluent pumped from a Sealed Sanitary System whose Owner knowingly violates the restrictions or limitations or obligations of this Subsection 4.4.

4.5.2- A "Sealed Sanitary System" means a vault or other sealed sanitary system for the holding of sewage, wastewater and effluent from a single-family dwelling which does not leech or discharge on or under the land but wholly contains and holds such wastewater, sewage and effluent until pumped and removed from the site. The vault or holding tank for such system shall be constructed of reinforced concrete. The Sealed Sanitary System shall be equipped with a vault level warning system meeting the standards set forth on Exhibit "A" attached hereto.

4.5.3- A Sealed Sanitary System may only be installed on a platted subdivision lot within the District created by a subdivision plat recorded in the Routt County real property records prior to January 1, 1980, and the boundary of which lot is not located within 100 feet of a sewage collection trunk line of the District or the Morrison Creek Water Activity Enterprise (such lot is hereinafter referred to as a "Lot"). The owner or owners of record of the Lot are sometimes hereinafter collectively referred to as the "Owner."

4.5.4- Any Sealed Sanitary System at any time placed or used on or adjacent to the Lot shall at all times be in compliance with the laws, regulations and directives of the Routt County Environmental Health Department and the Colorado State Department of Public Health and Environment.

4.5.5- All costs and expenses of installing, improving, replacing, repairing, pumping, maintaining and inspecting any Sealed Sanitary System on or adjacent to the Lot shall be the responsibility of and promptly paid by the Owner.

4.5.6- The Owner shall maintain and keep the Sealed Sanitary System at all times in good condition, operation, order and repair and in compliance with the laws, regulations and directives of the Routt County Environmental Health Department and of the regulations, policies and directives of the District, but if the Owner shall fail, refuse or neglect to do so, then the District may make or cause to be made any or all necessary or proper repairs, maintenance or improvements to the Sealed Sanitary System, and all costs and expense therefor shall be promptly reimbursed by the Owner to the District. Such costs and expense, and interest on the same at the rate of 3% per month until paid, and attorney's fees incurred by the District in collecting such costs and expense, shall all be a perpetual lien on and against the Lot and may be foreclosed in the same manner as provided by the laws of the State of Colorado for the foreclosure of mechanics' liens.

4.5.7- Every Sealed Sanitary System shall be subject from time to time to inspection by the District and/or the Routt County Environmental Health Department and/or the Health Department of the State of Colorado, and for these purposes the Owner shall be deemed to have granted to agents of the District and the Routt County Environmental Health Department a license to enter upon the Lot from time to time and inspect the Sealed Sanitary System.

4.5.8- Prior to the issuance of the building permit for the dwelling to be constructed on the Lot, there shall exist from the nearest County maintained public road to the boundary of the Lot an access road physically constructed and meeting the minimum standards for such access road as may be adopted from time to time by the District's Board of Directors. To the extent such access road does not physically exist, then the Lot Owner shall, at such Owner's sole expense, construct and provide such access road meeting such standards prior to the issuance of the building permit for the dwelling to be constructed on such Lot. The Owner shall not obtain a building permit for the dwelling to be constructed until the access road required by this subparagraph has been accepted in writing by an authorized representative of the District. Prior to the actual usage of the Sealed Sanitary System on or adjacent to such Lot, the Lot Owner shall also construct and provide adequate physical access from the end of the access road at the boundary of the Lot to the physical location of such System, sufficient for a pumper truck to drive from the County-maintained public road to such System, pump such System, and return to the District's wastewater treatment plant. The Owner is deemed to have granted to the District a non-exclusive access license, 20 feet wide, on and over the Lot and any part thereof, for vehicular ingress and egress from the end of the access road to the Lot from the nearest County-maintained County Road to any Sealed Sanitary System hereafter installed on such Lot. Upon request of the Owner after installation of any such Sealed Sanitary System, such access license may be limited by written agreement to a specific location mutually agreed to. All such construction shall be at the sole cost and expense of the Owner and be done to the satisfaction of the District. The Sealed Sanitary System shall be constructed of reinforced concrete and shall have a minimum capacity of 1,250 gallons and a maximum capacity of 2,000 gallons.

4.5.9- Prior to the issuance of the building permit for the dwelling to be constructed on the Lot, the Owner shall submit to and obtain the written approval from the Manager of the District a site plan of the Owner's Lot showing at least 2-foot contour lines in the Lot, the approximate location of the driveway into such Lot and the access to the Sealed Sanitary System, the location of the proposed Sealed Sanitary System, and the location of the proposed dwelling on the Lot. Such submission will be accompanied by a submission fee of \$500 (which shall be increased each year, commencing in 2007, by \$25 per year). Owner will not commence construction of the Sealed Sanitary System until such site plan has been approved in writing by the District Manager.

4.5.10- The Owner is responsible and liable for regular and proper pumping of wastewater and sewage from the Sealed Sanitary System. The Owner shall not permit nor allow any sewage, wastewater or effluent from a Sealed Sanitary System on the Lot to be discharged upon or within any land. No sewage, wastewater or effluent shall be removed or pumped from a Sealed Sanitary System except by a pumper contractor approved by the District (a "Pumper Contractor"). The District will supply a list of approved Pumper Contractors to the Owner upon request. The Owner shall hire an approved Pumper Contractor for pumping of the Sealed Sanitary System on a regular basis and shall cause the system to be pumped at such a frequency to prevent the system from ever exceeding eight-five percent of its capacity. In any event, the Owner shall cause the system to be pumped at least semi-annually, unless specifically exempted in writing by the District.

4.5.11- The Owner shall, at the Owner's sole cost, cause the Sealed Sanitary System to be pumped by a Pumper Contractor within 72 hours after oral or written notice or directive to cause such pumping has been given by an agent of the District and/or the Routt County Department of Environmental Health to the Owner. Notice to the Owner pursuant to this subsection 4.5.11 shall be deemed given if (i) communicated orally or delivered in writing to the Owner personally, to any general agent or employee or officer or director or partner of the Owner, or to any tenant or any person occupying the dwelling on the Lot, or (ii) in writing and posted on the outside door of the dwelling on the Lot for a period of 24 hours. If the Owner shall for any reason fail to cause the Sealed Sanitary System to be so pumped after such notice is given, then the District may, without further notice, cause and direct a Pumper Contractor to pump sewage, wastewater and effluent from the Sealed Sanitary System and deliver the same to the District wastewater treatment plant, and the cost and expense of the District in so doing (including the dumping fee into the plant) shall be promptly reimbursed by Owner to the District upon written demand from the District. Such cost and expense, and interest on the same at the rate of 3% per month until paid, and attorney's fees incurred by the District in collecting such cost and expense, shall all be a perpetual lien on and against the Lot and may be foreclosed in the same manner as provided by the laws of the State of Colorado for the foreclosure of mechanics' liens.

4.5.12- As and when a central sewage disposal collection trunk line is installed by the District or the Morrison Creek Water Activity Enterprise or any other person within 400 feet of the boundary of the Lot, the Owner of the Lot shall at his cost connect the dwelling on the Lot to the sewage disposal trunk line by trunk line extension and service line in conformance with an extension layout from the District Manager and rules and regulations of the District, and shall pay all applicable tap-on fees and other charges due to the District and the Morrison Creek Water Activity Enterprise as a result of such connection, all within six months after such trunk line has been so installed. After such connection, the dwelling shall be disconnected from the Sealed Sanitary System, and use of any Sealed Sanitary System for collection and disposal of sewage, wastewater or effluent on the Lot or from any dwelling on the Lot shall automatically and wholly cease and terminate. In the event the Owner shall fail or refuse to connect to such sewage disposal trunk line, then the District may, within sixty days after written notice by the Board of Directors so to do, cause such connection to be made and the costs and expenses incurred in making such connection shall be promptly reimbursed by the Owner to the District. Such costs and expenses, and interest on the same at the rate of 3% per month until paid, and attorney's fees incurred by the District in collecting such costs and expenses, shall all be a perpetual lien on and against the Lot and may be foreclosed in the same manner as provided by the laws of the State of Colorado for the foreclosure of mechanics' liens.

4.5.13- The Owner shall pay all charges and fees of the Pumper Contractor for pumping sewage, wastewater and effluent from the Sealed Sanitary System on or adjacent to the Lot as and when such charges and fees are billed and fall due. If not so paid within 60 days, then the Pumper Contractor may assign such unpaid account to the District and the District shall notify the Owner of such assignment. Thereafter, the Owner shall promptly pay such unpaid charges and fees to the District. Such unpaid charges and expenses, and interest on the same at the rate of 3% per month from the date the same were due until paid, and attorney's fees incurred by the District in collecting such charges and fees, shall all be a perpetual lien on and against the Lot from and after any assignment of such account to the District, and such lien may be foreclosed in the same manner as provided by the laws of the State of Colorado for the foreclosure of mechanics' liens.

4.5.14- The Owner shall install the Sealed Sanitary System a sufficient distance from any well on or adjacent to the Lot to satisfy (i) the requirements and directives of the Routt County Department of Environmental Health, and (ii) all requirements of any applicable Wellhead Protection Plan regulations of the District or of the Morrison Creek Water Activity Enterprise.

4.5.15- In the event of a violation of, default in or breach or failure of an Owner to comply with any provision of this Section 4.5, then in addition to the specific remedies provided above in this Subsection 4.4, the District shall have all remedies permitted at law and in equity and shall also have any and all of the following remedies:

4.5.15.1- The Board of Directors may order the Owner (by notice given in writing to such Owner or posted on the Owner's property) to cause the Sealed Sanitary System to be pumped by a Pumper Contractor at a frequency set by the Board but not more frequently than weekly, until such time as, in the determination of the District Manager in his sole discretion, a less-frequent pumping interval is appropriate to insure that the Sealed Sanitary System is being properly pumped and serviced in compliance with this Subsection 4.5 and so as to ensure that no discharge of effluent is made upon the land. If the Owner shall for any reason fail to cause the Sealed Sanitary System to be so pumped after such notice is given, then the District may, without further notice, cause and direct a Pumper Contractor to pump sewage, wastewater and effluent from the

Sealed Sanitary System on a weekly basis and deliver the same to the District wastewater treatment plant, and the cost and expense of the District in so doing (including the dumping fee into the plant) shall be promptly reimbursed by the Owner to the District upon written demand from the District. Such cost and expense, and interest on the same at the rate of 3% per month until paid, and attorney's fees incurred by the District in collecting such cost and expense, shall all be a perpetual lien on and against the Lot and may be foreclosed in the same manner as provided by the laws of the State of Colorado for the foreclosure of mechanics' liens.

4.5.15.2- The District may assess and levy a fine against the Owner of up to \$500 per day for each day such violation of, default in or breach or failure of an Owner to comply with any provision of this Subsection 4.5 shall continue. Such fines, and interest on the same at the rate of 3% per month until paid, and attorney's fees incurred by the District in collecting such fines and interest, shall all be a perpetual lien on and against the Lot and may be foreclosed in the same manner as provided by the laws of the State of Colorado for the foreclosure of mechanics' liens. The District may collect such fines by civil action against the Owner, and in any such civil action, the District shall also recover judgment for its reasonable attorneys' fees and costs of suit in assessing, levying, and collecting such fines and foreclosing the lien for such fines."

ARTICLE V
APPLICATION FOR SERVICE

5.1- SERVICE OUTSIDE THE DISTRICT

No service shall ever be provided to property outside of the District without the express written consent of the Board of Directors.

5.2- APPLICATION FOR SERVICE

An application for a building permit through the Routt County Regional Building Department must be approved by the District Manager. Before approval can be obtained all outstanding charges for tap fees, lateral installation, water meter, or other outstanding fees must be paid in full. A site plan indicating the location of the water and sewer service lines, 3 point location of the curb stop and sewer cleanouts, and location of the water meter and remote will be submitted for the District's approval. This site plan will be retained by the District and kept on file.

Building Permit approval cannot be obtained for any lot not served by central water and sanitation service unless a "Lot Owners Agreement" has been properly executed and recorded. This "Lot Owners Agreement" can be obtained from the Routt County Building Department.

Water wells drilled within the Morrison Creek Metropolitan Water and Sanitation District must be permitted in the District's name and deeded to the District before a building permit can be issued.

If a fire protection water sprinkler system is to be used, a plan of the system is to be submitted prior to application for service and is subject to approval of the District. All fire sprinkler systems shall meet NFPA requirements and additionally shall meet the requirements of all County and State building and fire protection codes. If a water sprinkler system for lawn irrigation is to be used, it must be connected to the meter in the building and have an approved back-flow protection device.

No taps will be permitted or made between November 15th and April 31st, without specific, written approval of the District.

All information submitted to the District at the time for application for service and building permit approval must be true and accurate. If at any time it is discovered that information submitted at the time of application is false or inaccurate or if the original intended use of service changes, the District may disconnect the service until the necessary steps are taken to bring the property into compliance and/or charge the property for any additional tolls, fees and charges deemed appropriate.

5.3- DENIAL OF SERVICE

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

5.4- CANCELLATION

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

5.5- MOVED OR DESTROYED BUILDINGS

When buildings are moved or destroyed, the original tap authorization shall remain, provided the District's minimum service charge is paid. If payment of minimum service charges ceases for any reason, said tap shall be in violation of these Rules and Regulations and the tap authorization will be forfeited. Non-payment within thirty (30) days of the billing shall be considered cessation of payment of minimum service charge.

5.6- CHANGE IN CUSTOMERS EQUIPMENT OR SERVICE

No expansion to or addition to the customer's service or use of property served shall be made without the prior notification of and approval by the District. Any addition of dwelling units or changes in commercial buildings which would require additional tap fees and/or service charges is considered a change in customer's service. Any tap fees already paid would be credited toward the new total tap fee assessment.

5.6.1-Any violation of this section shall result in the assessment of an unauthorized connection fee, as provided by section 5.7 of these Rules and Regulations, and the District shall take those steps authorized by these Rules and Regulations and Colorado law regarding the collection of said fees.

5.6.2-Any customer believed to have changed equipment, service, or use of his property, in violation of this section, shall be notified of such belief by the District, and shall be afforded twenty (20) days from the date upon which the notice is mailed in which to respond to the District's notice. Any response by the customer must include permission to make such inspection of the property in question as the District Manager or his representatives deem necessary to establish clearly the nature of equipment, service and use of the property in question. Failure to grant permission for inspection will result in termination of service to the property. Following inspection of the property in question the Manager will make a determination of any change in the nature of the customer's use of service shall re-determine any additional tap and /or service fees due.

5.7 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 tap fees, approval of application for service, and adequate supervision and inspection of the tap by District personnel.

Any such connection, enlargement, or change without payment, approval, supervision and inspection shall be deemed an unauthorized connection. Upon the discovery of any unauthorized connections, the then-current tap fee shall become immediately due and payable, and the property shall automatically be assessed an additional unauthorized connection fee equal to the then current tap fee per equivalent dwelling unit, as liquidated damages toward the District's costs associated with such unauthorized connections.

The District shall send written notice to the owner(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 twenty (20) days from the date the notice is mailed to pay the then current tap fee.

5.8 REVOCATION OF SERVICE

Service shall be revocable by the District upon non-payment of any fees or charges owing to the District. In the event of non-payment, the customer shall be given not less than ten (10) days advance notice in writing of the revocation, which notice shall set forth:

1. The reason for the revocation
2. That the customer has the right to contact the District, and the manner in which the District may be contacted for the purpose of resolving the obligation; and,

If payment of the outstanding obligation or a request for a meeting is not received by the District within ten (10) days of the date of mailing of the revocation notice, the Manager shall disconnect the service and the customer shall be assessed the cost of the disconnection.

5.9 REVOCATION OF TAP RIGHTS

The right to connect to the District's facilities and receive services under Section 5.2 above shall be revocable by the District upon non-payment of any District fees owing to the District, and remaining unpaid for a period of thirty (30) days, and whether or not the customer owning the right to connect has actually connected to the District's system. Such revocations shall be conducted in accordance with Section 5.8 above. If the right to connect to the District's system is revoked, the customer may reassess such tap rights only by reapplying for service in accordance with Section 5.2, above, and after paying all fees due and owing the District and the then current tap fees charged by the District under these Rules and Regulations.

5.10 TURNING ON AND OFF WATER SERVICE

All turn-ons and turn-offs of water service through a shut off valve on a service line that has been duly authorized to be connected to the Districts water system shall be performed only by District personnel regardless of the ownership of the shut-off valve or service line and regardless of the circumstances respecting the turn-off or turn-on. The District may assess a turn-off/turn-on charge in the amount of \$25.00 for any such turn-off and turn-on performed for customers requiring a shut-on or shut-off for any reason.

5.11 EXTENSION REQUIREMENTS FOR PROPERTY OWNERS FOR NEW CONSTRUCTION.

The owner of any building which is constructed within the District after 10-1-2005 upon any platted lot whose boundary of such lot is located within 100 feet of a District water and/or sewage collection trunk line which was installed so as to be able to serve such lot shall connect to the water and/or sewage collection trunk line located within 100 foot distance of such lot boundary as part of the construction process of such new building and before occupancy of such new building. Such connection shall be by construction of extension(s) of trunk line(s) and/or installation of service line(s) as determined by the District Manager. Before such construction is commenced, such owner shall obtain the approval from the District Manager for a layout of such applicable District trunk line and/or service line extensions, and shall pay all applicable tap-on fees and other charges due to the District and the Morrison Creek Water Activity Enterprise as a result of such extension(s) and connections(s).

5.12 EXTENSION REQUIREMENT FOR OWNERS OF EXISTING BUIDLINGS.

If the District or the Morrison Creek Water Activity Enterprise or any other person shall construct after 10-1-2005 a District water trunk line within 100 feet of a platted lot on which a building which is designed for human occupancy exists, and which is capable of serving such building, and where such building is connected to a well (the "Existing Building"), then within 180 days thereafter the owner of such Existing Building shall connect such Existing Building to the water trunk line located within such 100 foot distance of the boundary of such lot, shall disconnect the well as the potable water source for the Existing Building (but which may continue as a non-potable water source for lawn and landscape irrigation), and shall install any necessary back-flow prevention devices required by the District Manager. If the District or the Morrison Creek Water Activity Enterprise or any other person shall construct after 10-1-2005 a District sewage collection trunk line within 100 feet of a platted lot on which a building which is designed for human occupancy exists, and which is capable of serving such building, and where such building is connected to a sewage vault or septic system (the "Existing Building"), then within 180 days thereafter the owner of such Existing Building shall connect such Existing Building to the sewage collection trunk line located within such 100 foot distance of the boundary of such lot, and shall disconnect such Existing Building from the sewage vault or septic system. If either of the two preceding sentences shall become applicable, the owner of the Existing Building shall, before such construction is commenced, obtain the approval from the District Manager for a layout of such applicable District trunk line and/or service line extension, and shall pay all applicable tap-on fees and other charges due to the District and the Morrison Creek Water Activity Enterprise as a result of such connection(s).

ARTICLE VI CONSTRUCTION OF SERVICE LINES

6.1 COMPLIANCE WITH RULES AND REGULATIONS

The requirements of the Rules and Regulations are applicable to the construction of all service lines.

6.2 INSPECTION AND TAPPING CHARGES

Single Family and Duplex taps shall be made by the District or their authorized representative. When 3/4" or 1" water taps are made by the District the cost shall be based upon time of District personnel and equipment and the materials used including the corporation valve, curb valve and sufficient copper line to reach the property line. The owner will be responsible for all trenching and exposing the main. District personnel can refuse to enter any trench that, at their sole discretion, is deemed to be unsafe. The customer will be responsible for all aspects of sewer line construction including tapping the main and providing an approved tapping saddle. District personnel will inspect the sewer lateral and connection prior to backfilling. All water service lines are to be tested under normal operating pressure. The customer shall notify the District Office when the service is ready for inspection and connection to the main. All service lines shall be inspected by the District's representative, who shall have the authority to halt construction when, in his opinion, the District's Rules and Regulations for proper construction practices are being violated. Whenever any such violations occur, the District representative shall, in writing, order further construction to cease until all deficiencies are corrected. No service lines shall be covered without the District's representative's approval. Anyone making any installation without such approval shall be required to remove all soil or any other covering over the service line to allow its inspection. The District may in addition, require that the sewer line be pressure tested at the owner's expense. The water service shall be shut off or kept off until inspection or testing of sewer service is complete.

6.3 SEPARATE SERVICE LINES

Water and sewer service lines shall be a minimum of ten (10) feet apart horizontally along their entire length. A separate and independent service line shall be provided for every building, and shall be installed at the expense of the property owner. Existing service lines may be used in connection with new buildings only when found, on examination by the field supervisor, to meet all requirements of these Rules and Regulations. There shall be one water meter installed for each separate building served. A curb stop shall be located at the property line on all service lines. The Board, may, in the exercise of its sole discretion, provide an exemption from the above requirements for living units that are part of a condominium association. In such a case, the District shall bill the association for service charges assessed by the District for water and sewer usage in the association. In all cases where individual units are not separately metered, billing shall be to one entity for service to all units serviced through the same meter or service line, and payment for less than all units shall be considered non-payment, allowing the District to terminate service.

6.4 CONSTRUCTION AND CONNECTION

Construction and connection of all service lines shall be done by plumbers licensed in accordance with the Technical Plumbing Code of the State of Colorado, and authorized by the Manager to do work in the District. All construction of service lines shall be in compliance with the District's standard specifications. The applicant for sewer or water line service shall notify the District office when the service is ready for inspection and connection to the sewer main. The connection shall be made by authorized bonded plumbers or pipe layers under the District's supervision, but plumbing contracted for by a licensed master plumber may be performed by him through journeyman plumbers or apprentices under his direction. All contractors, plumbers, and others doing work on any main, service line, or structures in the District shall comply with County, State Highway Department, or local regulations on excavation, backfill, compaction, and restoration of surfacing. All permits, fees, and licenses shall be paid for by the contractor, plumber, or others doing work in the district, prior to the start of construction.

All excavations for service installation shall be adequately guarded with barricades and lights so as to protect the public from hazard and no excavation may stay open for more than 48 hours. All backfill shall be maintained in a satisfactory condition and all places showing signs of settlement shall be filled and maintained during construction and for a period of two years following completion of construction. When an applicant is notified by the District that

a backfill is hazardous or otherwise a problem, he shall correct such condition at once. Streets, sidewalks, parkways, and other public or private property disturbed in the course of the work shall be restored in a manner satisfactory to the District. All daily inspection fees on sewer construction required by any governmental agency, including the District, shall be paid by the plumber, contractor, or others doing work for the District.

6.4.1- SEWER SERVICE LINES

Sewer service lines shall be four inch PVC pipe with a minimum wall thickness meeting the S.D.R. 35 thickness specification with preformed watertight joints with rubber gaskets. The sewer line shall be watertight, on a constant grade of at least 1/4 inch per foot in a straight line, and if running parallel to the building, no closer than five feet (5') from the building. It shall at all times be a minimum of ten feet from any water service line. If the route of the line must cross a water main it will pass underneath the water main or concrete encasement will be required. Manhole grades on sewer services shall be set at finished grade or slightly above. In no case shall the sewer cleanouts be placed greater than 100 feet apart, and they shall be installed up-stream from all banks, vertical or horizontal. Every sewer cleanout constructed after January 1, 2004, must be wholly located within the boundary of the property of the residence such cleanout serves. A cast iron rim and cover shall be provided with a 12" concrete collar surrounding each rim. The minimum grade is 1/4" per foot, and the minimum cover is 3 feet.

The connection of the sewer service line to the main interceptor shall be made as follows: If the service tap is four-inch (4") or six-inch (6") in size, the owner shall at his own expense install a saddle onto the sewer interceptor. Where the sewer tap is eight inches (8") or greater, the owner will make the connection into the existing manhole or install a new manhole at his expense. All connections shall be made above spring line. All connections are subject to complete supervision and inspection by District personnel.

6.4.2 WATER SERVICE LINES

Alignment of the water service line shall be located so as to take the shortest, most direct route, preferably perpendicular to the main to the building. All water service lines shall have a minimum cover of six (6') feet. No water service line shall be laid parallel to any bearing wall which might thereby be weakened. The water service shall be laid at a uniform grade in a straight alignment.

Under supervision of the District representative, the water service line is to be pressure tested at normal operating pressure from the water main to the building before backfill begins. The water service line shall be constructed using soft Type K copper for water services two inches (2") and smaller. The service line shall have a curb stop control valve located at the property line, or as otherwise approved by the District with easy access by the District. All fittings shall be AWWA approved brass type. The service line shall be one continuous line with no joints if at all possible. Couplings are allowed if the total distance exceeds the length of one hundred feet (100'). If couplings are made a mechanical flare type connector shall be used. All water service lines shall have an inside shut-off valve immediately after the service line enters the building in a readily accessible frost free area.

6.4.3- WATER METERS

All water service lines shall have a water meter before water is turned on. Water meters are to be installed in a horizontal position in an area that does not freeze and is accessible year round. The water meter shall have a remote readout and be calibrated in cubic meters. The remote readout shall be installed adjacent to the electric meter. The maximum remote distance from the meter shall be five hundred feet (500'). All water meters and remote readouts shall be inspected by the Districts representatives and sealed. The operational testing of the meter and remote shall be demonstrated at the time of inspection.

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

The owner will obtain the water meter, remote and horizontal or vertical setting horns from the District, which will provide these items to the customer at their approximate cost to the District.

6.4.4- PRESSURE REDUCING VALVES

Individual pressure reducing valves are required on all water service lines and shall be located on the incoming line upstream from the water meter.

6.4.5- BACKFLOW PREVENTION DEVICES

Are required on all facilities where required by the Colorado Department of Health. i.e.: irrigation systems, hot water heating systems, pools/spas/hot tubs. All devices will be inspected and certified as working every year by a certified inspector at the owner's expense. Results of the inspection will be submitted to the District by the owner.

6.5 REVOCATION OF WORK AUTHORIZATION

In any case where, in the opinion of the Board, substandard or inferior quality workmanship is displayed by a contractor or its employees, the District may, after notice to that contractor, refuse to approve any work of such contractor on water or sewer facilities of the District.

6.6- VALVE BOX AND MANHOLE GRADES

If in the course of any construction, road improvement or paving project any of the Districts valves, manholes, water mains, sewer mains, or any other facilities require altering or adjusting it shall be the entity causing the required changes responsibility to do so at their expense, but only with the prior notification and approval of the District.

ARTICLE VII
MAIN LINE EXTENSIONS

7.1- COMPLIANCE RULES

Main line extensions shall comply with the requirements of these Rules and Regulations and with the District's standard specifications for water and sewer line construction.

7.2- MAIN LINE EXTENSIONS BY THE APPLICANT

Developers, Lot Owners, or any other parties who desire water and/or sewer service to areas not currently served by central water distribution and central sewer collection services must make application to the District for the proposed extensions. The cost of the extension/s, including engineering, will be borne by the applicant. The applicant shall provide financial background, credit information satisfactory to the Board and at its discretion the Board may require bonding, corporate surety, or an acceptable letter of credit to assure the 100% completion of the project.

Prior to the construction of any water or sewer main line extensions the applicant must prepare and submit at the applicants sole cost; (i) two (2) copies of the final plans and specifications for the extension(s) to the District's designated engineer and to the District Manager for their written approvals; and (ii) evidence that the applicant has obtained all necessary easements and or rights of way applicable for construction of the extension(s). All proposed water and sewer extension(s) must be consistent with the District's master plan for water distribution and/or sewer collection services. Construction of all main lines will be done by a qualified contractor and will be subject to prior approval by the Board or the District Manager acting at the Boards direction.

After construction is complete and prior to Preliminary Acceptance by the Board for service to begin, the applicant must complete the following, at their sole cost; (i) provide to the District a complete set of reproducible as-built drawings showing all improvements including, but not limited to, main lines, valves, manholes, laterals, and any specialty items, together with three point location of the same. (ii) provide for full testing and inspection of the improvements by the District's designated Engineering firm and certified as meeting the District's design specifications; and (iii) deed and convey all improvements together with a perpetual easement twenty (20) feet in width, or as applicable, over all the improvements, except to the extent of existing easements for District facilities, all in the form prepared by counsel for the District.

For a period of one year from preliminary acceptance by the District the applicant shall be responsible, at his sole cost, for the maintenance, repair and any changes or additions deemed necessary by the District of the newly completed improvements. At the end of the one year waiting period, The District will conduct any further inspections and tests deemed necessary by the District Manager or Engineer. At this time, upon the recommendation of the District Manager or Engineer the improvements will be fully accepted by the District.

7.3 LOCATION OF MAIN LINE EXTENSIONS

All District facilities shall be installed and operated within public road rights-of-way or within easements, rights-of-way or lands conveyed or dedicated in perpetuity to the District and including reasonable rights of access to such facilities. Where required, facilities that must cross land not being subdivided, or where such land is under the applicants control for the granting of public rights-of-way, each applicant who desires service will, in consultation with and with the approval of the District, plat and grant to the District appropriate rights-of-way and easements in which will be constructed such facilities.

7.4- INSPECTIONS

The District shall have the authority to conduct any inspections deemed necessary by the District Manager or designated Engineer to insure full compliance with its Rules and Regulations and Standard Specifications at any time during main line construction. The applicant will coordinate a time mutually convenient for the Districts designated engineering firm and the Districts representative to conduct and observe the final testing. No testing will occur between November 1 and April 30 of any year unless authorized by the District Manager.

7.5- TAP FEES

Tap Fees will be assessed to all new customers served by any main line extensions. The Districts current policy is to retain all of the applicable standard tap fee assessment for water and/or sewer service. The District may however, impose an additional tap fee surcharge in order to reimburse the cost for construction of the improvements.

7.6- LATERALS

Water and sewer service laterals shall be stubbed out to any existing or newly created lots to be served by any main line extensions. The laterals will terminate at the lot line and their location shall be clearly and permanently marked.

ARTICLE VIII
RATES AND CHARGES

8.1- GENERAL

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

8.2- APPLICATION THIS ARTICLE

The rates, charges, and other information shown herein shall apply only to customers inside the District boundaries.

8.3- CLASSIFICATION OF CUSTOMERS

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

I. Classification of Customers - Residential Unit:

Ia. "Residential Unit" shall mean a single family residential unit or single family residential unit equivalent, as may from time to time be defined by the building and planning ordinances of Routt County. For example, a single family residence is one Residential Unit, a mobile home is one Residential Unit, an apartment is one Residential Unit, a residential townhome having a single kitchen is one Residential Unit, and a residential condominium unit having a single kitchen is one Residential Unit. Each residential unit on a property which also has a separate Landscape Irrigation Account shall be one Residential Unit. In multi-family-unit buildings, such as condominiums and townhomes, each separate single family unit equivalent is a separate Residential Unit, particularly is separately defined as a condominium unit or townhome.

Ib. "Caretaker Dwelling" shall mean a single integrated residential building housing one complete principal single family dwelling unit plus one Caretaker Unit as defined by the Routt County building and planning ordinances.

Ic. "Landscape Irrigation Account" shall mean the property area, and water service to such area, from a tap to the District water main, with service line, for irrigation of landscaping, parks, open space, crop area, greenbelt, and similar irrigable areas, where such service lines does not connect with any building and all water through such service line is used for irrigation of such property area. A Landscape Irrigation Account water service line shall have installed, at the property owner's cost, a totalizing flow water meter as specified from time to time by the District Manager.

Id. "Irrigation Area Dwelling Unit" shall mean a single-family residential dwelling unit, or if within a multiple family unit building, a Multiple Family Unit, located on a part of the property area for which a Landscape Irrigation Account has been or will be established, but whose water service is supplied by a water service line independent of the Landscape Irrigation Account water service line. Each Irrigation Area Dwelling Unit which is a single-family residential unit shall have installed on the service line to such Unit, at the property owner's cost, a totalizing flow water meter as specified from time to time by the District Manager, separate and apart from the flow meter used for the Landscape Irrigation Account. Each Irrigation Area Dwelling Unit shall be treated as a single family residential unit, or if within a multiple family unit building, a Multiple Family Unit.

Ie. "Duplex Unit" shall mean one of two single family dwelling unit equivalents in a Duplex building. The Duplex Unit tap-on fee and service charge rates shall not apply to Caretaker Dwelling units. Each Duplex building is deemed to have two Duplex Units. Each Duplex Unit shall have a separate water meter on a separate water service line from the house to the District water trunkline, together with a separate curb stop, i.e., there shall be 2 service lines, 2 connects to the District water trunk line, and 2 curb stops/shut-off

valves for water service to a Duplex building, being one complete separate service to each Duplex Unit. Each Duplex building may have a single or dual Sewer service line(s).

II. Hotel, Lodge, Motel, Accommodation Units: Includes accommodation rooms or suites of rooms or apartments designed for short term commercial rental. All other auxiliary uses: I.E: restaurants, bars, athletic facilities, public restrooms, are included in section III below.

III. Agricultural Residence Units: A single-family or duplex residence situated on a tract of land in which the water service lines are installed by the owner in locations whereby water service from the District is or will be available for use by the owner for (i) watering of livestock, and /or (ii) growing of any crop for commercial purposes, and/or (iii) irrigation of more than one acre of lawn.

IV. Commercial and Industrial Service: All non-residential uses which are not included within the defined categories set forth in I, II, and III above.

V. Irrigation Water Accounts (Not Associated With a Structure): For water service in the nature of a tap to the water main, with service line, for irrigation of landscaping, parks, open space, greenbelt, and similar such areas, where such service is not made available to any structure from such tap .

8.4- TAP FEE

Tap Fees in the nature of “plant investment” or “privilege to serve” fees shall be paid to the District by a Customer prior to provision of water or sewer service to a building of the Customer. A water tap fee shall be separately assessed for water service, and a sewer tap fee shall be separately assessed for sewer service. Payment of tap fees shall be the responsibility and liability of the Customer of the property served. A tap fee shall be due and payable at the time of application by the Customer to the District for a tap permit of at the time the Customer or his contractor obtains a building permit from the County of Routt for construction of building improvements on the Customer’s property, whichever first occurs. If a building or property is altered, modified, added to, or has a change of use, the Board may assess the Customer a supplemental addition to tap fees. In no event will any tap fees be refunded due to any alteration, modification, addition to, or change in use of, the structure. The tap fees for Residential Units as defined in Section 8.3.I above are a fixed rate per unit as set forth on Exhibit B hereto. The tap fees for each Agricultural Residence Unit shall be two times the applicable tap fee for a Residential Unit. The tap fees for structures and uses within the definitions of Sections 8.3.II & 8.3.IV shall be computed on the basis of a point system set forth on Exhibit B hereto.

8.5- SERVICE CHARGES

Service charges will be paid by all customers of water or sewer services, or both. For customers within the classifications of Residential Unit, Hotel, Lodge, Motel, and Accommodation Unit, and Commercial and Industrial Service, the service charges are payable on a flat rate basis at the respective rates set forth on Exhibit B hereto. For Agricultural Residence Units, such Units pay a sewer service charge in the same manner as a Residential Unit, but with respect to water service, the owner shall install at the cost of the owner a water meter at the curb stop, accessible to the Manager and located in a manner to avoid freezing, and shall pay for water service on the basis of the amount of water used by such Unit, pursuant to the formula for calculating such water service charges as is set forth on Exhibit B. Service charges will begin at the Managers discretion but in no case later than at the time of issuance of a certificate of occupancy by the Routt County Building Department. Service Charges will continue so long as habitable structure exists regardless of use or nonuse of service.

8.6 AMENDED FEES

In those situations where a prospective user applies for service to a structure or use not defined in paragraph 8.3, or where, in the Boards opinion, said structure represents a classification not contemplated in the establishment of the previously defined tap fee, the Board shall, in its sole discretion, establish a fair, reasonable and equitable tap fee for said structure.

8.7- AMENDED SERVICE CHARGES

In those situations where, in the Board's sole opinion, the service charges indicated in appendix B do not apply to a

particular application the Board may adjust the service charge to a fair rate for that situation.

8.8- PAYMENT OF SERVICE CHARGES

The customer shall pay to the District within thirty (30) days after the billing date the full amount of that statement. Where the customer believes said statement is in error the customer must file, in writing, a notice to the District. Upon review by the Manager the statement will be adjusted if necessary and resubmitted and will be due thirty days from the time of re-submittal.

8.9- ATTORNEYS FEES

In the event that attorney's fees are incurred by the District as a result of the violation by any customer of these Rules and Regulations, or if the District shall incur any attorney's fees or costs of suit in the collection of any rate, toll charge, fee, assessment, sum, or interest charged or assessed to or against a Customer but not paid within 30 days after the same are due, then such customer shall be liable to the District for the amounts due, and shall fully reimburse the District for all such attorney's fees and costs and expenses of suit incurred by the District in connection therewith.

8.10- INTEREST

If any rate, toll, charge, fee, assessment, or other sum charged or billed by the District under these Rules and Regulations is not paid within thirty days after the same is due shall bear interest after the due date at the rate of one percent (1%) per month until paid in full.

8.11- TERMINATION OF SERVICE

In the event any service or other charge remains unpaid at the beginning of any billing cycle, that service shall be terminated upon thirty days notification to the customer by the District. The terminated service shall accrue an additional \$100.00 fee.

8.12 COLLECTION

The District shall have all remedies at law and in equity or provided by Colorado law for the collection of any rate, toll, charge, fee, assessment, sum, or interest charged or assessed to or against a customer, including (but not limiting the plenary nature of these remedies) the power and authority to sue a customer in any court having jurisdiction, to foreclose the lien described in 8.13 below, and to discontinue and terminate water service and/or sewer service to any customer.

8.13 LIEN AND FORECLOSURE

All unpaid assessments, fees, tolls, charges, expenses, costs, interest and other sums of any kind billed or charged under the terms of these Rules and Regulations, and reasonable attorney's fees and costs of suit incurred in connection with enforcement of these Rules and Regulations or in connection with collection of any such sums or charges (whether or not a suit is brought), shall constitute a lien on the real property and buildings of the owner, person or Customer so assessed, billed or charged and in favor of the District, and such lien shall be prior to all other liens and encumbrances on or encumbering such real property and buildings, except for the statutory lien for real property taxes and special assessments. The District's lien shall attach from and after the date of billing for such assessments, fees, tolls, charges, expenses, reimbursements, costs, interest and other sums and may be foreclosed by the District in like manner as a mechanic's lien under Colorado law after the recording of a statement of such lien describing and encumbering the real property and buildings of the delinquent customer, executed by the President or Manager of the District on behalf of the Board, and setting forth in such statement the amount of the unpaid sums, the name of the owner of the real property and buildings subject to such lien, a legal description of the real property so encumbered by such lien, and a statement that such lien extends to reasonable attorney's fees and costs of suit incurred in enforcing the same. In any such foreclosure, the owner of the real property subject to the lien shall be required to pay the costs and expenses of such proceedings, including reasonable attorney's fees and costs of suit.

▼ APPENDIX A
Prohibited Sewage

Following is a list of Prohibited Sewages which shall not be discharged into the sewer system:

Storm Water
Roof Drainage Water
Acids
Alkalis
Heavy Metal Sludges
Inks or Dyes
Paints
Pesticides
Solvents/Thinners
Gasoline
Diesel
Grease dissolving chemicals
Radioactive materials
Ground water
Corrosive chemicals
Metals
Petroleum products
Mine groundwater
Oil or Grease

Special Sewage

The following is a list of Special Sewage which could be discharged into the Sewer System after appropriate pre-treatment by the customer, i.e. traps.

Water from garage floor drains
Grease from food outlets

Appendix B Rates and Charges

- A. **Service Charges - Sanitary Sewer services** - The following rates and charges which shall be and become applicable on and after April 1, 2006:
- a. **Single Residential Unit, including each townhome unit and each Irrigation Area Dwelling Unit** - \$60 per calendar quarter
 - b. **Duplex Unit** - Each Duplex Unit shall pay a Sanitary Sewer Service charge equal to the then-applicable Sanitary Sewer Service Charge for a Single Residential Unit, whether the Sewer service to the Duplex building is from a single sewer service line or from two sewer service lines. Each Duplex Unit shall be separately billed for such Sanitary Sewer Service charges unless the owner of such Duplex requests that Sanitary Sewer Service Charges for both Duplex Units be combined in a single billing.
 - c. **Multiple Family Unit, including (but not limited to) a triplex, four-plex, apartment building and condominium building** - The number of single family dwelling unit equivalents located within such building times \$60 per calendar quarter. There shall be no early payment discount for early payment of Sewer service charges to any condominium or condominium building or project, and any provision of these Rules and Regulations providing for any such discount is hereby rescinded and shall be null and void.
 - d. **Caretaker Dwelling** - \$90 per calendar quarter for both units, provided that the water service to the Caretaker Unit goes through the water meter for the appurtenant principal single family dwelling unit (and if otherwise, the building shall be treated as a Duplex building).
 - e. **Hotel, Lodge, Motel, Accommodation Units, and Commercial and Industrial users (Being customer classifications II and IV in section 8.3 of the Rules and Regulations)** - The quarterly service charge for sanitary sewer shall be 2.5% of the calculated tap fee but not less than \$60 per calendar quarter.
 - f. **Sewage from Vaults Dumped at Sewer Plant from Permitted Pumpers.** 2.5 cents per gallon.
 - g. **Out-of-District Structures.** For any structure served by the District's central sewer collection lines but located outside of the boundary of the District, the service charge rate shall be 150% of the applicable in-District rate for the type of structure. The District reserves the right to refuse service to any structure outside of the District boundary for any reason whatsoever.
- B. **Service Charges - Water services** - The following rates and charges which shall be and become applicable on and after April 1, 2006:
- a. **Single Residential Unit, including each townhome unit and each Irrigation Area Dwelling Unit** - The total of the Base Charge, as herein below defined, which shall be billed in advance on a quarter-annual basis, PLUS the Usage Charge, as herein below defined, which shall be billed in arrears on a quarter-annual basis. The Base Charge for

each single family dwelling unit is due and payable if the unit is connected to the District's water system, regardless of whether the unit is occupied or any water is delivered to or used by any occupant of the unit. The Base Charge for each single family dwelling unit is \$30 per calendar quarter.

The Usage Charge is based upon the quantified flow of treated municipal water supplied by the District and delivered to the property on which the unit is located for each calendar quarter, based upon a water meter installed in or adjacent to the unit by or under the direction of the District. All municipal water used within the unit or outside within or adjacent to the property from the District's service connection to the property shall flow through and be accounted for by the water meter. The Usage Charge is calculated as follows:

<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
For the quantity of water delivered		the cost per 1,000
<u>through the meter which is at least:</u>	<u>but is less than:</u>	gallons
		<u>(or portion thereof) is:</u>
.001 gallons	15,000 gallons	\$2.00
15,001 gallons	30,000 gallons	\$3.00
30,001 gallons	60,000 gallons	\$5.00
60,001 gallons	100,000 gallons	\$7.00
over 100,000 gallons	no limit	\$15.00

b. **Duplex Unit** - Each Duplex Unit shall pay a Water Service charge equal to the then-applicable Water Service Charge for a Single Residential Unit, and each Duplex Unit shall be separately billed for such Water Service charges unless the owner of such Duplex requests that Water Service Charges for both Duplex Units be combined in a single billing.

c. **Multiple Family Unit, including (but not limited to) a triplex, four-plex, apartment building and condominium building** - The total of the Base Charge, as herein below defined, which shall be billed in advance on a quarter-annual basis, PLUS the Usage Charge, as herein below defined, which shall be billed in arrears on a quarter-annual basis. The Base Charge for each Multiple Family Unit is due and payable if the unit is connected to the District's water system, regardless of whether the unit is occupied or any water is delivered to or used by any occupant of the unit. The Base Charge and Usage Charge shall be calculated for each building containing Multiple Family Units, whether a triplex, fourplex, apartment building or condominium building. The Base Charge for each building housing Multiple Family Units shall be the number of Multiple Family Units within such building (the "Building Unit Total") times \$30 per calendar quarter.

The Usage Charge is based upon the quantified flow of treated municipal water supplied by the District and delivered to the building containing Multiple Family Units for each calendar quarter, based upon a water meter installed in or adjacent to the unit by or under the direction of the District. The Usage Charge is calculated in the same manner as above provided for single family dwelling units except that the minimum and maximum of each block of water usage under Column 1 and Column 2 of subsection B.a above shall be multiplied by the Building Unit Total.

All municipal water used within the building or outside within or adjacent to the building from the District's service connection to the property on which the building is located shall flow through and be accounted for by the water meter of a building. The District reserves the right, however, in order to equitably account for actual water usage, to require that exterior summer irrigation usage of municipal water within a Multiple Family Unit property be separately connected to a separate water meter installed by the District and providing only irrigation water, the cost of which is to be borne by the Multiple Family Unit property as a whole, and thereafter treated as an Landscape Irrigation Account.

There shall be no early payment discount for early payment of Water service charges to any condominium or condominium building or project, and any provision of these Rules and Regulations providing for any such discount is hereby rescinded and shall be null and void.

- d. **Caretaker Dwelling** - Provided that the water service to the Caretaker Unit goes through the water meter for the appurtenant principal single family dwelling unit (and if otherwise, the building shall be treated as a Duplex), the water service charge is the total of the Base Charge, as herein below defined, which shall be billed in advance on a quarter-annual basis, PLUS the Usage Charge, as herein below defined, which shall be billed in arrears on a quarter-annual basis. The Base Charge for each Caretaker Dwelling, regardless of whether either unit is occupied or any water is delivered to or used by any occupant of either unit, is \$45 per calendar quarter.

The Usage Charge is based upon the quantified flow of treated municipal water supplied by the District and delivered to the property on which the Caretaker Dwelling is located for each calendar quarter, based upon a water meter installed in or adjacent to the Caretaker Dwelling by or under the direction of the District, and through which the water delivered to the Caretaker Unit must flow. All municipal water used within the units or outside or adjacent to the property from the District's water connection to the property shall flow through and be accounted for by the water meter. The Usage Charge is calculated in the same manner and using the same figures as above provided above for single family dwelling units.

- e. **Hotel, Lodge, Motel, Accommodation Units, and Commercial and Industrial users (Being customer classifications II and IV in section 8.3 of the Rules and Regulations)** - The quarterly service charge for water service is sanitary sewer shall be 2.5% of the calculated tap fee but not less than \$60.00 per calendar quarter.

- f. **Landscape Irrigation Account** - The quarter-annual water service charge for each Landscape Irrigation Account shall be based upon usage of water as measured through the water flow meter, for each calendar quarter. All municipal water used on or adjacent to the property irrigated from such Landscape Irrigation Account tap and service line shall flow through and be accounted for by such water meter. The Usage Charge for each Landscape Irrigation Account water meter is calculated as follows:

<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
For the quantity of water delivered <u>through the meter is at least:</u>	<u>but is less than:</u>	cost per 1,000 gallons <u>(or portion thereof) is:</u>
.001 gallons	10,000 gallons	\$4.32

10,001 gallons	40,000 gallons	\$6.48
40,001 gallons	100,000 gallons	\$9.20
over 100,000 gallons	no limit	\$15.00

- g. **Out-of-District Structures.** For any structure served by the District's central municipal water service lines but located outside of the boundary of the District, the service charge rate shall be 150% of the applicable in-District rate for the type of structure. The District reserves the right to refuse service to any structure outside of the District boundary for any reason whatsoever.

C. **Tap Fees - Sewer and Water** - The following tap-on fees shall be and become applicable on and after February 16, 2006:

- a. **Single family dwelling unit, including each townhome unit and each Irrigation Area Dwelling Unit** - \$4,000 for Sewer and \$4,000 for water, for a total of \$8,000 per unit.
- b. **Duplex Unit** - Each Duplex Unit shall pay 100% of the then-applicable Water tap-on fee and Sewer tap-on fee for a Single Residential Unit, whether the Sewer service to the Duplex building is from a single sewer service line or from two sewer service lines. The Water service line to each Duplex Unit shall be separate from the Water service line to the other Duplex Unit, and each Duplex Unit shall have a separate totalizing water flow meter on its separate water service line at a location approved by the Manager of the District. The Duplex Unit tap-on fee rate shall not be applicable to a Caretaker Dwelling.
- c. **Multiple Family Unit, including (but not limited to) a triplex, four-plex, apartment building and condominium building** - The number of single family dwelling unit equivalents located within such building times \$4,000 for Sewer and \$4,000 for water, for a total of \$8,000 times the number of single family dwelling unit equivalents located within such building.
- d. **Caretaker Dwelling** - 150% of the Single Residential Unit tap-on fee rate then applicable, for the total Caretaker Dwelling, inclusive of both the primary single family residence unit and the Caretaker Unit, provided that the water service to the Caretaker Unit goes through the water meter for the appurtenant principal single family dwelling unit (and if otherwise, the building shall be treated as a Duplex building).
- e. **Landscape Irrigation Account** - The tap-on fee rate for connection to or service through the water main line for each Landscape Irrigation Account serviced by a 3/4" water service line shall be 50% of the then rate under these Rules and Regulations for a water tap-on fee for a Residential Unit. The Tap-On Fee Rate for connection to or service through the water main line for each Landscape Irrigation Account serviced by a 1" water service line shall be equal to the then rate under these Rules and Regulations for a water tap-on fee for a Residential Unit. The Tap-On Fee Rate for connection to or service through the water main line for each Landscape Irrigation Account serviced by a 1½ " water service line shall be 150% of the then rate under these Rules and Regulations for a water tap-on fee for a Residential Unit. The Tap-On Fee Rate for connection to or service through the water main line for each Landscape Irrigation Account serviced by a

water service line greater than 1½" in size shall be set by resolution of the board of directors of the District upon application from the prospective user. There shall be no Sewer tap-on fee to a Landscape Irrigation Account. A tap-on fee may not be prepaid for a Landscape Irrigation Account, but shall be paid upon the physical connection of such irrigable area to the District water main. A tap-on fee paid for any Landscape Irrigation Account may not be transferred to any Residential Unit or Commercial or Other Classification Account or to any other property. If after installation of a Landscape Irrigation Account, the water service line for such Account is proposed to be, or is in fact, extended to connect to any residence or commercial building, then at the time of such extension, the owner of such residence or commercial building shall pay to the District the then current Water tap-on fee rate for such building, less the amount of the Landscape Irrigation Account water tap-on fee actually paid (without interest).

- f. **Hotel, Lodge, Motel, Accommodation Units, and Commercial and Industrial users (Being customer classifications II and IV in section 8.3 of the Rules and Regulations)** - The Sewer and Water tap-on fees shall be calculated on the basis of a cumulative point system based upon the actual structure(s) constructed, as set forth in the Tap Fee Calculation Form below, PROVIDED that the water tap-on fee and sewer tap-on fee shall each not be less than the water and sewer tap-on fees for a single family dwelling unit as set forth above. Such tap-on fee may be initially calculated by the Manager of the District based upon building plans, and may thereafter be re-calculated by the Manager at any time upon (i) completion of construction of structure(s), or (ii) subsequent change in use or remodel, renovation, or additions to structure(s), whether such work is done by the original owner/user or any subsequent owner/user. Upon recalculation, the then-current tap-on fee rate of the District shall be applied to the recalculated cumulative point total and multiple rate, but credit shall be given for the actual tap-on fee previously paid for the property (without interest). For the initial calculation, the tap-on fee shall be payable prior to any physical connection of any water or sewer utility services in the structure(s) to the District water and sewer systems. For the recalculation, the tap-on fee shall be due and payable within 15 days of billing by the Manager of the District.

The point system and multiple rate for Sewer and Water tap-on fees for structure(s) in this classification is as follows:

TAP FEE CALCULATION FORM
(Hotel, Lodge, Motel, Accommodation Units, and Commercial and Industrial users)

MORRISON CREEK METROPOLITAN
WATER AND SANITATION DISTRICT
24490 Uncompahgre Road
Oak Creek, CO 80467

Name of Applicant _____ Phone _____
Address _____
Location _____ Date _____

<u>Description of Structure Feature</u>	<u>Quantity of Feature times These Points:</u>			<u>Points</u>
	<u>Water</u>	<u>Sewer</u>		
Square Footage Saleable & Admin.	X		X	0.008
Toilets & Urinals Private	X	X		8.1
Toilets & Urinals Public	X	X		16.2
Sinks Private	X	X		2.5
Sinks Public	X	X		5
Tub/Shower Private	X	X		15
Tub/shower Public	X	X		14.3
Washing Machine Private		X	X	28.6
Washing Machine Public		X	X	10
Washing Machine Commercial		X	X	22
Kitchen Private	X		X	60
Dishwasher Private	X		X	7.2
Dishwasher Commercial	X		X	8.7
Water Spigots Inside/Outside	X			100
Drinking Fountain		X		3.6
Ice Machine	X			1.5
Fountain Re-circulating	X			2.5
Floor Drains			X	7.5
Whirlpools Hot Tubs	X			5
Swimming Pools per gallon capacity	X			0.0025
Car Wash per bay	X		X	150
Sewage Dump Facility			X	500
Bidet	X		X	5
Drive Up Restaurant per bay	X		X	15
Restaurant Kitchen per seat	X		X	2.5
Bar per seat	X		X	1.8
Convention Center per seat	X		X	1
Lawn Irrigation square foot lawn	X			0.004
Other _____	X		X	_____

POINT TOTAL _____

Water Points () X \$26.70 = Water tap-on Fee of \$
Sewer Points () X \$30.29 = Sewer tap-on Fee of \$

TOTAL WATER AND SEWER TAP-ON FEES DUE \$

Signed: Applicant

Signed: District Manager

- g. **Out-of-District Structures.** For any structure served by the District's central sewer collection lines and/or central municipal water service lines but located outside of the boundary of the District, the tap-on-on fee rates for sewer and water service shall be 150% of the applicable in-District tap-on fee rate for the type of structure. The District reserves the right to refuse service to any structure outside of the District boundary for any reason whatsoever.

- h. **No Prepayment Unless Within 100 Feet of Trunk Line; No Early Payment Discount.** A tap-on-on fee may not be prepaid to the District for a structure unless a main line of the District for which such tap-on fee is to be applied physically exists within 100 feet of the boundary of the property on which the structure is to be constructed. A tap-on-on fee paid or prepaid for any Residential Unit or other structure may not be transferred to any other Residential Unit or any other structure or property. There shall be no early payment tap-on fee discount, and any provision of these Rules and Regulations providing for any such discount is hereby rescinded and shall be null and void.