

ALPENSEE WATER DISTRICT

RULES AND REGULATIONS

ADOPTED

November 28, 2012

**ALPENSEE WATER DISTRICT
RULES AND REGULATIONS**

REVISIONS

Revision Date	Section	Comments	Revised by
9/15/2012	All Title page ARTICLE III-08 ARTICLE V-05 ARTICLE VI-02 ARTICLE VI-07 ARTICLE VIII-05	Type into MS Word, add Revision section Change Adoption Date 5/31/2001 to 9/15/2012 Board can authorize individuals to use materials off-site Lighten requirements for expired taps Change billing period to quarterly Include detail regarding service charges Correct typo referencing Article IX to Article VIII	C. Winkle
11/28/2012	ARTICLE VI – 07	Change late penalty to 5% and interest rate to 1% per month.	C. Winkle

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ARTICLE I

100 - DEFINITIONS

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

01. ACTUAL COST: All direct costs applicable to the construction of a given main or service line, including construction, engineering, inspection, plan approval fees, etc. which have been paid by the District or Constructor. Actual Costs shall include the cost of acquiring rights-of-way, easements, valves, fire hydrants, and any other appurtenances of all mains.
02. BOARD and BOARD OF DIRECTORS: The duly elected or appointed Board of Directors of the District, which acts as the governing body of the District.
03. CONNECTION: The connecting of the service line to the structure which it is to serve.
04. CONSTRUCTOR or LINE CONSTRUCTOR: The land owner(s), developer(s), subdivider(s), or agency (ies) actually paying for the construction of lines.
05. CONTRACTOR: Any person, firm or corporation authorized by the District to perform work and to furnish materials within the District,
06. CUSTOMER: Any person, company, corporation or governmental authority or agency authorized to use water under a permit issued by the Board of Directors.
07. DEVELOPER: Any person or firm who owns land and seeks to have the land served by the District.
08. DISTRICT: The Alpensee Water District.
09. DISTRICT ENGINEER: That person or firm that has been designated by the Board to do engineering work for the District.
10. DISTRICT MANAGER: The person retained by the Board to administer and supervise the affairs of the District and its administrative employees.
11. FEE SCHEDULE: The Schedule of fees rates and charges on file in the District's office and available to the public, as it may be amended from time to time.
12. HABITABLE SPACE: All floor space for purposes of measuring the square footage of a commercial user for purposes of calculating the Improvement Fee including, but not

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limited to, all retail area, sales area, display area, hallways, offices, and facilities, and not including garage or parking areas and similar non-habitable space.

13. IMPROVEMENT FEE: The charge assessed upon application for the privilege to connect to the water distribution system of the District. The fee is assessed upon application for a new tap or a change in use of a previously connected tap, and is charged pursuant to the Fee Schedule. As used in the Rules and Regulations, reference to the fee shall include all such charges assessed by the District, provided, however, that payment of the District's Improvement Fee shall not relieve the payer of the obligation to pay, separately, all such charges assessed by the Breckenridge Sanitation District, or others. The Improvement Fee is also called a "tap fee".
14. LICENSED PLUMBER or PIPE LAYER: The person who has been bonded with the District and provided a license to work by the State of Colorado and where applicable Summit County.
15. MAINS or WATER MAINS: Any pipe, piping or system of piping used as a conduit for water in the District's water system and owned by the District. Unless otherwise designated by the Board, a main shall be any line six inches (6") or more in diameter.
16. PERMIT: Written permission of the Board of Directors to connect to a public water main of the District and pursuant to the Rules and Regulations of the District.
17. PERSON: Shall mean any individual, legal entity, society, corporation, association, or group.
18. SERVICE LINE: Any line, pipe, system of lines or piping and appurtenances, used as a conduit for water between a building used for residential, commercial or public use purposes to a connection with the District's water main.
19. SHALL is mandatory; MAY is permissive.
20. STUB-OUT: The connection of the service line to the water main.
21. STUB-OUT FEE: A stub-out fee shall be charged for connection of a water service line to the District's main line, as provided in the Fee Schedule. The stub-out fee must be paid upon connection to the District's system. A stub-out fee which has been paid shall be deducted from the improvement fee at the time the improvement fee is paid and the improvement fee shall be reduced by this amount.
22. TAP: The connection of a water service line to the mains or stub-outs and its extension through any exterior wall of the structure it is to serve.
23. TAP FEE: The payment to the District of a fee for the privilege of connecting to the District's water system. The tap fee is the same as the Improvement Fee.
24. UNIT: A dwelling having at least one bath and one kitchen facility.

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25. USER: Any person to whom water service is served, be it renter, record owner, corporation, company, individual, etc.
26. WATER SERVICELINE: Any pipe, line, or conduit used to provide water service from the main to a building used for residential, commercial, or public use.
27. WATER WORKS: All facilities owned by the District for transporting or distribution, storing, pumping, treating, or metering water.
28. ANY OTHER TERM not herein defined may be defined as presented in the "Glossary – Water and Sewage Control Engineering," American Water Works Association (A.W.W.A.) and American Society of Civil Engineers (A.S.C.E.), latest editions, but otherwise shall be defined with regard to the context in which it is used herein.

ARTICLE II

200 – GENERAL

01. SCOPE: Except where revised, these regulations shall be treated and considered as the continuing and comprehensive regulations governing the operations and functions of the Alpengsee Water District, and shall where revised supersede all previous regulations of the District.
02. PURPOSE: The purpose of these Rules and Regulations is to provide for the administration and operation of the water system of the Alpengsee Water District.
03. POLICY: The Rules and Regulations hereinafter set forth will serve the public in securing the health, safety, prosperity, security, and general welfare of the inhabitants of the Alpengsee Water District.
04. SERVICE PLAN: The Rules and Regulations hereinafter set forth are expressly made subject to any and all terms of the Service Plan of the District, as the same may be amended from time to time.
05. COURT DECREES, AUGMENTATION PLANS: The Rules and Regulations hereinafter set forth are expressly made subject to any and all terms of Court decrees and augmentation plans issued by the courts of the State of Colorado and any agreements entered into as a result of the decrees or plans.
06. AMENDMENT: These Rules and Regulations are subject to later amendment by action only of the Board of Directors of the Alpengsee Water District as it now or hereafter exists in accordance with Colorado law. Whether stated in the body of this document or not, amendments declared in the minutes of the meetings of the District's Board of Directors, or effected by virtue of the entry by the Board into, or the amendment of, any agreement, shall be in full force and effect from the date of such declaration or agreement.

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07. NO RIGHTS CONFERRED: Except to the extent that the District is prohibited from enacting retroactive measures, no provision of these Rules and Regulations, nor any amendment thereof by whatever method, shall be interpreted or construed as conferring any right, property or other, upon any individual or entity other than the District itself.
08. INFORMATION RELEASE POLICY: It is the policy of the District that the public have reasonable access to accurate information concerning the activities of the District. The District shall allow the public access to its records to the full extent allowed by Colorado law, specifically including, but not limited to, Section 24-72-201 et seq., C.R.S. The exclusions to access specified in Section 24-72-204, C.R.S. and any other relevant statutes shall apply to restrict access to certain sensitive District records.

Requests for information or access to a District file shall be granted as soon as reasonably possible under the circumstances, and the District reserves the right to delay access to a file for the time required, up to three working days, to retrieve the file from its location as allowed by Section 24-72-203, C.R.S.

Subject to the provisions of the Rule, members of the public may make copies of District files or parts thereof on District-owned reproduction equipment at a charge of \$1.25 per page.

No files shall be loaned to any member of the public for removal from the District offices. District files and records may be utilized off-site for the purpose of conducting assigned District duties by: Directors and Officers of the District; individuals designated by the Board of Directors; and, committees designated by the Board of Directors.

All inquiries from the news media concerning District related incidents occurring in or out of the District shall be referred to and responded to by the President of the Board. All employees and individual Directors shall exercise the utmost discretion in not releasing information of a controversial nature to the news media, but will refer inquiries of such nature to the Board of Directors for an official response.

All references herein to the Colorado Revised Statutes are to those statutes as they may be amended from time to time.

ARTICLE III

300 – OWNERSHIP AND OPERATION OF FACILITIES

01. POLICY: The District is empowered and shall endeavor to distribute water for domestic use to residents within the District, and to maintain, repair and replace all mains, hydrants, valves, and service facilities owned by the District, in a sound and economical manner, in accordance with these Rules and Regulations, but shall not be liable or

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responsible for inadequate pressure or interruption of service brought about by circumstances beyond its control.

The District shall endeavor to plan for, capitalize and build adequate capital improvements as demand occurs; but the District shall not be liable or responsible for failure to approve additional service when capacity is exceeded by demand.

It shall be the usual responsibility of developers, under the supervision and control of the District, to finance the cost of all new facilities or incremental facilities required to serve their development; however, the District may participate in or assume the entire cost for construction of a facility if it deems such participation or assumption appropriate under the circumstances.

02. **LIABILITY**: It is expressly stipulated that no claim for damage shall be made against the District by reason of the following: breaking of any service or supply line, pipe, cock, or meter by any person; failure of the water supply; shutting off or turning on water in the water mains; the making of connections or extension; damage caused by water running or escaping from open or defective faucets; burst service pipes or other facilities; damage to water heaters, boilers, or other appliances resulting from shutting water off, or from turning it on, or from inadequate or sporadic pressures; or for doing anything to the water system of the District deemed necessary by the Board of Directors or its agents, or from any circumstances beyond the District's control.

The District hereby reserves the right to cut off the water supply for any reason deemed appropriate including, but not limited to, any violation of these Rules and Regulations or Board policies as set forth in the District minutes.

03. **OWNERSHIP**: All existing and future water mains, connected with and forming an integral part of the water system and accepted for maintenance by the District shall become and are the property of the District. Said ownership will remain valid whether the water mains are constructed, financed, paid for, or otherwise acquired by the District, or by other persons.

All water meters, including commercial oversized meters (1 1/2" and larger) are the property of the District. With the exception of water meters, which are the property of the District, that portion of all existing and future water service lines extending from the curb stop to each building or unit, connected with and forming an integral part of the District water supply system and all meter pits shall become and are the property of the Customer. Said ownership shall remain valid whether the service lines are constructed, financed, paid for, or otherwise acquired by the District or by other persons.

04. **POWERS AND AUTHORITY OF EMPLOYEES AND INDEPENDENT CONTRACTORS**: The District Manager or other duly authorized employee of the District, and duly authorized independent contractors of the District, bearing proper credentials and identification, shall be permitted to enter upon all properties for the purpose of repairs,

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inspection, meter reading, observation, measurement, sampling, and testing, or any other reasonable purpose concerning the business and affairs of the District.

ARTICLE IV

400 – USE OF PUBLIC WATER SYSTEM

01. EXCAVATION OF DISTURBANCES OF LINES: No unauthorized person shall uncover, make any connection with, or opening into, use, alter, or disturb any public water main or appurtenances without first obtaining a written permit from the District.

02. DECREES: The Augmentation Plans in Water Court Decrees 93 CW 241 and 98 CW 296 are adopted and incorporated herein by this reference, and where any inconsistencies exist between the Decrees and these Rules, the inconsistency shall be resolved in the favor of the more restrictive measure.

03. PURCHASE OF TAPS: Tap size must be sufficient to adequately serve the building, as set forth in the American Water Works Association Manual of Water Supply Practices M22 (current). The District reserves the right to determine that the requested tap size is insufficient.

04. RESPONSIBILITIES OF THE CUSTOMER: Each customer shall be responsible for maintaining that portion of the water service line extending from the curb stop to each unit or building (including meters owned by the District). Leaks or breaks in such portion of such service line shall be repaired by the property owner within a reasonable period of time after notification of such condition by the district. If satisfactory progress toward repairing the said leak has not been accomplished within such time period, the District Manager shall shut off the water service until the leaks or breaks have been repaired.

All users shall take note that there is no wastewater in the shut-off at the curb box, nor at the main, and that any water standing in the pipes when water is turned off at shut-off, if any, will remain there unless drained out by the user by means of a stop or waste valve. Employees or agents of the District are expressly forbidden to manipulate the stop and waste valve, or do any other plumbing work whatsoever except under order of the District. It is expressly stipulated that the District will assume that every property is equipped with a stop and waste valve, and failure of any property owner to so equip his property will, under no circumstances, alter the liability of the District. All persons having boilers and/or other appliances on their premises depending on pressure of water in pipes, or on a continual supply of water, shall provide, at their own expense, suitable safety devices to protect themselves and their property against a stoppage of water supply or loss of pressure.

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05. POSSESSION OF HYDRANT WRENCH OR VALVE SHUT-OFF KEYS UNLAWFUL: It shall be unlawful for any person other than authorized personnel to have in their possession a hydrant wrench or valve shut-off key, and personnel of the District are hereby authorized to confiscate any hydrant wrench or valve shut-off key found in the possession of unauthorized persons.

06. PROTECTION FROM DAMAGE: No person shall maliciously, willfully, or negligently, break, damage, destroy, uncover, deface or tamper with any portion of the District's water system.

In the event any person shall violate the provisions of this Section the District shall take all necessary steps to insure that said person shall be charged with a misdemeanor, and upon conviction thereof, shall be fined in an amount as established by the court for such violation.

Any person violating any of the provisions of these Rules and Regulations shall become liable to the District for any expense, loss or damage occasioned by reason of such violation, and the Board shall assess a penalty against the property of the person violating the Rules and Regulations in an amount calculated to recover the loss or damage occasioned.

07. METERS: Each building shall have a meter, which shall be the property of the District. It shall be the duty of all Customers to notify the District office if their water meters are operating defectively. If any meter shall fail to register in any period, the Customer shall be charged the average period consumption during the two preceding periods as shown by the meter when in order. If the District determines that any meter is recording consumption inaccurately, the District shall have the right to adjust the customer's bill accordingly and to repair the defective meter. The district will install and maintain all meters up to one inch in size at the District's expense. All costs of installation, maintenance, repair, and replacement of meters larger than one inch are the responsibility of the Customer. For all meters, the District may install, maintain, repair, or replace the meter, or at the District's discretion, may have a private contractor perform such service. The District and its contractor shall have the right of access to install, inspect, repair, replace or otherwise maintain the meters.

08. PLACEMENT OF METERS: All water meters shall be placed so that District personnel may easily read the meter for billing purposes. Specifications for placement of single family residential meters are set for in APPENDIX A

09. STANDARDS AND SPECIFICATIONS, Section 7. Meter settings for other than detached single family shall be considered on a case-by-case basis by the Board.

10. LOCKING DEVICES FOR BYPASS VALVES: As of June 1, 2001, all bypass valves in newly-constructed or newly-served multi-family residence complexes shall contain a locking device approved by the District.

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11. EXTERIOR WATER USE: No water from the District's potable water system shall be used outside of any building, except in accordance with the augmentation plan set forth in the Water Court Decrees in case numbers 93CW241 and 98CW296, recorded in Summit County on May 25, 2001 at Reception No. 653232, and 653233, which require in part:

- A. General: All outside irrigation water use at Highland Meadows and Alpensee 3 will be limited to low water consumption type vegetation, such as native plants or xeriscape, utilizing only low application irrigation systems such as drip or low emission sprinklers. Under no circumstances will irrigation of high water consumption grasses (such as bluegrass) be allowed.
- B. Highland Meadows: Two types of irrigation will be allowed:
 - 1. Temporary, start-up irrigation may be used to revegetate disturbed areas after construction, utilizing surface irrigation systems which may be easily removed. Up to 3,000 sq. ft. of temporary start-up irrigation will be allowed per Highland Meadows lot for a period not to exceed one year from the time of completion of construction. No more than a total of 90,000 sq. ft. (30 lots) of start up irrigation may occur at any one time.
 - 2. Permanent irrigation utilizing buried irrigation systems, may be installed to irrigate up to 1,000 sq. ft. per lot.
- C. Alpensee 3. Irrigation of up to 50,000 sq. ft. (1.14 acres) total throughout the subdivision.
- D. Other Outside Water Uses. Limited other outside water uses including car washing, hot tubs, fountains, and watering household pets, is allowed so long as consumption is kept minimal.

ARTICLE V

500 – APPLICATION FOR WATER SERVICE

01. INCLUSION: Except as hereafter provided, service will be furnished only to persons whose property is included within and subject to the Rules and Regulations and taxation by the District.

It shall be incumbent upon the applicant to furnish satisfactory evidence of inclusion whenever such evidence is requested by the District.

A person owning land within or without the exterior boundaries of the District, who desires service, must include all of his land contiguous to the parcel upon which service is desired into the District, unless the District permits otherwise.

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The District's standard for of inclusion petition will be furnished to the property owner upon request. Inclusions of property shall be accomplished in accordance with the provisions of Colorado law, and all costs in connection therewith, including legal and engineering fees and publication costs, shall be borne by the petitioner.

02. SERVICE OUTSIDE THE DISTRICT: The District may, if it seems advantageous to the District, and it is permitted under the Service Plan, furnish service to properties located outside the boundaries of the District, but under no circumstances shall the District construct any mains at its own expense to service such properties. No service shall ever be provided to properties located outside the boundaries of the District without adequate water rights being conveyed to the District in an amount sufficient to adequately supply service to the additional property.

Charges for furnishing service outside of the District shall be at the discretion of the Board of Directors, who shall take into account the estimated mill levy for which such property would be responsible if it were a part of the District.

These Rules and Regulations, as amended from time to time, shall be applicable to all property owners outside the District who are furnished water by the District, and no connections to the District's mains shall be permitted until the property owner shall have agreed to abide by the Rules and Regulations; provided, however, that the Board of Directors in its discretion, may charge higher fees for properties not located within the District. The District may adopt additional Rules and Regulations applicable only to customers located outside of the District.

In every case where the District furnishes service to properties outside the District, the District reserves the right to discontinue the service when, in the judgment of the Board of Directors, it is in the best interest of the District to do so, and such service shall be considered a revocable license.

03. APPLICATION FOR STUB-OUT PERMIT: The owner of a property seeking a "stub-out" from the District shall submit an Application for Water Tap Permit, completed for stub-out only, on the District's standard form. Upon payment in full of the Improvement Fee less the stub-out fee, the stub-out may be connected to the building.
04. APPLICATION FOR TAP PERMIT: The owner of a property seeking the "privilege of service" from the District shall submit an Application for Water Tap Permit, on the District's standard form.

No connection shall be allowed until a tap fee has been paid. The amount paid for a tap fee shall be non-refundable, even if the tap is revoked, unless otherwise determined by the Board of Directors upon showing of unusual circumstances.

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The District will allocate available water taps on a “first-applicant first-served” basis following submittal of the application for a tap permit. Special consideration will be given to those Applicants who are able to immediately put the tap to use.

05. EXPIRATION OF TAPS: Water taps must be activated within three (3) years of payment of the tap fee or the tap will automatically expire; however upon payment of an administrative fee equal to \$5,000 and upon determination of the Board of Directors that reinstatement of an expired tap is in the best interests of the District and its residents, the Board of Directors may reinstate an expired tap.

Improvement Fees paid for expired taps will not be refunded. All reinstated taps shall be subject to ARTICLE VI, Section 05 (Amended Improvement Fees) of these Rules and Regulations.

A grace period beginning January 1, 2000 until November 30, 2012 is in effect for any tap fees that would have expired under this provision. Property owners who paid their improvement fees or tap fees prior to November 1, 2009 will have until November 30, 2012 to request reinstatement of their tap fee. During the grace period, the administrative fee is reduced to \$100 for each Highland Meadows lot and \$800 for each Alpensee 3 lot.

06. DENIAL OF APPLICATION FOR SERVICE: The District reserves the right to deny application for service for any or all of the following reasons:
- A. The connection of the system to applicant’s existing plumbing would constitute a cross-connection to a non-District owned water supply;
 - B. There has been misrepresentation in the application as to the property and fixtures contained in the property, or the use to be made of the District’s system;
 - C. The service applied for would create an excessive seasonal, or other, demand on the District’s facilities;
 - D. The use proposed is now or hereafter prohibited by the District or would violate the Augmentation Plan;
 - E. Other reasons determined by the Board to be required to serve the best interests of the District.

07. CHANGE IN CUSTOMER’S EQUIPMENT OR SERVICE: A customer shall file an amended application with the District at least forty-eight (48) hours prior to making a change in service or meter size, or in the use of the property served. The District shall have the right to collect from the customer all costs it may incur for the conversion, including those incurred for overhead and the time expended by District personnel. The District shall have the right of access to install, inspect, replace or otherwise maintain the meter.

No change in the customer’s equipment, service or use of property shall be made without the approval of the District being first obtained and without first paying any applicable fees or charges.

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ARTICLE VI

600 – FEES AND CHARGES

The information contained in this section is pertinent to all charges of whatever nature to be levied for provision of water service inside the District. Said rates and charges as herein established shall be set forth in a separate Fee Schedule, which is on file and may be viewed. Nothing contained herein shall limit the Board from, at any time and without notice, modifying the rates and charges set forth in the Fee Schedule or from modifying any classification set forth in these rules and regulations.

01. APPLICATION OF THIS SECTION: The rates, charges and other information shown herein shall apply only to customers inside the District and shall in no way obligate the District to provide service outside the District under any of the conditions contained in this section.
02. TYPE OF SERVICE: Water service shall be metered, but billing is charged on a flat-rate quarterly basis.
03. IMPROVEMENT FEE: Prior to connections, an Improvement Fee shall be assessed for the privilege of connecting to the water distribution system of the District. The fee shall be assessed upon approval of previously connected tap, and shall be charged pursuant to the Fee Schedule. The Improvement Fee is also called a “tap fee.”
04. STUB-OUT FEE: A stub-out fee shall be charged for connection of a water service line to the District’s line, as provided in the Fee Schedule. The stub-out fee must be paid prior to the time when the stub-out is connected to the District’s system. A stub-out fee which has been paid shall be deducted from the Improvement Fee at the time the Improvement Fee is paid.
05. AMENDED IMPROVEMENT FEES: Any customer who receives permission to tap into the District’s water lines (“Customer”) shall be liable for and make payment to the District of the following amounts:
 - A. The tap fees of the District as they exist on the date of issuance of the Customer’s tap permit, and
 - B. Any increases in tap fees that be imposed by the District from time to time between the date the issuance of the tap permit and the date that actual connection to the District’s facilities is completed.All such amounts shall be due and payable one day prior to the actual connection of the Customer’s facility to the District’s mains, lines, or facilities.
06. SERVICE CHARGE: Service charges shall commence at the time the meter is installed. All customers must make a deposit for service. The service deposit will be refunded

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upon transfer of property ownership, if all other fees and charges due the District have been paid.

Whenever possible, bills for service will be directed to the owner of record of the property rather than the occupant. Each condominium unit shall have its own meter. Service charges shall be as reflected in the Fee Schedule and shall be based on equivalent units.

07. PAYMENT OF SERVICE CHARGES: Statements for charges shall be rendered on a quarterly basis. Charges and penalties for late payments, turn-on, turn-off, etc., shall be added to the bills. Bills will be sent via email or U.S. Postal Service the first week of the quarter. All bills rendered by the District shall indicate "Billing Date." The payment shall be due by the end of the month billed. All bills shall include a statement that a bill which is not paid in full by the "Due Date" shall be assessed a five percent (5%) late penalty, not to exceed a total of twenty-five percent (25%) of the total past due balance. If the charges are not paid within thirty days after the due date, interest will be assessed against the delinquent amount at the rate of one percent per month from the due date, which will be assessed against the customer and added to the customer's account balance. Interest and late penalty will be assessed for each month that the account remains in arrears. Payments received from customer will be applied first to the oldest outstanding charges.

Where a customer's account is current but then becomes one month delinquent, the customer will be sent a reminder notice the following month with their ledger statement and/or copies of their unpaid bills, advising the customer that the account is delinquent.

If a customer's account becomes two months delinquent, the customer will be sent a reminder notice with their ledger statement and/or copies of their delinquent bills. If payment in full, including late fees and interest, if any, is not made by the 75th day after the Due Date then service is subject to shut-off upon appropriate telephonic or written notice. In addition, a lien will be filed against the property if the account is delinquent after 75 days. A copy of the lien statement will be sent to the customer to advise the customer of the action taken. All costs and fees associated with the filing of the lien will be assessed against the customer and added to the customer's account. The lien will continue to accrue interest and late fees until the debt is satisfied. This includes a \$90 fee to reimburse the District's representative for time in preparation and filing of the lien.

When the customer's delinquent account becomes \$1000, regardless of the number of days past the Due Date, the District Treasurer is instructed to initiate collection on the account. Collection may take the form of filing a lien or a lawsuit against the customer, foreclosure on the lien (if previously filed) to have the property sold or the appointment of a receiver to take over the property to generate income. All costs and fees incurred by the District in any collection action will be assessed against the customer.

A Turn-Off Fee and Turn-On Fee shall be assessed upon shut off. Service shall not be resumed until all fees have been paid in full.

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A grace period beginning January 1, 2000 until October 31, 2012 is in effect for any outstanding past due balances. Penalties, interest and any other provisions of this policy will be applied to any outstanding balance beginning November 1, 2012.

08. REVOCAION OF SERVICE: Service shall be revocable by the District upon non-payment of valid fees owing to the District, as set forth in Section 07 of this Article VI, or upon failure to comply with the Rules and Regulations of the District. In the event of non-compliance with the Rules and Regulations other than non-payment of fees, the customer shall be given ten days' notice of a hearing to revoke service. Said hearing shall be held by the District at a regular or special meeting of the Board of Directors at which time the customer shall have the opportunity to present testimony and evidence to the Board. If an amount of money is disputed, at the time that such hearing is requested the customer shall be required to deposit the disputed amount with the District. Following said hearing, the Board decision shall be final and service to the property may, if the Board so determines, be revoked by disconnecting the water line serving the property. During the period of construction of a building, the District reserves the right to revoke water service to the property at any time, without notice, for non-payment of fees owing to the District.

09. SPECIAL SERVICE CONTRACTS: The Board may enter into special service contracts if it is to the best interest of the District to do so.

10. SERVICE THROUGH FIRE HYDRANTS: Upon application to the District and payment of a refundable deposit as set forth in the Fee Schedule, users may obtain a District permit for use of hydrant water. Permits shall be issued on an individual basis as approved by the District, and service shall be metered at locations selected by the District. Any damage to the hydrant, meter, or other property of the District shall be paid for by the user. The deposit shall be refunded, less water usage and cost of any damages, upon return of the District's meter.

Use of any fire hydrant, stand-valve or other installation intended principally for use in providing a fire-protection water supply, in violation of this subsection shall result in (1) the forfeiture of any deposit paid; (2) the assessment, of the applicable district fee for water usage, or loss, as calculated or as best estimated by the District; and (3) the assessment, against the person, corporation or other entity deemed responsible by the District for the violation, of a penalty as set forth in the Fee Schedule and, where no deposit was paid, an additional penalty as set forth in the Fee Schedule. As with all fees, charges, and penalties of the District, the fees, charges and penalties assessed under this subsection shall be, until paid in full, a perpetual lien against the property served. Contractors or other persons not owning property within the boundaries of the District who violate this subsection shall be deemed by the District to be the duly authorized agents of the owner of the property for whom, or with respect to which the contractor or other person is providing services, and the perpetual lien referred to herein

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shall be applied against the property of such owner. Enforcement of this subsection shall proceed in accordance with this section.

11. **INSPECTION FEES**: Water line inspection fees shall be assessed as provided for in the Fee Schedule.

No work by District personnel shall be done on Saturdays, Sundays, or holidays unless permission is granted by the District Manager.

No work shall start until all District fees have been paid, and the District office notified.

12. **MISCELLANEOUS COSTS AND EXPENSES**: All costs and expenses incident to the installation and connection of the water service shall be borne by the property owner. The property owner shall indemnify the Board for any loss or damage that may directly or indirectly be occasioned by the installation of the water service.

13. **LIABILITY FOR PAYMENT**: Until paid, all rates, tolls, fees and charges shall constitute a first and perpetual lien on or against the property served and any such lien may be foreclosed in the manner provided by law. If the District determines that a foreclosure is necessary to obtain payment of such rates, tolls, fees and charges, a foreclosure fee shall be assessed against the property to offset the costs of prosecuting such foreclosure and such foreclosure fee shall constitute a perpetual lien on the property as well.

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

The owner and the occupant are hereby deemed equally liable for charges of the District. The District assumes no responsibility hereby for any agreement made between owners and occupants regardless of how made or the District having been notified of such agreement.

All costs incurred by the District relating to a service to a customer's property, including but not limited to the costs of collection of District rates, fees, tolls, charges and penalties, system development fees, costs of enforcement, costs of shut-off, costs of inspections, and miscellaneous costs and expenses shall, until paid, constitute a first and perpetual lien on or against the property served and any such lien may be foreclosed in the manner provided by law. If the District determines that a foreclosure is necessary to obtain payment of such amounts, a foreclosure fee shall be assessed against the property plus the costs of prosecuting such foreclosure and such foreclosure fee shall constitute a perpetual lien on the property as well.

14. **VENDORS AND VENDEES RESPONSIBILITIES**: The District assumes no responsibility for agreements between vendors and vendees. It shall be the responsibility of the vendee to ascertain whether fees and charges have been paid by the vendor. Regardless of ownership or of the failure of the District to collect fees and charges at the time of issuance of permits or any other act or omission of the District,

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unpaid fees and charges shall constitute a first and perpetual lien on and against the property which lien may be foreclosed as provided by law.

15. UNAUTHORIZED CONNECTION PENALTIES: An unauthorized connection penalty equal to twice the normal Improvement Fee due shall be payable by persons connecting to District's lines without prior payment of Improvement Fees, approval of such connection, application for service, or opportunity given the District for inspection of lines.
16. TURN-OFF SERVICE: Customers desiring a "turn-off" service for purposes of vacation, vacancy of rental property, etc., may be charged a turn-off fee which will also cover the "turn-on" request.
17. TURN-OFF FEE: If services must be discontinued by the District due to delinquency, a turn-off fee will be charged.
18. TURN-ON FEE: After service has been shut off by the District due to a delinquent account, a turn-on fee shall be charged for turning on the service.
19. PENALTY FOR "UNAUTHORIZED TURN-ON": It shall be illegal for any person other than employees or officials of the District to turn on water and a penalty of \$500 shall be charged for any unauthorized turn-on.
20. CHANGE IN USE AND/OR SQUARE FOOTAGE: A customer or user desiring to change the use and/or the square footage of its premises at any time between purchase of the tap and connection of the tap or at any time during use of the tap shall give notice to the District of the proposed change in use and/or square footage and apply for additional taps as may be necessitated by the change of use and/or square footage. There shall be a calculated tap fee for the use and/or square footage as changed, in accordance with these Rules and Regulations and the Fee Schedule, as if no tap fee had been paid originally; provided that credit will be given for the payment of the original tap fee, in the original amount. The fee charged for the change in use and/or square footage shall be applicable even if the change occurs behind a master meter (for example, a change in use in one part of a strip shopette where the shopette is served through one meter). In no event shall a refund be given.

Any customer not notifying the District of such change in use and/or square footage shall be assessed all additional fees on its next monthly statement after determination by the Board that there has been a change in use and/or square footage. The monthly statement shall serve as notice that such additional Improvement Fees are past due and must be paid within thirty (30) days. Any customer or user shall have the right to a hearing to determine whether a change in use and/or square footage has occurred. Such hearing shall be held at the next monthly meeting of the Board following request for a hearing. Before a requested hearing is held, no additional Improvement Fees shall be enforced as delinquent.

ARTICLE VII

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700 – SERVICE LINE CONSTRUCTION

01. SERVICE LINE REQUIREMENTS: A separate and independent service line shall be provided for every building. All service lines shall be installed at the expense of the property owner, except as otherwise provided herein.

A duplex may, in the discretion of the District, have one or two service line connections. Each duplex unit shall be separately metered. Fees paid under this Section 01 for a duplex shall be equal to the fees paid for two ¾” taps.

Each commercial structure hereafter constructed shall have an individual service line and connection for each commercial unit in the commercial structure, or, if not divided into units then it shall have a separate service line and connection for each building.

Service lines shall be installed in accordance with the specifications set forth in APPENDIX A attached hereto and incorporated herein by this reference.

No work by District personnel shall be done on Saturdays, Sundays, or holidays unless written permission is granted by the District Manager. No work shall begin until all District fees have been paid, and the District office notified.

02. INSPECTION: The applicant for the connection permit shall notify the District Manager when the service is ready for inspection and connection to the public main. The connection shall be made by plumbers or pipe layers bonded with the District, under the District Manager’s supervision, but plumbing contracted for by a licensed master plumber may be performed by him through journeymen plumbers or apprentices under his direction.

ARTICLE VIII

800 – MAIN LINE EXTENSIONS

01. MAIN SIZES: The minimum size water main shall be six inches (6”) in diameter. The main required to serve any area shall be sized by the applicant, contingent upon approval by the District.

02. APPLICATION FOR LINE EXTENSION: The provisions of ARTICLE VII of these Rules and Regulations are also applicable to this Article.

It shall be unlawful for any person to construct a line extension within the jurisdiction of the Board without first having made formal application to the Board for approval and having complied with the regulations of the Board.

Plans for such extensions shall be submitted to the District Engineer along with the application for a line extension. Said plans shall be approved for compliance with the Board’s master plan and such study for compliance shall be at the developer’s expense.

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All line extensions shall be constructed according to the Board's specifications. All line extensions within the jurisdiction of the Board shall be made under the supervision of the Board's engineer at the developer's expense.

03. LOCATION OF LINE EXTENSIONS AND ADDITIONS: Line extensions shall be installed in roads or streets which the County, State Highway Department, or other public agency has accepted for maintenance as public right-of-way or in easement granted to the District. No waterline shall be placed in the same ditch as a sewer line. All waterlines must be ten (10) feet horizontally from any sewer line.
04. PROCEDURE FOR LINE EXTENSION CONSTRUCTION BY PARTIES OTHER THAN THE DISTRICT: In the discretion of the Board, the Board may permit those persons desiring construction of a line extension to construct the line extension. In such a case, the Constructor shall enter into a Line Extension Agreement with the District. The District Engineer must approve the plans and inspect all construction.

A performance and maintenance bond equal to the contract price of the line shall be furnished to the District by Constructor. The bond shall hold the District harmless for payment to the contractor, and shall guarantee on year's maintenance on the line from the date of acceptance by the District.

When application for a line extension is made, Constructor shall deposit with the District an amount sufficient to compensate the District for engineering fees, legal fees, (including the costs of preparing the Line Extension Agreement) and other costs anticipated to be incurred by the District as a result of the application and the construction of the line. The engineering fees shall include the cost of reviewing the plans and supervising and inspecting construction of the line.

Constructors who have completed construction of line extensions shall, before these lines are accepted by the District for connections, deed these lines and all appurtenances to the District free and clear of all liens and encumbrances.

Prior to the acceptance of lines by the District, all easements necessarily accompanying these lines shall be duly recorded or provided for.

Prior to the District's acceptance of the lines, reproducible as-built drawings shall be provided by the developer or reasonable provision made for such drawings.

05. LINE EXTENSION FEES: The Board shall, when a line extension has been constructed by constructor pursuant to the ARTICLE VIII, collect a Line Extension Fee from all persons desiring to connect to the line segment of extension constructed. The Line Extension Fee shall be calculated in accordance with the following formula:

$$\text{Line Extension Fee} = AC - \left(\frac{CCU}{LC} \right) * \frac{NCU}{(LC - CCU)}$$

- 1.) AC = Actual Costs of Construction

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- 2.) LC = Total Capacity of Line Segment constructed pursuant to the Line Extension Agreement
- 3.) CCU = Amount of Total Line Segment Capacity Used by Constructor
- 4.) NCU = Amount of Total Line Segment Capacity Used by the Connector

All Line Extension Fees shall be due and payable at the time of connection. In each case, only service connections to the segment constructed shall be assessed a Line Extension Fee, and in calculating ratios of capacity only the capacity of the segment constructed shall be considered.

- 06. REIMBURSEMENTS: The District shall reimburse to the Constructor the Line Extension Fees collected for a period of five (5) years from the date of execution of the Line Extension Agreement, with renewal upon application for a maximum of five (5) additional years after the date of the execution of the line extension agreement. In no case shall the reimbursement exceed the actual costs of the line extension. All right to receive such reimbursements shall revert to the District upon expiration of the five year period, upon expiration of the additional five year period if so extended, or upon reimbursement to the developer of an amount equal to the total construction cost of the line extension.
- 07. SPECIAL STRUCTURES: Special structures required to ensure proper operation of line extensions shall be constructed from designs of the Board's Engineer and the cost of construction shall be the responsibility of the developer.
- 08. OVERSIZING: The District may, at its option, require the construction of larger than the minimum sizes specified in paragraph 01 of this Article. Participation by District in the cost of installation of oversized mains shall be at the sole discretion of the Board, and shall be for the cost of oversizing only.
- 09. EXTENSIONS TO PROPERTY LINES: All extensions constructed under this section shall be installed to the far side of the property and, where necessary, around corners, in order that the water systems may continue.
- 10. LINE EXTENSIONS BY DISTRICT: Notwithstanding any provision of this Article, the District may, in its discretion, extend lines under such conditions as the Board deems appropriate. Where water mains cannot be installed in a street, private drive or common area, and must be installed in easements between adjacent pieces of property, the lines will terminate at the point on the line or corner of the property being served which requires the least amount of construction by the District.

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APPENDIX A

STANDARDS AND SPECIFICATIONS

1. GENERAL

Construction of all service lines shall be done by plumbers licensed by Summit County and the State of Colorado in accordance with the Technical Plumbing Code of the State of Colorado. All contractors must be licensed by, bonded, and able to present a certificate of adequate insurance to the District.

2. WATER SERVICE LINES

2.1 The water service lines shall be soft, type K, copper. Fittings shall be brass-copper alloy, "MacDonald Compression Flare System," "Brass Flare Insert System," (Part No. 4670 for ¾ inch), or, "Brass Insert Adapter" fittings. Connection shall be by flared method.

2.2 The water service shall be laid at uniform grade and in straight alignment, and shall be brought to the building at an elevation of 4 ½ feet cover.

2.3 Except upon written consent of the District, no water service line may be more than sixty feet (60') in length from the property line to point of connection to the structure.

2.4 No service shall be laid parallel to or within three feet of any bearing wall which might be thereby weakened.

2.5 No service line shall be placed in the same ditch with a sewer line. Waterlines must be ten (10) feet horizontally from the sewer line, and on the uphill side.

3. EXCAVATION

All excavations required for the installation of water or sewer service shall be open trench work unless otherwise approved by the engineer for the District.

3.1 Adequate barricades, signs, and warning devices as required by the District and the County of Summit, and/or the State of Colorado, whichever is applicable, shall be placed and maintained during the progress of the work.

3.2 Paving, curbs, and gutters, sidewalk improvement services, or other street improvement, removed or damaged during construction shall be replaced, pursuant to all required permits, to the same elevation and alignment, with the same type and dimension of units removed, and shall be equal to and consistent with the undisturbed portion of the improvements existing prior to trench excavation.

3.3 All contractors, plumbers, and others doing work on any water or sewer main service line, or structure in the District shall comply with the Summit County or State Highway Department regulations on excavation, backfill, compaction, and restoration

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of surfacing, and shall file a performance bond with the District in the amount of \$10,000.

4. MAINTENANCE OF BACKFILL AND SURFACE WARRANTY

All backfill shall be maintained in a satisfactory condition and all places showing signs of settlement shall be filled and maintained during the life of the contract and for a period of one year following the date of final acceptance for all work performed under the contract; except, the warranty period for settlement in asphalt surface streets shall be two years. When the developer or contractor is notified by the District that any backfill is hazardous, he shall correct such hazardous condition at once. All work shall conform to the rules and regulations of the County of Summit and the State of Colorado.

5. INSPECTIONS

- 5.1 All daily inspection fees on water or sewer construction required by any governmental unit having jurisdiction over the construction shall be paid by the plumber, contractor, or others doing work for the District.
- 5.2 All work shall be inspected by the District's representative, who shall have the authority to halt construction when, in his opinion, District specifications or proper construction practices are not being adhered to. Whenever any portion of District specification is violated, the District representative shall, in writing, order further construction to cease until all deficiencies are corrected. No pipe shall be covered without the District representative's approval.

6. SPECIFICATIONS FOR INSTALLATION OF ¾" AND 1" OUTSIDE METER SETTINGS

- 6.1 The outside meter setting shall be used when the unit does not have an enclosed basement.
- 6.2 Contractor must be licensed by, bonded to, and able to present a certificate of insurance to the Alpansee Water District.
- 6.3 Contractor will be responsible for purchase of all street cut permits from Summit County according to location of service.
- 6.4 Copper tubing shall be soft, underground, "K" type only.
- 6.5 Curb stop (neoprene ball type) shall be installed outside of building in front of the meter pit, and beyond the property line. Curb stop service boxes shall be cast iron and shall be of the following type or an equivalent which is acceptable to District's engineer.
 - Tyler 6500, 5' extension size, Size 94E Stop Box Buffalo Type Complete, 2" shaft.
- 6.6 There will be no soldered connections permitted underground.
- 6.7 Coppersetter or meter yoke must be a ¾" Ford KV-2 type or equivalent with locking type turn-on.

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- 6.8 Meter pit shall be a circular concrete type with 24 inch inside diameter rings, approximately 54 inches in depth, and include frost cover and cast iron outer cover.
- 6.9 Frost cover to be Comco cast iron type or equivalent.
- 6.10 Top of water meter, when installed, shall be no less than three inches nor more than four inches below the inner lid of the frost cover.
- 6.11 Meter pits are to be installed just outside of private property so as to not be in roadway or driveway.
- 6.12 Contractor or Owner will be responsible for exact location and correct elevation of meter pit in regards to finished grade of yard.
- 6.13 The Alpensee Water District will install the meter (and only the meter) at which time the final inspection will be made.
- 6.14 Outside setting will be used only when the inside setting with remote read-out cannot be used.
- 6.15 Meter and Meter Yoke will be furnished by District at Customer expense.

7. SPECIFICATIONS FOR INSTALLATION OF INSIDE METER SETTINGS

- 7.1 The inside meter settings shall be used when the unit has an enclosed basement. The inside meter may not be used in a crawl space.
- 7.2 Contractor shall be responsible for completion of the curb stop box to finish grade and for centering the box over the curb stop.
- 7.3 Contractor shall install the inside Meter Yoke and the Remote Receptacle, with a wire connection leading from the Remote Receptacle to the Meter Yoke.
- 7.4 The Remote Read-Out is to be located on the front of the house or building in an easily accessible location.
- 7.5 All inside meter settings shall be placed approximately 48" above floor level, in a manner which will allow free access and adequate room for inspection and maintenance.
- 7.6 District personnel will be granted access for repairs and maintenance.
- 7.7 Meter, Meter Yoke, valve assembly, Remote Read-Out and necessary wire will be furnished by the District at Customer expense.