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**RESOLUTION NO. 2010-05-01**

**IDLEDALE WATER AND SANITATION DISTRICT  
RESOLUTION REGARDING THE AMENDMENT OF THE DISTRICT'S  
RULES AND REGULATIONS**

WHEREAS, Idledale Water and Sanitation District, Jefferson County, Colorado (the "District"), is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, pursuant to Section 32-1-1001(1)(m), C.R.S., the District has adopted rules and regulations (the "Rules and Regulations"); and

WHEREAS, the District expressly reserved the right to make any lawful addition and/or revisions in the Rules and Regulations; and

WHEREAS, the District has determined that it is necessary to amend the Rules and Regulations and the District published notice of the proposed amendment to the Rules and Regulations one time in the Canyon Courier in order to give the District's service users an opportunity to comment on the proposed amendment to the Rules and Regulations.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Idledale Water and Sanitation District as follows:

1. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Rules and Regulations.
2. Effective May 10, 2010, the Rules and Regulations shall be amended and restated as attached hereto and more specifically to address: a) the collection of past due amounts through the Jefferson County Treasurer on an annual basis along with property taxes; b) the assessment of a late fee and penalty on past due monthly service charges; and c) the addition of a service administration fee to be collected at the time of transfer of property within the District from seller to buyer.

APPROVED AND ADOPTED this 11<sup>th</sup> day of May, 2010

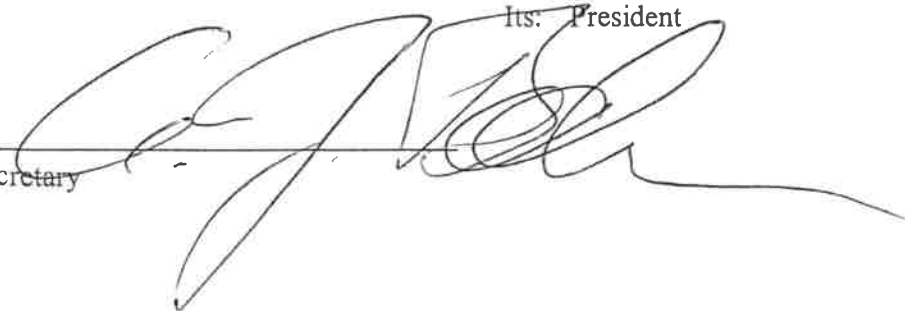
IDLEDALE WATER AND SANITATION  
DISTRICT

By: Mark Gilgen  
Its: President

Attest:

By:

Its: Secretary



**IDLEDALE WATER AND SANITATION DISTRICT**

**RULES AND REGULATIONS**

**IDLEDALE WATER AND SANITATION DISTRICT**

**AMENDED TO INCORPORATE REVISIONS THROUGH MAY 11, 2010**

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## SECTION 1 - GENERAL/EXPLANATORY MATERIAL

**1.1 AUTHORITY.** The District is a governmental subdivision of the State of Colorado and a body corporate, with those powers of a public or quasi-municipal corporation that are specifically granted for carrying out the objectives and purposes of the District under Article 1 of Title 32 of the Colorado Revised Statutes.

**1.2 SCOPE.** These Rules and Regulations have been adopted and promulgated pursuant to Section 32-1-1001(1)(m), C.R.S., and shall be treated and considered as new and comprehensive regulations, governing the operations and functions of the Idledale Water and Sanitation District, and shall supersede any previous informal practices of the District which are in conflict with the provisions hereof and any previously adopted Rules and Regulations.

**1.3 POLICY.** It is hereby declared that the Rules and Regulations hereinafter set forth will serve a public use and are necessary to insure and protect the health, safety, prosperity, security, and general welfare of the service users of Idledale Water and Sanitation District. Usage of the District's water shall constitute acceptance of these Rules and Regulations, and violators shall be subject to the penalties herein stated, loss of water service, or other such remedies that the Board shall take.

**1.4 PURPOSE.** The purpose of these Rules and Regulations is to provide for the orderly financing, control, construction, management and operation of the water supply and distribution systems of the Idledale Water and Sanitation District, including additions, extensions and connections thereto.

**1.5 INTENT OF CONSTRUCTION.** It is intended that these Rules and Regulations shall be liberally construed to effect the general purposes set forth herein. No portion of these Rules and Regulations shall be construed as a waiver of any grant of power, duty or responsibility, or a limitation or restriction upon the powers of 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 as it deems appropriate and such amendments shall be entered in the Minutes of the District and periodically incorporated in printed copies of these Rules and Regulations. Prior notice of the proposed amendments shall not be required to be provided by the District.

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

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

Availability Service Fee shall have the meaning set forth in Section 5.6 of these Rules and Regulations.

Board and Board of Directors shall mean the governing body of the Idledale Water and Sanitation District.

Contractor shall mean any person, firm or corporation authorized by the District to perform work and to furnish materials for the District.

Customer shall mean any person, company, corporation or governmental authority or agency authorized to use the public water under a permit issued or otherwise authorized by the Board of Directors or the Manager.

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

District shall mean the Idledale Water and Sanitation District or the Board of Directors of the District.

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

Illegal Tap shall mean the connection of any Water Service Line to the District Lines without the required payment of fees and/or authorization of the Board.

Mains or Water Mains or District Lines shall mean any pipe, piping, or system of piping used as a conduit for water in the District's water system and owned by the District.

Manager shall mean Manager of the District, or in his absence, his duly authorized agent.

Owner shall mean the land's record title holder or lessee.

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

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

Readiness to Serve Fee shall have the meaning set forth in Section 5.7 of these Rules and Regulations.

Residential Domestic Usage shall mean normal indoor and outdoor use at a Customer's residence in the kitchen, bathroom, etc., including washing of cars and watering of pets. Refer to Section 3.2 of these Rules and Regulations for Residential and Domestic Usage limitations.

Turn-On/Turn-Off Fee shall be the fees as set forth on Appendix A attached hereto.

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

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

Service Charge shall mean the monthly fee for water usage.

Shall is mandatory; "may" is permissive.

Shut Off shall mean the curb stop; the point where the Water Service Line connects to the District Water Works main.

Special Usage shall mean usage by a post office, church, fire department, or other facility approved in writing by the District.

Tap Connection shall mean the connection of Water Service Lines to the District Lines.

Tap Fees shall include those fees designated as such on Appendix A attached hereto.

Tap List shall mean a prioritized list maintained by the Secretary of the Board of those requesting a Tap when one is currently not available. A deposit shall be required to be placed on the Tap List, and shall be applied to the Tap Fee when due. Preference is given to in-District requests over out-of-District requests.

Water Main shall mean any pipe, piping, or system of piping used as a conduit for water in the District's water system and owned by the District.

Water Operator shall mean the person/firm contracted by the Board of the District to operate and maintain District facilities.

Water Restriction Shall mean the temporary mandatory suspension of outdoor watering and reduction of indoor use. Notice of a water restriction will be posted by the District while in effect.

Water Service Line shall mean the privately owned pipe, line or conduit of the Customer used to provide District water service to a building used for residential, domestic, commercial or special purpose.

Water Works shall mean all facilities owned by the District for transporting or distributing, storing, pumping, treating, measuring, collecting, etc. the District's water.

Waste Valve shall mean the valve used for removing water from water lines.

## **SECTION 2 - OWNERSHIP AND OPERATION OF FACILITIES**

**2.1 OWNERSHIP OF WATER AND RETURN FLOWS.** The District shall have sole dominion and control of all water supplied through the water system, subject to reasonable use thereof by its Customers in compliance with applicable water service permits and/or these Rules and Regulations. Such dominion and control shall continue without interruption as to all wastewater, return flows, runoff, sewage or tailwater attributable to or originating in water



supplied through the water system. The District shall have the exclusive right to recapture such return flows or claim credit therefrom for exchange, replacement, augmentation, substitute supply or any other lawful purpose, and the District's dominion and control over water shall continue to attach to all such return flows even after they return to the ground. All return flows from water supplied through the water system remain the property of the District. The District retains the sole authority to determine the yield of all water, water rights and augmentation plans which are offered to the District for any purpose.

**2.2 RESPONSIBILITIES OF DISTRICT.** The District will only construct water facilities or portions thereof when the Board has made a determination that such construction is economically feasible. Such determination may require Owner/Developers to prepay or guarantee future payment of Tap Fees or other special arrangements as the Board may determine necessary.

**2.3 RESPONSIBILITY OF OWNER, DEVELOPER AND CUSTOMERS FOR CONSTRUCTION OF FACILITIES.** It is the responsibility of the Customer to pay the Actual Cost and construct the Water Service Line (from the curb stop to the Customer's building). The Water Service Line shall be constructed in accordance with the construction and technical standards approved by the District's Engineer and shall be inspected by the District prior to use.

**2.4 RESPONSIBILITIES FOR MAINTENANCE OF FACILITIES.** After construction, the District will be responsible for the maintenance, operation and replacement of the Water Works. Each Customer shall be responsible, at its expense, for constructing and maintaining the entire length of the Water Service Line extending from the curb stop to each unit or building. Leaks or breaks in the Water Service Line shall be repaired by the property owner within a reasonable time after obtaining knowledge of a leak, or after the time of notification of such

condition by the District. If satisfactory progress toward repairing said leak has not been completed within a reasonable time period, or if such leak is deemed, in the District's discretion, to pose a health or safety risk to any Customers of the District or to the District's Water Works, the Manager shall shut off the service until the leaks or breaks have been repaired; in addition, the District shall have the right to effect the repair, and the cost therefor shall constitute a lien on and against the property of such Customer, securing payment of such cost, as provided for by Section 32-1-1001, C.R.S.

Each Customer shall take note that there is no waste way 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 the shut-off, if any, will remain there unless drained out by the user by means of a stop or waste valve. Each Customer having boilers and/or other appliances on its premises, depending upon pressure or water in pipes, or on a continual supply of water shall provide, at its own expense, suitable safety devices to protect such Customer and such Customer's property against a stoppage of water supply or loss of pressure. The District expressly disclaims any liability or responsibility for any damage resulting from a Customer's failure to so equip the Customer's property.

It shall be unlawful for any person other than authorized personnel of the District to use a hydrant wrench or valve shut-off key anywhere on the District Water Works.

**2.5 LIMITATION OF LIABILITY OF DISTRICT.** It is expressly stipulated that claim for damage shall not be made against the District by reason of the following: breakage of District Lines by District personnel; interruption of water service and damage resulting therefrom; breaking of any collection or service line, pipe, valve or meter by any employee of the District; failure of the water supply; shutting off or turning on water; making of connections or extensions; damage caused by water running or escaping from open or defective faucets; burst Water Service Lines and other facilities not owned by the District; damage to water heaters,

boilers or other appliances resulting from shutting water off, or for turning it on, or from inadequate or sporadic pressures; or for doing anything to the systems of the District deemed necessary by the Board of Directors or its agents. The District reserves the right to temporarily discontinue service to any property at any time for any reason deemed necessary or appropriate by the Board of Directors or its designated representatives. The District shall have the right to revoke service to any property for violations of these Rules and Regulations in accordance with the procedures set forth in these Rules and Regulations.

**2.6 OWNERSHIP OF FACILITIES.** All existing and future Water Mains and Water Works connected with and forming an integral part of the District's water system shall become and are the property of the District; unless any contract with an Owner or Customer expressly provides otherwise. Said ownership will remain valid whether the Water Mains or Water Works are constructed, financed, paid for, or otherwise acquired by the District or by other persons.

**2.7 RIGHT OF ENTRY.** The District Manager, agent, officers, employees of the District or other Persons so designated by the District Manager, bearing proper credentials and identification, shall be permitted to enter upon all properties for the purpose of inspection, observation, measurement, sampling and testing, or for the repair and/or replacement of any District Water Works in accordance with the provisions of these Rules and Regulations. The granting of right of entry by the Owner and/or occupant is a condition to the provision of public water service.

**2.8 MODIFICATION, WAIVER AND SUSPENSION OF RULES.** The Board or the District Manager acting on instructions of the Board shall have the authority to waive, suspend or modify these Rules and Regulations, and any such waiver, suspension or modification must be in writing, signed by the Board or the District Manager upon prior approval of the Board. Such

waiver shall not be deemed an amendment of the Rules and Regulations. No waiver will be deemed a continuing waiver.

### **SECTION 3 - CONDITIONS OF USE OF UTILITY SYSTEMS**

**3.1 WHO MAY USE.** Water services will be furnished subject to the District's Rules and Regulations and only to property included within the Service Area of the District. It shall be incumbent upon the applicant to furnish satisfactory evidence whenever such evidence is requested by the District. Satisfactory evidence shall consist of a tax receipt or certification in lieu thereof received and signed by the County Treasurer. An exception to this rule requires a written special service contract approved by the Board. The District will use its best efforts to provide water in sufficient quantity and of acceptable quality for its Customers as the need arises. The District cannot and does not guarantee a quantity of water to be available to meet the demand that may arise nor does it guarantee water pressures sufficiently high to operate sprinkler systems, automatic household appliances or other equipment dependent upon water pressure for their operation. Accordingly, it can be anticipated that certain limitations and conditions may be imposed by the District with respect to the use of the water system and the ability to make new connections when requested.

#### **3.2 DOMESTIC USAGE LIMITATIONS.**

**3.2.1 Property Served.** Water use is limited to the specific lot served by a Tap Connection.

**3.2.2 Outdoor Watering.** Outdoor watering is restricted to one hour per day; odd numbered addresses are permitted to water on odd numbered days, and even numbered addresses are permitted to water on even numbered days. Outdoor watering is limited by and subject to all court decrees and augmentation plans binding upon the District. Lawns and gardens may be watered in accordance with this Section 3.2.2 unless a water restriction is in effect.

**3.2.3 Water Restriction.** Notice of a water restriction will be posted when in effect. When a Water Restriction is posted absolutely no outdoor watering is allowed and indoor water use is reduced.

**3.2.4 Livestock.** The limit on the number of livestock on property served is two (2) per property. The livestock must be owned by the Customer.

**3.2.5 Swimming Pools.** Swimming pools are not allowed.

**3.3 COMMITMENT TO SERVE.** A request submitted to the District by an Owner for confirmation of a commitment to serve the property with water services will be granted by the District only upon compliance with all Rules and Regulations and payment of all Tap Fees.

**3.4 INCLUSIONS OF PROPERTY INTO THE DISTRICT'S SERVICE AREA.** Real property included within the boundaries of Idledale Water and Sanitation District under the provisions of C.R.S. 32-1-401 et seq. shall be subject to all the Rules and Regulations and policies of the District as exist at the time of inclusion, and as thereafter adopted or amended.

Except as hereafter provided, service will be furnished only to property included within the District's Service Area. A person owning land outside the exterior boundaries of the District's Service Area who desires to have its property included within the District's Service Area shall (i) pay all costs and expenses suffered or incurred by the District in connection with such inclusion, including but not limited to management, legal, publication and surveying, and (ii) file a formal request for inclusion within the District's Service Area on forms prescribed by the District, accompanied by a deposit for costs and expenses in the amount of \$1,000.00, and a properly executed service agreement. The Board reserves the rights to (i) impose such additional terms and conditions as it deems to be in the best interests of the District, and (ii) defer the provision of service until full payment of all fees and costs has been made. A person owning

land who desires service must include all of its land serviceable by the system contiguous to the parcel on which service is desired into the District's Service Area in one request.

For properties within the District's Service Area, a person owning land who desires service shall apply to the District for service on forms prescribed by the District and shall enter into a contract for the provision of services by the District.

**3.5 SERVICE OUTSIDE THE DISTRICT.** The District may, if it is advantageous to do so, furnish service to properties located outside the boundaries of the District. However, under no circumstance shall the District pay for the extension or construction of any mains to provide service to such properties. Any service provided to property outside the boundaries of the District shall be subject to these Rules and Regulations and any other agreements which the Board believes necessary for the best interest of the District. Charges for furnishing service outside the District shall be at the discretion of the Board of Directors.

In every case where the District furnishes service 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.

**3.6 DENIAL OF APPLICATIONS.** The District reserves the exclusive right to deny an application for service when, in the opinion of the Board, the service applied for would create an excessive seasonal, or other, demand on the Water Works; when the connection of the system to an applicant's existing plumbing would constitute a cross-connection or an unsafe connection to the District's Water Works; when there has been misrepresentation in the application as to the property and fixtures contained on the property, or use to be made of the water supply; when the availability of adequate water is uncertain; or when the provision of service is not in the best interest of the District. Denial may also be based upon an unresolved obligation between the District and the applicant, inadequate documentation of easements for main lines that service the

property, or any other reason as determined by the Board. The District reserves the right to revoke service for any violation of these Rules and Regulations.

**3.7 MOVED OR DESTROYED BUILDINGS.** When buildings are moved or destroyed, the original tap authorization shall terminate and no credit shall be authorized for Tap Fees paid previously with respect to said building. However, the original tap shall remain in good standing, providing uninterrupted payment of the District's minimum monthly Service Charge (as the same may be amended from time to time) is made. If payment of the minimum monthly Service Charge ceases for any reason, said tap shall be in violation of these Rules and Regulations and the tap shall be revoked. Non-payment within thirty (30) days of the billing shall be considered cessation of payment of the Service Charge.

**3.8 CHANGE IN CUSTOMER'S EQUIPMENT, SERVICE OR USE OF PROPERTY.**

No change in the Customer's equipment, service or use of property served shall be made without the prior notification of and approval by the District. Any such change which, in the opinion of the District, will increase the burden placed on the District's Water Works and systems by the Customer shall require a redetermination of the Tap Fees and monthly Service Charge, and a payment by the Customer of any additional Tap Fees and monthly Service Charge resulting from the redetermination. Tap Fees previously paid with respect to the property in question shall be credited against the redetermined Tap Fees so that only the unpaid portion of any redetermined Tap Fees shall be due; provided, however, that redeterminations resulting in a conclusion that the Tap Fees, if assessed currently, would be in an amount less than that originally paid shall not result in a refund or credit of any kind to the Customer. The District may also require physical changes in the Water Service Line through which the services connect to the property as a result of the Customer's proposed changes. Any violation of these promises shall result in the assessment of an unauthorized connection fee, as provided by and possible revocation of services

under Sections 3.8 and 3.9 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. Any Customer believed to have changed the equipment, service, or use of their property in violation of this Section shall be notified of such belief by the District, and shall be notified of the District's intent to assess any additional Tap Fees, service or unauthorized connection fees, and shall be afforded twenty (20) days in which to respond to the District's notice. Failure to respond as required herein within the twenty (20) day period shall be deemed a conclusive admission of the nature and extent of the change, and such additional Tap Fees, service and unauthorized connection fees as are deemed appropriate by the District shall be assessed against the property in question and shall be collected as provided under these Rules and Regulations and Colorado law. To defer the collection of said fees, and as a prerequisite to the right to hearing as provided for and described in Section 6 of these Rules and Regulations, any response by the Customer must, in addition to being provided within twenty (20) days, include permission to make such inspection of the property in question as the District Manager or his representatives deem necessary to clearly establish the nature of equipment, service and use of the property in question.

**3.9 UNAUTHORIZED CONNECTIONS AND FEES.** No person shall be allowed to connect onto the Water Works or to enlarge or otherwise change the Water Service Line equipment, service or use of property without prior payment of Tap Fees, approval of application for service, and adequate supervision and inspection of the taps by District employees. Any such unauthorized connection, enlargement, or change shall be deemed an unauthorized connection. Upon the discovery of any unauthorized connections, or if the District believes a Customer has changed the equipment, service, or use of their property, the District shall send written notice to the Customer of the property benefitted by such connections stating that an



unauthorized connection has been made between the owner(s)' property and the District Water Works and the District's intent to assess additional Tap Fees, unauthorized connection fees or other charges. The Customer shall then have twenty (20) days from the date of the notice to pay the Tap Fees specified in the notice or to otherwise respond to the District's notice. To defer the collection of said fees, and as a prerequisite to the right to hearing as provided for and described in Section 6 of these Rules and Regulations, any response by the Customer must, in addition to being provided in twenty (20) days, include permission to make such inspection of the property in question as the Board deems necessary to conclusively establish clearly the nature of equipment, service, and use of the property in question. Failure to respond as required within the twenty (20) day period shall be deemed to establish that an unauthorized connection has been made and such additional Tap Fee, unauthorized connection fee or other charges as are deemed appropriate by the District, shall be assessed against the property in question. The unauthorized connection fee is an amount equal to twice the then-current Tap Fee that would be due for such property. Once discontinued, service may be returned to the property, only upon receipt by the District of all assessed fees and any Turn-On/Turn-Off Fees due. The District may exercise any and all rights provided by law, including foreclosure rights, for the collection of unpaid fees and charges of the District.

**3.10 REVOCATION OF SERVICE.** Service shall be revocable by the District after a period of eighteen (18) months of non-payment of any valid fees or charges owing to the District or upon any violation of these Rules and Regulations. In the event of a proposed revocation of service, the Customer shall be given not less than ten (10) days advance notice in writing of the revocation, which notice shall set forth:

- a. The reason for the revocation;

- b. That the Customer has the right to contact the District and the manner in which the District may be contacted for the purpose of resolving the obligations; and
- c. That there exists an opportunity for a hearing in accordance with Section 6 of these Rules and Regulations.

If the obligations are not resolved or a request for a hearing, accompanied by a deposit equal to the amount of any fees and charges specified in the notice, is not received by the District within twenty (20) days of receipt of said notice to the Customer, the District shall disconnect the service and the Customer shall be assessed the cost of the disconnection. The Customer's deposit for service, if any, shall be applied against the outstanding obligation. The Customer shall be charged the Readiness to Serve Fee during the time the Customer is disconnected.

**3.11 REVOCATION OF TAP RIGHTS.** The right to connect to the District's system and receive services shall be revocable by the District upon non-payment of any District fees owing to the District and remaining unpaid for a period of eighteen (18) months, 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 3.10 above. If the right to connect to the District's system is revoked, the Customer may reacquire such tap rights only by reapplying for service in accordance with this Section, 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. If the right to connect to the Water Works is revoked, the Customer may reacquire such tap rights only by reapplying for service in accordance with this Section, and after paying all fees due and owing the District and any Tap Reinstatement Fee charged by the District under these Rules and

Regulations. Tap reinstatement shall occur only if there is adequate water then available to support the tap.

**3.12 TURN-ONS/TURN-OFFS OF SERVICE.** All turn-ons or turn-offs of water service through a shut-off valve on a Water Service Line that has been connected to the District's Water Works shall be performed only by District personnel regardless of the ownership of the shut-off valve or the Water Service Line, and regardless of the circumstances respecting the turn-on or turn-off. The District shall assess a service charge as provided in Appendix A for each such turn-on and turn-off performed. The District will provide this turn-on and turn-off service without charge for (1) a tap for new construction, one time prior to the occupancy of the building served, and (2) for Customers requiring service to be turned off for maintenance of a Water Service Line. All requests for a turn-on or turn-off of District service, other than as set forth in (1) and (2) in the preceding sentence, may be granted or denied by the Manager in his/her sole discretion. Violation of this section and/or failure to pay the Turn-On/Turn-Off fee shall result in the assessment against the property served of an Unauthorized Turn-On/Turn Off Penalty as provided in Appendix A, and in addition to the penalties provided for unauthorized tampering with the District's system in Section 4 of these Rules and Regulations.

If service must be shut off by the District due to a delinquency or violation, a Turn-Off Penalty Fee shall be assessed against the property as set forth in Appendix A. After service has been shut off by the District because of a delinquent account, a Turn-On Penalty Fee shall be assessed for turning on service to the property. Additionally, Customers requesting a turn-off of service by the District shall be charged the Turn-Off Service charge which will include turning water service back on at no additional charge; however, any Customer requesting a turn-off pursuant to this provision will be charged a Readiness to Serve Fee as set forth in Appendix A.

It shall be a violation for any unauthorized person to turn on or off a Water Service Line at the curb stop or at the main. It shall further be illegal for any unauthorized person to turn on or off any main or appurtenance of the District's Water Works. A fine may be assessed and other action taken as appropriate, including legal remedies.

#### **SECTION 4 - WATER SYSTEM**

##### **4.1 UNAUTHORIZED TAMPERING WITH SYSTEM.**

**4.1.1** No unauthorized Person shall uncover, use, alter, disturb, or make any connection with or opening onto, use, alter, or disturb the Water Works without first obtaining a written permit from the District. Unauthorized uses of the District's Water Works include, but are not limited to, an unauthorized turn-on or turn-off of water, even though the same may be performed on a privately owned and maintained Water Service Line. No Person shall maliciously, willfully or negligently, break, damage, destroy, uncover, deface or tamper with any portion of the District's Water Works.

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

**4.2 WATER SYSTEM.** The District's Water Works has been planned and constructed to provide water for conventional domestic and commercial uses and fire protection for single-family residential uses. Persons wanting to use the water systems for an industrial or high-demand commercial water supply or other special usage, which could be expected to require

large quantities of water or unusual demand rates, shall be required to submit demand data as to water use before a permit will be issued; said permit may contain use limitations as determined necessary by the Board. Connections to the Water Works will not be permitted or made during non-business hours without specific, written approval of the District Manager/water operator.

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

## **SECTION 5 - RATES AND CHARGES**

**5.1 SERVICE CHARGES.** The Schedule of Fees and Charges attached hereto as Appendix A sets forth the current fees and charges applicable to services currently provided by the District. Such fees and charges shall remain in effect until modified by the Board in accordance with these Rules and Regulations and applicable laws. Nothing contained herein shall limit the Board from modifying fees and charges, or classifications of such, from time to time. Revised fees adopted by the District will become a part of these Rules and Regulations.

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 prescribed by law. The District shall have the right to assess to any Customer who is delinquent in the payment of

its account all legal, court and other costs necessary or incidental to the collection of said account.

**5.2 WATER SERVICE.** Water service shall be provided at a flat rate except for industrial, commercial or other special uses. The Service Charge shall be imposed by the District commencing at the time the Application Fee, Tap Fee, and Inspection Fee are paid and connection to the District's Water Works is complete. The applicant shall have twelve (12) months from the date a tap is issued to complete connection. If a connection is not complete during this time, a new tap application shall be made. In any case, the Service Charge shall be imposed by the District commencing no later than twelve (12) months after a tap is issued regardless of whether or not the connection to the Water Works has been made.

**5.3 CLASSIFICATION OF CUSTOMERS.** For the purposes of levying fair, uniform and reasonable fees and charges, the following classifications and definitions are provided:

a. Living Unit

1. A Single-Family Dwelling: shall be construed as a free standing living unit suitable for occupancy by one or more individuals, comprised of a kitchen, bath and sleeping area.
2. Additional Living Unit: shall be a Single-Family Dwelling with an attached Living Unit having its own Kitchen, Bath, Sleeping area and separate entrance, or each unit in an apartment, duplex, triplex, etc. building.

b. Special Usage: When in the best interest of the District, water service may be provided for non-residential usage.

c. All Other Categories: All other categories of use shown on the fees and charges schedule attached hereto as Appendix A shall be given their customary meanings.

Any controversy concerning definitions of categories shall be resolved by the Board at its sole discretion.

**5.4 TAP FEES.** Tap Fees shall be charged to all Customers of the District for a permit to connect to the Water Works. Such fees are privilege-of-service fees, which shall be assessed and paid before the permit for service is issued. Except as described below, Tap Fees shall be assessed as provided for in Appendix A and as otherwise set forth in these Rules and Regulations. The fees and charges reflected in Appendix A are based upon factors of usage and physical structure and upon the application by the Manager of the District of those factors to the facts and circumstances surrounding the application. Revised Tap Fees adopted by the District will become a part of these Rules and Regulations. The Manager shall maintain a list of persons desiring a tap. The name of such parties shall be added to the list in the order received, with In-District requests being honored first, provided a tap is available.

**5.5 TRANSFER OF TAP FEES.** No Tap Fee paid on behalf of one property, or any portion thereof, may be transferred to any other property.

**5.6 AVAILABILITY CHARGE.** The District reserves the right to assess a monthly availability charge against each platted lot within the District at such time as service is available within one hundred feet (100') of the property line, but no connection to such line or lines has been made. Such charge shall be discontinued upon connection to the system, at which time Service Charges will commence.

**5.7 READINESS TO SERVE FEE.** A fee charged by the District during a period of time water service is shut off, at the Customer's request or as required by a violation of these Rules and Regulations, to ensure continued availability of water for future use.

**5.8 INSPECTION FEES.** Water inspection fees are set to cover the actual cost of inspection and records processing for connecting the taps and installing Water Service Lines. Inspection

fees are set administratively by the District Manager, based on actual cost experience. If multiple inspections are required because of poor installation or poor scheduling on the part of the contractor, the District Manager may increase a specific inspection fee to cover the actual cost increase.

**5.9 SERVICE ADMINISTRATION FEE.** A fee imposed by the District upon each lot within the District's boundaries upon transfer of ownership from one Owner to a subsequent Owner. This service administration fee shall be due and payable to the District on the date of a sale, grant or other transfer of the property from one Owner to a subsequent Owner and such fee shall be borne by the selling, granting, or otherwise transferring Owner. Any service administration fee that is not paid in full within fifteen (15) days after the scheduled due date shall be assessed a late fee of not more than one (1%) percent per month pursuant to Section 32-1-1006(1)(d), C.R.S.

The District also has the right to assess to any Customer who is tardy in payment of this fee all legal, court, disconnection, and other costs necessary to or incidental to the collection of said fee.

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

**5.11 PAYMENT OF FEES AND SERVICE CHARGES.** It is the policy of the District to bill all monthly Service Charges in advance. The Customer may pay on a monthly, quarterly (commencing on January 1, April 1, July 1, and October 1) or semi-annual (commencing on January 1 and July 1) basis. There is no penalty for quarterly or semi-annual prepayments. The Customer shall pay to the District within twenty-five (25) days after the date shown on the



statement the full amount of that statement. If payment is not received by the District within the time frame set forth above, a late fee of not more than one (1%) percent per month shall be assessed and added to the billing balance and a penalty of ten (\$10) dollars, not to exceed twenty-five (25%) percent of the amount due pursuant to Section 29-1-1102(3), C.R.S., shall also be assessed to the billing balance. If payment is not received by the District within forty-five (45) days of the date shown on the statement, the Customer's account shall be declared delinquent and in default.

On the forty-fifth (45<sup>th</sup>) day following the date of the monthly billing the eighteen (18) month unpaid period set forth in Section 3.11 shall begin. If the account has not been paid in full by the end of the eighteen (18) month period, the tap shall be lost and not reinstated until the reinstatement fee is paid. The reinstatement fee shall be added to the outstanding balance. Reinstatement of water taps is subject to availability.

Accounts delinquent for at least six (6) months and with a balance of \$150 or more will be certified to the Jefferson County Treasurer for collection at the earliest possible date and in the same manner as property taxes. Legal and administrative costs the District incurred in the process of collection of the past due fees as well as penalties and costs imposed by the County will be added to the total certified amount for collection. A resolution authorizing collection by the County of delinquent accounts will be adopted at a public meeting. A notice of the public meeting at which the resolution will be adopted will be provided to the owners affected by such past due accounts by certified mail.

In addition the District may place a lien against the property or properties to which delinquent accounts apply. Such lien will be certified to the Jefferson County Board of County Commissioners for collection by the County Treasurer in accordance with the laws of Colorado.

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

**5.11.1 Vendors and Vendees Responsibility.** 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 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, unpaid fees and charges shall constitute a first and perpetual lien on and against the property which lien may be foreclosed as prescribed by law.

**5.11.2 Water Restriction Violation.** If a Customer or renter of the Customer violates the rules for water usage during a period of restriction, the Customer may be fined for each violation. Repeated violations may result in revocation of service.

**5.12 FEES FOR FORECLOSURE PROCEEDINGS.** At any time it becomes necessary for the District, following efforts to collect any fee or charge assessed by the District under these Rules and Regulations and/or Colorado law, to initiate foreclosure proceedings as allowed by C.R.S. 32-1-1001(1)(j), the District shall, in each such case, assess a foreclosure fee against the subject property in the amount which the District shall incur as its costs of foreclosure, which fee shall be payable in full upon assessment and shall be included in the amount then being foreclosed. Payment and said foreclosure fee, and any and all other fees outstanding against the subject property, shall be a precondition to either resumption of service to that property or issuance of a tap permit.

## **SECTION 6 - HEARING AND APPEAL PROCEDURES**

**6.1 APPLICATION.** The hearing and appeal procedures established by this Section shall apply to all complaints concerning the interpretation, application or enforcement of the Rules and

Regulations of the District, as they now exist or may hereafter be amended. The hearing and appeal procedures established by this Section shall not apply to the following complaints:

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

**6.2 INITIAL COMPLAINT - RESOLUTION.** Complaints must be presented in writing to the Manager or such representative as may be designated by the District concerning the interpretation, application or enforcement of Rules and Regulations of the District. Upon receipt of a complaint, the Manager or the designated representative, after a full and complete review of the allegations contained in the complaint, shall take such action and/or shall make such determination as may be warranted and shall notify the complainant of the action or determination by mail within twenty (20) days after receipt of the complaint.

**6.3 HEARINGS BEFORE THE BOARD.** In the event the complainant disagrees with the determination of the Manager or the designated representative, the complainant may, within twenty (20) days from the date of the mailing of the determination, file with the District a written request for a hearing before the Board. The request for a hearing shall set forth with specificity the facts or exhibits presented at the formal hearing upon which the complainant intends to rely, and shall contain a brief statement of the complainant's reasons for the complaint. The Manager or the designated representative shall compile a written record consisting of all exhibits or other physical evidence reviewed in making his or her determination, and a copy of the written determination. The Board shall hold a formal hearing on the complaint at the next regularly scheduled meeting held no earlier than twenty (20) days after the filing of the complainant's

request for a hearing. At the hearing, the Manager or the designated representative and the complainant shall be entitled to present all evidence that is, in the Board's view, relevant and material to the dispute, and to examine and cross-examine witnesses. The Board may establish rules and procedures governing the hearing. A record of the hearing shall be maintained.

**6.4 BOARD'S FINDINGS.** Based on the record established, the Board shall issue a written decision concerning the disposition of the dispute presented to it and shall cause notice of the decision to be hand delivered or sent by certified mail to the complainant within twenty (20) days after the hearing. Such decision shall be final and binding upon the District and the complainant and shall constitute the final administrative action of the District.

**6.5 NOTICE.** A complainant shall be given notice of any hearing before the Board by hand delivery or certified mail at least twenty (20) calendar days prior to the date of the hearing, unless the complainant requests or agrees to a hearing in less time. When a complainant is represented by an attorney, notice of any action, finding, determination, decision or order affecting the complainant shall also be served upon the attorney.

**6.6 FINAL DETERMINATION.** The Board's determination shall be final and binding on the Board and no appeal shall lie from the decision of the Board. In the event of any litigation undertaken contrary to this Section, the board shall be entitled to recover its costs and attorney fees.

## SECTION 7 – MISCELLANEOUS

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

**7.2 CONSTRUCTION WITHIN EASEMENTS.** Terms of a specific written and recorded easement supercede these Rules and Regulations.

7.2.1 Prohibition. No structure or facility of any type shall be constructed within, under or over, or which encroach any easement, right-of-way or dedication granted in favor of the District, or public easements, rights-of-way or dedications which benefit the District (collectively referred to in this Section 7.2 as "District Easements"), without the express written consent of the Board.

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

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

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

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


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

**7.5. CALCULATION OF TIME.** In calculating time under these Rules and Regulations, all periods of time shall be calculated based on Business Days. A Business Day means any day other than a Saturday or Sunday or legal holiday.

**7.6. EXCLUSIONS OF PROPERTY FROM THE DISTRICT'S BOUNDARIES.** A person owning land within the boundaries of the District who desires to have its property excluded from the District's boundaries shall (i) pay all costs and expenses suffered or incurred by the District in connection with such exclusion, including but not limited to management, legal, publication and surveying, and (ii) file a formal request for exclusion from the District's boundaries on forms prescribed by the District, accompanied by a deposit for costs and expenses in the amount of \$1,000.00. The Board reserves the right to impose such additional terms and conditions as it deems to be in the best interests of the District

These Rules and Regulations are amended this 11<sup>th</sup> day of May 2010, by the Board of Directors of the Idledale Water and Sanitation District.

By:

  
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Its:

Secretary  
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