

BUFFALO MOUNTAIN METROPOLITAN DISTRICT RULES AND REGULATIONS

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ARTICLE I

100 - GENERAL PROVISIONS

.01 - SCOPE: Except where revised, these Rules and Regulations shall be treated and considered as the continuing and comprehensive regulations governing the operations and functions of the Buffalo Mountain Metropolitan District (“District”), and shall where revised supersede all previous regulations of the District. These Rules and Regulations shall be in addition to, and shall not supersede, the rules and regulations now existing or hereafter adopted of the Joint Sewer Authority (“Joint Authority”), and in the event of a conflict between the rules and regulations of the Joint Authority and the Rules and Regulations of the District, the more restrictive measure shall prevail. The rules and regulations of the Joint Authority are adopted and incorporated herein by this reference together with all amendments and addendums thereto.

.02 - PURPOSE: The purpose of these Rules and Regulations is to provide a comprehensive guide for the administration and operation of all water, sanitation, storm drainage, streets, transportation, and other utility facilities or systems which are owned or operated by the District, including additions, extensions, and connections thereto. Compliance with these Rules and Regulations is the responsibility of all persons utilizing, extending, modifying, or maintaining the District's water, sewer, road, storm drainage and/or transportation systems. Unless specifically undertaken herein, or by operation in specific cases, the District assumes no responsibility to oversee or supervise the activities of others in their accessing or use of the District's systems.

.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 Buffalo Mountain Metropolitan District.

.04 - ADOPTION, AMENDMENT AND INTERPRETATION: These Rules and Regulations are adopted and subject to later amendment by action of the Board of Directors of the District. These Rules and Regulations are subject to change without notice. The Board of Directors may from time to time enlarge upon, delete, change or amend these Rules and Regulations at any time, at a regular, continued, or specially called meeting of the Board.

Whether stated in the body of this document or not, amendments which are declared in the minutes of the meetings of the 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. Where these Rules and Regulations call for a determination by the Board as to their application or operation, or where additional action is necessary (i.e., the adoption of specific controls and guidelines) the Board shall do so by resolution at a regular or special meeting, and such resolution shall be made a part of the District's records and by its adoption shall be made a part hereof whether incorporated into the body hereof or not. Any such update or change will be published as amended on the District website.

Any dispute as to the interpretation of these Rules and Regulations or as to their application in any given case shall be submitted to the Board of Directors and their decision shall be final. The Manager shall have the authority to make interim decisions on matters not covered by these Rules and Regulations. Such interim decisions shall be binding until ratified or altered by the Board of Directors.

Any person violating any of the provisions of these Rules and Regulations or those of the Joint Authority shall become liable to the District for any expense, loss or damage occasioned by reason of such violation, including, but not limited to, attorneys' fees and costs should they be incurred, 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. All such expenses and amounts so assessed shall be deemed a charge of the District and may be enforced by means of a perpetual lien against the property served, which may be foreclosed in accordance with the provisions of these Rules and Regulations and Colorado law.

.05 - NO RIGHTS CONFERRED: 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.

.06 - DESIGN CRITERIA, STANDARDS AND SPECIFICATIONS: All facilities built for the District shall conform to the design criteria, standards and specifications established by the District and the Joint Authority.

.07 - MISCELLANEOUS:

a. **Gender:** Whenever required by the context, the singular shall include the plural, the plural the singular, and one gender shall include all genders.

b. **Severability:** The invalidity or unenforceability of any particular provision, sentence, phrase or word of these Rules and Regulations shall not affect the other provisions herein, and these Rules and Regulations shall be construed in all respects as if such invalid or unenforceable provision sentence, phrase or word were omitted.

c. **Headings for Convenience Only:** The headings used herein are for convenience only and in no way expand or contract the meaning or scope of any section.

ARTICLE II

200 - DEFINITIONS

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

.01 - **ACTIVATE**: To actually put a sewer or water Connection to use, or to put it in such a state as to be capable of being put to use.

.02 - **ACTUAL COST**: All direct costs applicable to the construction of a given Main, Service line, or other facility including construction, engineering, inspection, plan approval fees, etc. which have been paid by the District, Constructor, Contractor, User or Customer in question. Actual Costs shall include, but not be limited to, the cost of acquiring rights-of-way, easements, valves, fire hydrants, wiring and any other appurtenances of the mains, service lines or facilities.

.03 - **AWWA**: American Water Works Association.

.04 - **BACKFLOW**: Back-flow means the reversal of the normal flow of water caused by either back-pressure or back-siphonage.

.05 - **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.

.06 - **COMMERCIAL**: Business and retail units, including but not limited to schools, hotels, motels, trailer parks, stores, churches, laundries, and hospitals.

.07 - **CONNECTION**: The connecting of a Service Line from the structure which it is to serve to a Main or stub-out from a Main.

.08 - **CONNECTION FEE**: The fee paid to the District to cover the cost of the water meter and reader, plus ten percent (10%).

.09 - **CONSTRUCTOR**: The land owner(s), Developer(s), subdivider(s), or agency(ies) actually paying for the construction of drainage facilities or Mains.

.10 - **CONTRACTOR**: Any person, firm or corporation authorized by the District to perform work and to furnish materials within the District.

10.a. **CURB STOPS** - Water service valves are commonly referred to as curb stops, curb valves or CS valves. These valves are located on the incoming private water service line, outside the building, and are usually within 3' of the property line. Every property is required to have a curb stop valve. This valve is needed if there is an issue or emergency inside the building, or if the water cannot be controlled inside, or if there is a service line leak between the valve and the building.

.11 - **CUSTOMER**: Any person, organization, partnership, company, limited liability company, corporation, or governmental authority or agency authorized by the District to use the District's water, sewer, storm drainage, recreation, or transportation systems.

.12 - **DELETERIOUS WASTES:** Any wastes contained in special or prohibited sewage that would be harmful to the District's sewer Mains or to the sewage treatment works to which the Mains connect.

.13 - **DEVELOPER:** Any person who owns land and seeks to have the land served by the District.

.14 - **DISTRICT:** The Buffalo Mountain Metropolitan District, Summit County, Colorado.

.15 - **DISTRICT ENGINEER:** That person who has been designated by the Board to do engineering work for the District.

.16 - **DISTRICT MANAGER OR MANAGER:** The person or entity who has been designated by the Board to provide management and/or administrative services for the District, as the same may be defined by the Board. The Manager may designate representatives to carry out the management and/or administrative services defined by the Board.

.17 - **DUPLEX:** A two-unit residential structure.

.18 - **EQR:** The unit of measurement used by the District to define the capacity in the District's Sewage System and Water Works, and that portion of said capacity reserved unto a Customer through the payment of a Systems Development Fee.

.19 - **EMERGENCY REPAIR:** Any occurrence, condition or system failure that requires immediate action by the District, as determined by the District in its sole discretion.

.20 - **FEE SCHEDULE:** The schedule of fees, rates and charges on file in the District's office, as it may be amended from time to time. The Fee Schedule may be a separate document or incorporated into the latest "Application for Water and Sewer Service."

.21 - **INDUSTRIAL WASTES:** The wastes from industrial processes as distinct from sanitary sewage.

.22 - **IRRIGATION TAP:** The right to make a connection of a water Service Line to a water Main for the sole purpose of providing irrigation service to a property.

.23 - **JOINT AUTHORITY:** The Joint Sewer Authority.

.24 - (Left Blank For Future Use.)

.25 - **MAINS:** Any pipe, piping or system of piping owned by the District and located in County or District roads or road rights of way, or in easements owned by the District, and used as a conduit in the District's water or sewage system.

.26 - (Left Blank For Future Use.)

.27 - **MAY:** is permissive, **SHALL** is mandatory.

.28 - **MULTI-FAMILY CONNECTION:** One connection serving more than two units.

.29 - **PERMIT:** Written or verbal permission of the Board of Directors or its authorized representative to connect or otherwise use or deal with a Utility Facility or other property of the District and pursuant to the Rules and Regulations of the District.

.30 - **PERSON:** Any individual, firm, company, limited liability company, society, corporation, association, partnership, group, or governmental unit other than the District.

.31 - **PRETREATMENT FACILITIES:** Structures, devices or equipment used for the purpose of removing the deleterious wastes from special sewage before it enters a District sewer Main or any facilities directly or indirectly connected to the Joint Authority's system.

.32 - **PRIVATE HYDRANT:** A fire hydrant served by a private service Line.

.32.a. – **PRIVATE SERVICE LINE:** Any branch or lateral line that services private property and which is owned by the property owner and not the District. Examples include all private home or HOA water or sewer service lines, private HOA water mains and hydrants, etc

.33 - **PUBLIC HYDRANT:** A fire hydrant owned by the District and served by a District Main.

.34 - (Left Blank For Future Use.)

.35 - **RESIDENTIAL:** Living units, including but not limited to single and multi-family units and rooming houses.

.36 - **SERVICE LINE:** Any line, pipe, conduit, system of lines or piping, and appurtenances, including, without limitation, all portions of any corporation stop, curb stop, valve box, box and/or meter, including the connection to the main used as a conduit for sewage or water service between a building (or, undeveloped lot or parcel) and a District sewer Main or water Main, including as part thereof any of the same lying within road rights of way and/or beneath road improvements.

.37 - **SEWAGE:** Organic or inorganic material in suspension or solution originating from within residential, commercial, public use or industrial buildings.

.38 - **SEWAGE SYSTEM:** All facilities owned by the District and used for collecting, treating, and disposition of sewage. As appropriate, and as the context indicates, the sewage system may include facilities relating to drainage.

.39 - **SEWER TAP:** The right to make a Connection of a sewer Service Line to a sewer Main.

.40 - **SHALL** is mandatory; **MAY** is permissive.

.41 - **SYSTEMS DEVELOPMENT FEE:** The payment to the District of a fee for the privilege of connecting to the District's water and sewer systems, and to use the other programs, services and facilities furnished by the District.

.42 - **TAP:** A right to connect a water or sewer Service Line to the Main or stub-out.

.43 - **UNIT:** A dwelling having at least one bath and one kitchen facility. All buildings shall be charged on the basis of equivalent residential units (EQRs) according to a schedule established by the Joint Authority. If the use of an existing building is changed, and the new use requires additional sewer capacity, then additional Taps must be purchased. The number of Taps required will be based on the schedule established by the Joint Authority. On a case-by-case basis, District,

based on consultation with or the standards of the Joint Authority, shall have sole discretion and power to define the terms “bathroom” and “kitchen facility”.

.44 - **USER:** Any person to whom water, sewer and/or other service is provided, be it renter, record owner, or other person.

.45 - **UTILITY FACILITY:** The entire network of plants, buildings, equipment, Mains, and their appurtenances owned by the District in the provision of water, sewer, or drainage services, now or hereafter acquired.

.46 - **WATER TAP:** The right to make a connection of a water Service Line to a water Main.

.47 - **WATER WORKS:** All facilities owned by the District for transporting or distributing, storing, pumping, treating, or metering water.

ARTICLE III

300 - OPERATION OF THE BOARD OF DIRECTORS AND AGENTS

.01 - OFFICES:

- a. **Principal Office:** The principal office of the District may be located as designated by the Board of Directors.

.02 - BOARD OF DIRECTORS:

- a. **Number, Qualifications:** Except as otherwise provided in the Colorado Revised Statutes, and except as properly delegated to others, the business and affairs of the District shall be managed by a Board of Directors consisting of five (5) members. Each Director shall be elected pursuant to Colorado law or, in the event a vacancy occurs, shall be appointed by the remaining members of the Board of Directors as provided in §32-1-905(2), C.R.S.

- b. **Performance of Duties:** Pursuant to the provisions of the Colorado Revised Statutes, a Director shall perform his duties as a Director, including his duties as a member of any committee of the Board upon which he may serve, in good faith, in fulfillment of his oath of office, in a manner he reasonably believes to be in the best interests of the District, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.

- c. **Vacancies:** Any vacancy in the Board shall be determined and filled in accord with §32-1-905, C.R.S.

- d. **Recall:** Any Director may be recalled pursuant to §§32-1-906 and 32-1-907, C.R.S.

.03 - MEETINGS OF THE BOARD:

- a. **Place of Meetings:** The regular or special meetings of the Board, or any committee designated by the Board, shall be held at the principal office of the District or at any other place that a majority of the Board of Directors, or any such committee as the case may be, may designate from time to time by resolution. All official business of the Board shall be conducted only during regular, continued, or special meetings at which a quorum is present, following notice as required by statute. All such meetings may also be held via on-line video or phone teleconferencing where all participants can hear and be heard.

- b. **Regular Meetings:** The Board shall meet regularly on the third Tuesday of each month.

- c. **Notice of Regular Meetings:** Notice of the regular meetings of the Board or any committee designated by the Board shall be given pursuant to §32-1-903, C.R.S. and §24-6-402, C.R.S. as applicable to the District. Such notices shall be changed in the event the time or place of the regular meeting is changed.

- d. **Special Meetings and Notice of Special Meetings:** Special meetings of the Board of Directors, or any committee designated by the Board, may be held as often as the needs of the District require, upon notice to each Director pursuant to §32-1-903(2), C.R.S. Special meetings may be called by any Director by informing the other Directors of the date, time and place of such special meeting, and the purpose for which it is called, and by posting notice as provided in §32-1-903, C.R.S.

- e. **Quorum and Conflict of Interest:** At meetings of the Board of Directors, a majority of the number of Directors serving on the Board of the District or a majority of the members of any such committee, as the case may be, shall

be necessary to constitute a quorum for the transaction of business. Attendance may be made via telephone or video conference as long as the Director or Directors so attending are able to hear and be heard. If a quorum is present, the act of the majority of Directors in attendance shall be the act of the Board of Directors, unless the act of a greater number is required by the Colorado Revised Statutes.

1) If at any meeting at which a quorum is present, one or more members of the Board abstain or believe they should abstain from voting on an issue because of a potential conflict of interest, then the presence of the member or members shall not be counted for purposes of determining whether there continues to be a quorum at the meeting. Should the application of this rule result in a failure of the quorum for purposes of the meeting, the issue in question shall be tabled until such time as the member or members are able to qualify themselves to act, but the meeting shall continue for purposes of considering such other matters as may properly come before the Board.

2) Any one Director may bring the lack of a quorum under this rule to the attention of the Board.

3) If, at any duly called regular or special meeting a quorum is not present, then the Director or Directors present may, by a voice-vote, continue the meeting to another time and place and shall, if the meeting is to be continued, notify the other Directors of such continuance, and shall post notice of such continuance prominently at the place the meeting was to occur so that anyone who might have attended the meeting will see it.

f. **Agenda:** The District Manager shall prepare an agenda for each meeting, but said agenda shall not preclude the Board from the consideration of such other matters as may properly come before the Board.

g. **Public Meetings and Public Hearings:** All regular, continued and special meetings or hearings of the Board shall be public meetings. All members of the public will be asked to sign into the meeting by providing their full name and property address, however registration will not be mandatory. The Board shall provide a period not to exceed thirty (30) minutes at the beginning of the agenda for public comment. Each speaker may take up to five (5) minutes to make his or her comments. This time constraint may be modified by the Board President in his discretion. Speakers will be advised when they have one minute remaining. This is the time for the public to express their views in order to inform the Board of Directors on issues of interest or concern. The Board will not engage in dialogue during this comment period but may instead refer specific policy questions to District staff or Counsel for investigation or response at a later date. No action shall be taken during the public comment portion of the meeting on issues raised unless deemed to be an emergency by the Board.

h. **Continuances:** Any meeting, whether regular or special, and any public hearing which is a part of any regular or special meeting, may be continued to another time and/or place at the discretion and upon a majority vote of the Board members present at the meeting. Meetings, and public hearings to be held during such meetings may also be continued, in advance of the meeting to be held, by the District Manager upon the verbal consent of a majority of the Board, and upon the posting of a notice of such continuance prominently at the place at which the meeting to be continued was to be held, so that persons who might have attended the meeting will see it.

i. **Executive Sessions:** The board may from time to time call executive sessions of the Board as allowed by Colorado law.

.04 - OFFICERS AND AGENTS:

a. **General:** The executive officers of the District shall be elected by the Board of Directors at the first meeting of the Board held after each election. If the election of officers shall not be held at such meeting, such election shall take place as soon thereafter as a meeting may conveniently be held. The officers of the District shall consist at a minimum of a president and chairman of the Board, a secretary and a treasurer, or a secretary/treasurer. The secretary need not be a member of the Board of Directors. All members of the Board not the president, vice-president or secretary or secretary/treasurer shall be, automatically, assistant-secretary.

Two or more offices may be held by the same person except that one person shall not at the same time hold the offices of president and secretary. Officers shall hold office until their successors are chosen and have qualified, unless they are sooner removed from office as provided in these Rules and Regulations or until their death or until they shall resign from the office or from the Board or until they cease being qualified to be a member of the Board pursuant to §32-1-905(1), C.R.S.

b. **General Duties:** All officers, the District Manager, and all agents of the District, as between themselves and the District, shall have such authority and shall perform such duties in the management of the District as may be provided in these Rules and Regulations or as may be determined by resolution of the Board of Directors not inconsistent with these Rules and Regulations.

c. **Vacancies:** When a vacancy occurs in one of the executive offices by reason of death, resignation or otherwise, it shall be filled in accordance with the provisions of §32-1-905, C.R.S.

d. **Salaries:** The compensation of the Board and the salaries of other agents and employees of the District may be fixed by the Board of Directors, or by any committee designated by the Board or by an officer to whom that function has been delegated by the Board, provided that such function shall only be dele-gated by the Board only if the Board provides adequate standards to guide the actions of the delegatee. No Director shall receive compensation from the District in any form, directly or indirectly, that is in excess of that allowed by §32-1-902(3), C.R.S.

e. **Removal:** Any officer or agent may be removed by the Board whenever in its judgment the best interests of the District may be served thereby, but removal from office of a member of the Board shall not otherwise change the status of the Board member.

f. **President:** The president, if present, shall preside as chairman at meetings of the Board of Directors. He or she shall, in addition, have such other duties as the Board may prescribe.

g. **Secretary:** The secretary shall keep or cause to be kept in books provided for that purpose the minutes of the meetings of the Board of Directors; shall see that all notices are duly given as required by law; shall be custodian of the records and of the seal of the District and, where required, shall see that the seal is affixed to all documents; shall be familiar with and shall attest to the authenticity of the signature of the president and other officers when necessary or desirable, and, in general, shall perform all duties incident to the office of secretary and such other duties as may, from time to time, be assigned by the Board or by the president. In the absence of the secretary or his or her inability to act, any assistant secretary shall act with the same powers and shall be subject to the same restrictions as are applicable to the secretary.

h. **Treasurer:** The treasurer is the custodian of District funds and accounts. The treasurer shall keep or cause the keeping of full and accurate accounts of receipts and disbursements and shall deposit or cause to be deposited all District monies and other valuable effects in the name and to the credit of the District in the depository or depositories of the District as selected by the Board, and shall render or cause to be rendered an accounting of all transactions as treasurer, and of the financial condition of the District, to the president and/or the Board upon request. Such power given to the treasurer to deposit and disburse funds shall not, however, preclude any other officer or employee of the District from also depositing

and disbursing funds when authorized to do so by the Board. The treasurer shall have such other powers and perform such other duties as may be from time to time prescribed by the Board or the president.

Regardless of any instructions from anyone to the contrary, the treasurer shall cause the funds of the District to be placed only in investments authorized or allowed by the Colorado Revised Statutes, including but not limited to, §24-7.5-601, C.R.S. and related statutes.

i. **Delegation of Duties:** Whenever an officer is absent, or whenever for any reason the Board of Directors may deem it desirable, the Board may delegate the powers and duties of an officer to any other officer or officers or to any Director or Directors.

.05 - SEAL:

a. **Seal:** The District has selected a seal, and may cause one or more seal-imprinting devices to be maintained by the District or its delegates.

b. **Custody:** The secretary shall see to the custody of the seal and may delegate such custody to others including, but not limited to, the Manager or the attorneys for the District.

.06 - MANAGER'S MONTHLY REPORTS: At each meeting of the Board, the District Manager shall present to the Board for review and approval:

a. **Past Expenditure Report:** A detailed written report for review and ratification as to all expenditures by the District Manager on behalf of the District for the time period between the meeting in question and the last previous meeting of the Board, including comparisons with previous time periods; and

b. **Future Expenditure Report:** The annual budget shall serve as a written report as to all expected expenditures for the time period between the meeting in question and the next meeting of the Board; and

c. **General Report:** A short written report on incidents and matters that may be of interest to the Board; and

d. **Other Reports:** As may be required from time to time by the Board.

ARTICLE IV

400 - OWNERSHIP AND OPERATION OF UTILITY FACILITIES, POWERS OF AGENTS

.01 - POLICY: The District is empowered and shall endeavor to distribute water for domestic use within the District, and to maintain, repair and replace the Utility Facility in a sound and economical manner, in accordance with these Rules and Regulations and those of the County of Summit and the State of Colorado, but shall not be liable or responsible for inadequate pressure or interruption of service brought about by circumstances beyond its control.

The District is empowered and shall endeavor to operate and maintain the Sewage System in a sound and economical manner, in accordance with these Rules and Regulations and those of the Joint Authority, County of Summit, and State of Colorado, but shall not be liable or responsible for interruption of service brought about by circumstances beyond its control.

The District may, as conditions and financial ability permit, repair and maintain roads and roadways within the District, including snow plowing and sanding.

The District may, as conditions and financial ability permit, provide public transportation services, drainage services and irrigation water services within its boundaries.

The District may, as conditions and financial resources permit, repair and maintain pathways within the District.

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 or may be exceeded by demand or when such service is prohibited by a governmental entity with proper authority to make such a prohibition.

Prior to the construction of any facility which is intended to be submitted for acceptance by the District, and to be owned and/or operated and/or maintained thereby, complete, detailed, and reproducible construction drawings acceptable to the District shall be submitted to the Manager for approval, together with such other supporting documentation as may be required by the District. No facility will be accepted by the District if not constructed, installed, and/or provided in the manner set forth in these Rules and Regulations as the same may be amended from time to time.

.02 - LIABILITY: The liability of the District shall be limited as provided in the Colorado Governmental Immunity Act, as the same may be amended from time to time. The Customer, by the acceptance of service from the District, enters into a contract in which the Customer agrees and expressly stipulates that service is provided by the District on condition that no claim for damage shall be made against the District by reason of the following: breaking of any Service Line or Main, pipe, cock, valve, wire, 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 extensions; damage caused by water running or escaping from open or defective faucets; burst Service Lines or other facilities not owned by the District; damage to water heaters, boilers, or other appliances resulting from shutting water off, or from turning it on, or from inadequate or sporadic pressures; or from doing anything to the water system of the District deemed necessary by the Board of Directors or its agents; blockage in the Sewage System causing the backup of effluent; damage caused by "smoking" of Mains to determine drainage connections to District Mains; breakage of Service Lines or Mains by District personnel; or for interruption of water, sewer, or other service and the conditions resulting therefrom where said interruption of service is brought about by request of Customer, by action of the District where said action was deemed by the District to be necessary, or by circumstances beyond the District's control.

The District hereby reserves the right to cut off the domestic water supply or disconnect the sewer service or other service at any time, 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 RESPONSIBILITY: All existing and future water, storm sewer, and/or sewer Mains and Sewage System and Water Works connected with and forming an integral part of the Utility Facility, as provided herein, shall become and are the property of the District. Said ownership shall exist whether the water, storm sewer or sanitary sewer Mains and facilities are constructed, financed, paid for, or otherwise acquired by the District, or dedicated to the District by other persons. The District shall have no liability associated with any facility not owned by the District.

a. Water Service Lines: 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 Main (including the connection to the main, all piping, fittings and shut off valves as well as all portions located within road rights of way and/or beneath road improvements) and Private Hydrants, shall become and are the sole property and responsibility of the property owner. Said ownership shall exist whether the Service Lines or Private Hydrants are constructed, financed, paid for, or otherwise installed by the District or by other persons and then transferred to the property owner.

b. Sewer Service Lines: That portion of all existing and future sewer Service Lines extending from the Main (including that portion located within road rights of way and/or beneath road improvements) 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 AGENTS: The Manager or any duly authorized employee of the Manager or the District, bearing proper credentials and identification, shall be permitted to enter upon all properties for the purpose of repairs, inspection, observation, measurement, sampling, and testing, or any other reasonable purpose in accordance with the provisions of these Rules and Regulations.

Except to the extent specifically authorized by the Board, no such agent or employee shall have any authority to bind the District in any manner, commit to do anything on behalf of the District, admit to any negligence, failure or indiscretion on the part of the District, or in any manner speak for and on behalf of the District.

ARTICLE V

500 - WATER SYSTEM

.01 - EXCAVATION OR DISTURBANCE OF MAINS: No unauthorized person shall uncover, make any connection with, or opening into, use, alter, or disturb any water Main or appurtenances without first obtaining a Permit from the District.

.02 - PURCHASE OF TAPS: Connection size and service facilities must be sufficient to adequately serve the building or use, as determined by the District; however, the District shall incur no liability for an erroneous determination and shall retain the right to collect proper fees even in the event of an erroneous determination. It is the responsibility of the future developer or development engineer for the property to provide size requirements for private mains, private services, meters and curb stop valves serving the property.

.03 - RESPONSIBILITIES OF THE CUSTOMER:

a. **Repair of Service Lines:** Each Customer shall be responsible for maintaining the entire length of his/her water Service Line which includes the connection to the Main, curb valve and box, shut-off valve, meter and any portion of the Service Line lying within road rights of way and/or beneath road improvements. Leaks or breaks in the Service Line, curb valve and box, shut-off valve, or meter requires water service to be shut-off by the Customer immediately. Repair plans must be made within twenty-four (24) hours from the time of notification of such conditions by the District. If satisfactory progress toward repairing the said leak has not been accomplished within such time period, the District shall shut off the service until the leaks or breaks have been repaired, or the District in its discretion may proceed to repair the leak or break and charge the full cost therefor, plus ten percent (10%), to the Customer, which cost shall be a charge of the District and be enforceable by a perpetual lien against the property of such Customer to secure payment of such cost. In the event that the District performs an emergency repair to a Service Line, the District shall charge the owner for the cost of such emergency repair, plus ten percent (10%), and shall have and may enforce a perpetual lien against the property served for such charge as provided in these Rules and Regulations and Colorado law. If the District is unable to determine, in its sole and absolute discretion, whether a leak, break, failure or other condition exists within a Main or within a Service Line, the District shall be authorized to immediately perform an Emergency Repair. In the event that the District is unable to determine whether the leak, break, failure or other condition exists within a Main or Service Line, the twenty-four (24) hour notice requirement of this Section 500.03.a. shall not apply, and the District shall be authorized to complete the Emergency Repair. To the extent that all or any portion of such Emergency Repair is performed on a Customer's Service Line, the District may proceed to charge and collect that portion of the cost of the Emergency Repair properly allocated to the Service Line from the Customer, which cost shall be a charge of the District and be enforceable by the perpetual lien against the property of such Customer to secure payment of such cost.

b. **Pressure Variations:** Customers have the duty to keep advised of varying pressures and conditions of service so as to properly protect their persons and property from injury by water furnished through the District's facilities.

c. **Stale Water:** No waste-water drain in the shut-off at the curb box or at the Main is allowed. Any water standing in the Service Line or pipes within a unit when water is turned off at the meter shut-off or Main will remain there. Stop or waste valves are not permitted in the District. The District is not responsible for the water quality of any such standing water after such turn-off. Property owners are responsible for water quality within the building and/or property

d. **Pressure Safety Devices:** All persons having boilers 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 appliances to protect themselves and their property against a stoppage of water supply or loss of pressure.

e. **Pressure Reducing Valves for Units Connected to Mains with Pressures Over 80 PSI:** Where water pressure in the Main is over 80 PSI, the District recommends pressure reducing valves be installed with respect to all Service Lines to be connected to such Main. Such pressure reducing valves shall be installed at the Customer's expense. Maintenance of these devices as well as protecting from thermal expansion is the Customer's responsibility. The District is not responsible or liable for thermal expansion issues inside private facilities.. Pressure reducing valve installation shall be as follows: SERVICE LINE - ON/OFF VALVE - PRESSURE REDUCING VALVE - METER - ON/OFF VALVE. All internal customer plumbing shall be installed in accordance with International Plumbing Code and Summit County Building Code standards.

f. **Underground Irrigation Systems:** All buried underground irrigation systems (sprinkler systems), including but not limited to, residential, commercial, industrial, and government systems, shall have approved reduced pressure (RP) back-flow prevention devices installed in accordance with County and Colorado Department of Public Health and Environment (CDPHE) requirements.

g. **Customer Meter & Meter Transmission Unit (MTU) Location:** The District shall, as a condition to the provision of service, have access to each property and Unit served for the purpose of exercising its authority under these Rules and Regulations. The Customer shall furnish a warm, accessible meter & Meter Transmission Unit (MTU) location, usually in the basement or a closet or compartment near the point where the water Service Line enters the building. All water meters are to be located inside a structure and shall always be accessible for District personnel to inspect.

h. **Defective Meters:** It shall be the duty of each Customer to notify the District office if his or her water meter(s) are operating defectively. The District will also monitor functionality through the Automatic Meter Reading (AMR) system. 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 at any time and to repair or replace the defective meter at Customer's expense. The District shall have the right of access to install, inspect, repair, replace or otherwise maintain the meters. If the District has reason to believe that a water meter is not functioning properly, it may proceed to repair or replace the meter, whether or not the Customer has received notice that the meter is defective. The District shall research and share warranty options with the customer on all defective meters if any exists. The judgment of the District in these matters shall be final and binding (see Section 500.08 for installation requirements).

i. **Aging & Defective Service Infrastructure:** If the Customer experiences more than three (3) service line breaks or failed water service infrastructure in a calendar year, customer must meet with the District to discuss a service replacement plan and replace the defective infrastructure within four (4) years from the date of the third service failure.

.04 - CUSTOMER TO PROVIDE HYDRANTS: Customers shall provide Private Hydrants on private property as required by their building plans after approval by Summit County and the Lake Dillon Fire Authority. Only WATEROUS FIRE HYDRANTS are authorized in the District. As-built plans for all Private Hydrants and their Service Lines shall be provided by the Customer to the District. Private Hydrants shall be located in areas free from structures and debris with a seven foot (7') radius above ground and there shall be no shallow utilities within ten feet (10') below ground. . Protective bollards may be required by the District if located near any parking areas.

.05 - HYDRANT MAINTENANCE: All Private Hydrants and their supply lines should be inspected by qualified personnel on an annual basis and properly maintained. Customer shall provide copies of all such maintenance records to the District on an annual basis, but no later than October 15th. The District shall have the authority, but not the obligation, to test and maintain all Private Hydrants in the District in public rights-of-way and on private property. The District shall have the right to enter upon and use a reasonable part of the Customer's property to locate, survey, reconstruct, operate, use, maintain, repair, replace and/or remove the Private Hydrant and lines supplying the same and to remove objects interfering therewith at the expense of the property owner.

Testing and maintenance of Private Hydrants will be at the expense of the private hydrant owner. Repair and maintenance of Service Lines including restoration of backfill and surface area to its condition prior to repair shall be at the expense of the Customer. Except in an emergency, it shall be the policy of the District to provide the owner of a Private Hydrant at least 24 hours notice prior to the initiation of any activities involving Private Hydrants and to give the owner the opportunity to take such action itself within the same time period as it would have taken the District to perform the activity. Failure to conform to such policy shall not relieve the owner of any responsibility that it may otherwise have under these Rules and Regulations. In the event that the District performs any of the activities or performs an emergency repair to a Private Hydrant or Service Line, the District shall charge the owner for the cost of such activity or emergency repair, plus ten percent (10%), and shall have and may enforce a perpetual lien against the property served for such charge as provided in these Rules and Regulations and Colorado law.

All excavations required for the installation of Public or Private Hydrants and their Mains and Service Lines shall be open-trench work unless otherwise approved by the District. Trenching, pipe laying and compacted backfill shall be performed in accordance with the Board's standard specifications and the specifications of Summit County and performed strictly in conformance with any applicable state or federal law or regulation, including OSHA regulations. Compliance with these laws and regulations is the sole responsibility of the Contractor, Constructor, User and/or Customer in question, and the District does not, by adopting these regulations, undertake any obligation to supervise or enforce compliance therewith.

Concrete kickblocks and thrust blocks shall be sized for the internal static water pressure plus internal transient pressures and the soil bearing capacity. The internal static water pressure shall be rated for 150 pounds per square inch minimum. The thrust blocks shall be of Class "B" concrete or of a pre-measured, sacked industrial mix.

Upon completion of Private Hydrant installation, repair, or substantial modification, the Private Hydrant owner must provide to the District as-built plans reviewed by the District showing all hydrant and Service Line locations and other facilities. As-Built plans shall be in the form of AutoCad, PDF or compatible with ESRI GIS.

.06 - PROTECTION FROM DAMAGE: No person shall maliciously, willfully, or negligently break, damage, destroy, deface uncover, 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 may take all necessary steps to insure that said person shall be subject to criminal prosecution to the fullest extent of Colorado law. The District may, in addition, bring a civil action for trespass, conversion, destruction of property, and punitive damages.

.07 - DISTRICT OWNERSHIP OF METERS: Water meters with meter transmission units (MTU's) are required. The cost of water meters, including MTU's, shall be paid by the Customer in addition to the Systems Development Fee.

The cost of each meter shall be the actual cost paid by the District to its supplier, plus ten percent (10%) to cover the cost of transportation, storage, etc. The District has the authority to inspect all system water meters at any time.

.08 - INSTALLATION OF METERS: Installation of the meter shall be performed in a workmanlike manner according to District standards, at the Customer's cost and with work performed by a licensed plumber hired by the Customer. The MTU will be installed by the District once a new meter has been installed or repaired.

Immediately upon installation, the District shall own the meter and MTU. The Customer shall pay for repair and/or replacement; and for damage that results from abuses or neglect by the Customer, the Customer shall pay the costs, plus 10%, of repairing and/or replacing the meter or MTU.

After installation, no Customer shall tamper with, open, repair or replace any meter without first notifying the District.

No water meter shall be installed of a size less than three-quarters of an inch in diameter. All water meters shall have a shut-off valve on both sides of the meter to facilitate meter removal and service.

.09 - MULTI-FAMILY METERS: In the discretion of the District, water service may be provided by either individual meter per Unit or by a master meter. However, a curb box and shut-off valve must be provided for each meter. A master meter may only be used if the Customer's homeowners' association bylaws specify to the satisfaction of the District that the association is responsible for payment of water and sewer service bills. A master meter must be a compound type meter capable of reading minimum water flows, and with specifications approved by the District if the water Service Line is two inches in diameter or larger.

.10 - DISTRICT PERSONNEL TO CONNECT: The Manager or employees or authorized agents of the District or Manager are the sole persons authorized to make Connections on the water Mains and District sewer Mains.

.11 - CROSS-CONNECTION AND BACKFLOW PREVENTION:

1. **Purpose** - The purpose of this program is to protect the District's water system from contaminants or pollutants that could enter the distribution system by backflow from a Customer's water supply system through the service connection.

2. **Authority** - The authority to implement this program is contained in the following statute, legislation, regulations and acts:

- a. Colorado Revised Statutes (CRS) §§25-1-114 and 114.1
- b. Section 39 of 5 CCR 1002-11, Colorado Primary Drinking Water Regulations
- c. Colorado Plumbing Code

The District shall have the authority to survey all service connections within the distribution system to determine if uncontrolled cross-connections exist.

The District shall have the authority to control all service connections within the distribution system.

If the building or property is protected by a Reduced Pressure Backflow assembly, then a further downstream survey is not necessary.

The District may collect fees for the administration of this program. The District shall maintain records of cross-connection surveys and the installation, testing and repair of all backflow prevention assemblies installed for containment and containment by isolation purposes.

Except as otherwise provided herein, the District shall administer, implement and enforce the provisions of this program.

3. **Applicability** - This program applies to all commercial, industrial and multi-family residential service connections within the District and to any persons outside the District who are, by contract or agreement with the District, users of the District's public water system. This program does not apply to single-family-residential service connections unless the District becomes aware of a cross connection at the single family connection. Examples include, but are not limited to, fire suppression systems and hot tubs with permeate plumbing.

4. **Definitions**

a. "ACTIVE DATE" means the first day that a backflow prevention assembly or backflow prevention method is used to control a cross-connection in each calendar year.

b. "AIR GAP" is a physical separation between the free flowing discharge end of a potable water supply pipeline and an open or non-pressure receiving vessel installed in accordance with standard ASME A112.1.2.

c. "BACKFLOW" means the undesirable reversal of flow of water or mixtures of water and other liquids, gases or other substances into the District's distribution system from any source or sources other than its intended source.

d. "BACKFLOW CONTAMINATION EVENT" means backflow into the District's water system from an uncontrolled cross connection such that the water quality no longer meets the Colorado Primary Drinking Water Regulations or presents an immediate health and/or safety risk to the public.

e. "BACKFLOW PREVENTION ASSEMBLY" means any mechanical assembly installed at a water service line or at a plumbing fixture to prevent a backflow contamination event, provided that the mechanical assembly is appropriate for the identified contaminant at the cross connection and is an in-line field-testable assembly.

f. "BACKFLOW PREVENTION METHOD" means any method and/or non-testable device installed at a water service line or at a plumbing fixture to prevent a backflow contamination event, provided that the method or non-testable device is appropriate for the identified contaminant at the cross connection.

g. "CERTIFIED CROSS-CONNECTION CONTROL TECHNICIAN" means a person who possesses a valid Backflow Prevention Assembly Tester certification from one of the following approved organizations: American Society of Sanitary Engineering (ASSE) or the American Backflow Prevention Association (ABPA). If a certification has expired, the certification is invalid and the technician is not qualified.

h. "CONTAINMENT" means the installation of a backflow prevention assembly or a backflow prevention method at any connection to the District's public water system that supplies an auxiliary water system, location, facility, or area such that backflow from a cross connection into the District's water system is prevented.

i. "CONTAINMENT BY ISOLATION" means the installation of backflow prevention assemblies or backflow prevention methods at all cross connections identified within a customer's water system such that backflow from a cross connection into the District's water system is prevented.

j. "CONTROLLED" means having a properly installed, maintained, and tested or inspected backflow prevention assembly or backflow prevention method that prevents backflow through a cross connection.

k. "CROSS CONNECTION" means any connection that may allow any water, fluid, or gas such that the water quality presents an unacceptable health and/or safety risk to the public, to flow from any pipe, plumbing fixture, or a customer's water system into the District's distribution system or any other part of the District's public water system through backflow.

l. “MULTI-FAMILY” means a single residential connection to the District’s distribution system from which three or more separate dwelling units are supplied water.

m. “SINGLE-FAMILY” means:

- i. A single dwelling which is occupied by a single family and is supplied by a separate service line; or
- ii. A single dwelling comprised of multiple living units where each living unit is supplied by a separate service line.
- iii. Two separate single dwellings supplied by a common service line, i.e. a Duplex.

n. “UNCONTROLLED” means not having a properly installed, maintained and tested or inspected backflow prevention assembly or backflow prevention method, or the backflow prevention assembly or backflow prevention method does not prevent backflow through a cross connection.

o. “WATER SUPPLY SYSTEM” means a water distribution system, piping, connection fittings, valves and appurtenances within a building, structure, or premises. Water supply systems are also referred to commonly as premise plumbing systems.

5. Requirements

a. Commercial, industrial and multi-family service connections shall be subject to a survey for cross connections. If a cross connection has been identified an appropriate backflow prevention assembly or method shall be installed at the Customer’s water service connection within 120 days of the cross connection’s discovery at the owner’s expense. The assembly shall be installed downstream of the water meter or as close to that location as deemed practical by the District. If the assembly or method cannot be installed within 120 days, the District will take action to control or remove the cross connection or to suspend service to the cross connection.

b. In no case shall it be permissible to have connections, tees or any type of “bypass” piping before or around the containment backflow prevention assembly.

c. In instances where a reduced pressure principal backflow preventer cannot be installed, the owner must install approved backflow prevention devices or methods at all cross-connections within the owner’s plumbing system.

d. Backflow prevention assemblies and methods shall be installed in a location which provides access for maintenance, testing and repair as well as meets all manufacture and local plumbing codes.

e. Reduced pressure principal backflow preventers shall not be installed in a manner subject to flooding.

f. Provisions shall be made to provide adequate drainage from the discharge of water from reduced pressure principle backflow prevention assemblies. Such discharge shall be conveyed in a manner which does not impact waters of the state. Proper air gap clearances are required on reduced pressure valve assembly relief drain piping. It is the owner’s responsibility to protect from leaky relief ports.

g. All assemblies and methods shall be protected to prevent freezing. Those assemblies and methods used for seasonal services may be removed in lieu of being protected from freezing. The assemblies and methods must be reinstalled and then tested immediately by a certified cross-connection control technician upon reinstallation.

h. Where a backflow prevention assembly or method is installed on a water supply system using storage water heating equipment such that thermal expansion causes an increase in pressure, a device for controlling pressure shall be installed.

i. All backflow prevention assemblies shall be tested at the time of installation and on an annual schedule thereafter. Annual reports must be filed with the District by September 30th. Such tests must be conducted by a Certified Cross-Connection Control Technician.

j. The District shall require inspection, testing, maintenance and as needed repairs and replacement of all backflow prevention assemblies and methods, and of all required installations within the owner's plumbing system in the cases where containment assemblies and or methods cannot be installed.

k. All costs for design, installation, maintenance, testing and as needed repair and replacement are to be borne by the Customer.

l. No grandfather situations exist, all installations connecting to the District's water system must comply with this program.

m. For new buildings, all building plans must be submitted to the District and approved prior to the availability of water service. Building plans must show:

- i. Water service type, size and location
- ii. Meter size and location
- iii. Backflow prevention assembly size, type and location
- iv. Fire sprinkler system(s) service line, size and type of backflow prevention assembly.

a. All fire sprinkling lines shall have a minimum protection of an approved reduced pressure valve assembly for containment of the system.

b. Dry fire systems shall have an approved double check valve assembly installed upstream of the air pressure valve.

c. Any existing building with a double check on the fire line is allowed to maintain the assemble but when repairs are needed, the device must be replaced with an approved reduced pressure valve assembly.

d. Black iron and galvanized piping and fittings are not allowed anywhere on the domestic water service line and are only permitted after the reduced pressure valve assembly on fire suppression lines.

6. Inspection, Testing and Repair

a. Backflow prevention assemblies or methods shall be tested by a Certified Cross-Connection Control Technician upon installation and tested at least annually, thereafter. Annual test reports are due to the District by August 31st. The tests shall be performed at the expense of the Customer.

b. Any backflow prevention assemblies or methods that are non-testable, shall be inspected at least once annually by a Certified Cross-Connection Control Technician. The inspections shall be made at the expense of the Customer.

c. As necessary, backflow prevention assemblies or methods shall be repaired and retested or replaced and tested at the expense of the Customer whenever the assemblies or methods are found to be defective.

d. Testing gauges shall be tested and calibrated for accuracy at least once annually. Calibration reports must be submitted to the District annually and upon renewal.

e. Testers are required to submit their backflow certifications to the District annually.

7. Reporting and Recordkeeping

a. Copies of test reports, repairs and retests, or replacements shall be kept by the customer for a minimum of three (3) years.

b. Copies of records of test reports, repairs and retests shall be submitted to the District by e-mail by the testing company or testing technician within 5 days of the test. Email addresses: Will@BMMD.org and Shellie@BMMD.org

c. Please notify the District within 48 hours of a failed test report at (970) 513-1300 and by email to Will@BMMD.org and Shellie@BMMD.org.

d. Information on test reports shall include, but is not limited to:

- i. Assembly or method type
- ii. Assembly or method location
- iii. Assembly make, model and serial number
- iv. Assembly size
- v. Test date; and
- vi. Test results including all results that would justify a pass or fail outcome
- vii. Certified cross-connection control technician certification agency
- viii. Technician's certification number
- ix. Technician's certification expiration date
- x. Test kit manufacturer, model and serial number
- xi. Test kit calibration date
- xii. Service line pressure in PSI.

8. Right of Entry

In consideration of the right to receive water from the District, a properly credentialed representative of the District shall have the right of entry to survey any and all buildings and premises for the presence of cross-connections for possible contamination risk and for determining compliance with this Article. This right of entry shall be a condition of water service in order to protect the health, safety and welfare of customers throughout the District. The District will provide reasonable notice of its intent to enter a property, except where access may be necessary on an emergency basis.

9. Compliance

a. Customers shall cooperate with the installation, inspection, testing, maintenance, and as needed repair and replacement of backflow prevention assemblies and with the survey process. For any identified uncontrolled cross-connections, the District shall complete one of the following actions within 120 days of its discovery:

- i. Mandate the owner repair or install a backflow assembly to control the cross connection
- ii. Remove the cross connection
- iii. Suspend service to the cross connection

b. The District shall give notice in writing to any owner whose plumbing system has been found to present a risk to the District's distribution system through an uncontrolled cross connection. The notice and order shall state that the owner must install a backflow prevention assembly or method at each service connection to the owner's premises to contain the water service. The notice and order will give a date by which the owner must comply.

c. In instances where a backflow prevention assembly or method cannot be installed, the owner must install approved backflow prevention assemblies or methods at all cross-connections within the owner's water supply system. The notice and order will give a date by which the owner must comply.

10. Violations and Penalties

If the owner fails to correct the violation(s) in the specified time or fails to have the devices annually tested, the District Manager may request that the water service to the building or premise be terminated. If disconnection of a water service is not feasible, the District has the authority to fine the property owners an amount not to exceed \$500 per day for any or all days the connection is out of compliance. Additional fines or penalties may also be invoked following termination of service. Any other violation of the provisions of this program, shall, upon an adverse determination be punishable as provided in all applicable District documents and statutes, laws, and regulations.

11. Conflict with Other Codes

If a dispute or conflict arises between the Colorado Plumbing Code as adopted herein, and any plumbing, mechanical, building, electrical, fire or other code adopted by the State, then the most stringent provisions of each respective code shall prevail.

.12 - MAIN AND SERVICE LINE CONSTRUCTION SPECIFICATIONS: Mains and Service Lines shall be constructed in accordance with Article XIV of these Rules and Regulations.

.13 - CUSTOMER CURB VALVES: A customer water service curb valve, also known as a curb shut-off valve, is used to control the water supply from the District water Main to inside the building. Each Customer shall be responsible for maintaining the curb valve by conducting the following actions on an annual basis prior to November 1st:

- a. Clean out dirt and debris from the valve housing box
- b. Operate and/or turn the valve using a valve key. The District can provide a key if necessary

If a malfunctioning curb valve is identified, Section 500.03a. shall apply, and the Customer will be required to repair the curb valve. Failure to repair the curb valve shall be a violation of these Rules and Regulations and may result in the District performing the repairs at the Customer's expense and may involve the imposition of penalties as set forth herein which shall be enforceable by the perpetual lien against the property of such Customer to secure payment of such expense. Customers will be required to repair broken curb valves prior to any sale or transfer of ownership.

ARTICLE VI

600 - SEWAGE SYSTEM

.01 - EXCAVATION OR DISTURBANCE OF MAINS: No unauthorized person shall uncover, make any connection with, or opening into, use, alter, or disturb any sewer Main or appurtenance without first obtaining a permit from the District and Summit County.

.02 - RESPONSIBILITIES OF THE CUSTOMER: Each Customer shall be responsible for maintaining that portion of the Service Line serving his property extending from the connection to the Main to each unit or building. Any leak, stoppage, or break in such Service Line shall be repaired by the Customer immediately, but no later than twenty-four (24) hours after discovery of the condition or notification of such condition by the District. If satisfactory progress toward repairing said leak, stoppage, or break has not been completed within such time period, the District shall shut off the water service until the sewer leak, stoppage, or break has been repaired; in addition, the District shall have the right to effect the repair and collect costs, plus ten percent (10%), from the Customer, which costs shall be a charge of the District and be enforceable by a perpetual lien against the property of such Customer to secure payment of such costs. In the event that the District performs an emergency repair to a Service Line, the District shall charge the owner for the cost of such emergency repair, plus ten percent (10%), and shall have and may enforce a perpetual lien against the property served for such charge as provided in these Rules and Regulations and Colorado law. If the District is unable to determine, in its sole and absolute discretion, whether a leak, stoppage, or break exists within a Main or within a Service Line, the District shall be authorized to immediately perform an Emergency Repair. In the event that the District is unable to determine whether the leak, stoppage, or break exists within a Main or Service Line, the twenty-four (24) hour notice requirement of this Section 600.02 shall not apply, and the District shall be authorized to complete the Emergency Repair. To the extent that all or any portion of such Emergency Repair is performed on a Customer's Service Line, the District may proceed to charge and collect that portion of the cost of the Emergency Repair properly allocated to the Service Line from the Customer, which cost shall be a charge of the District and be enforceable by the perpetual lien against the property of such Customer to secure payment of such cost.

a. **Aging & Defective Service Infrastructure:** If the Customer experiences more than three (3) service line breaks or failed sewer service infrastructure in a calendar year, Customer must meet with the District to discuss a service replacement plan and replace the infrastructure project within four (4) years from the date of the third service failure.

b. **Camera & Cleaning:** Multi-family properties (over 6 units with a shared sewer line) must camera and clean sewer service main lines and any private manholes no later than October 1st, once every three (3) years. If such maintenance confirms the presence of good conditions and a functioning system over a six (6) year period, the camera/cleaning requirement may be extended to once every five (5) years in the discretion of the District and as confirmed in writing by the District Manager.

.03 - PROHIBITED DISCHARGE: Except as hereinafter provided and as may be concurrently authorized by the Joint Authority, no person shall discharge, or cause to be discharged, to any sewer Main, any special or prohibited sewage (as hereinafter defined) or any harmful waters or wastes, whether liquid, solid, or gas, capable of causing obstruction to the flow in sewers, damage or hazard to structures, equipment and personnel of the sewage works, or other interference with the proper operation of the sewage system and Joint Authority's system. No water or waste shall be discharged into the District's system if such discharge would violate any Joint Authority, state, or federal law, rule, or regulation.

.04 - CLASSIFICATION OF WASTES: This section of the Rules and Regulations shall provide the basic policies of the District for classification of wastes and for control of discharge of wastes into the sanitary sewerage system. It shall

be the policy of the District to classify wastes into three main categories, termed “normal sewage,” “special sewage,” and “prohibited sewage,” as hereafter defined. The classification of wastes shall otherwise be the responsibility of the Joint Authority and shall follow any recommended procedures of the State Department of Health.

a. **Normal Sewage:** Normal Sewage shall mean sewage which can be treated without pretreatment and within normal operating procedures, and which, when analyzed, shows by weight a daily average of not more than 300 parts per million of suspended solids and not more than 250 parts per million Biochemical Oxygen Demand.

b. **Special Sewage:** Special Sewage shall mean any sewage which does not conform to the definition for Normal Sewage, but which can be accepted by the District and Joint Authority after pretreatment by the user.

c. **Prohibited Sewage:** Prohibited Sewage shall mean any of the types of sewage which are defined as such and prohibited by the Joint Authority.

Prohibited Sewage shall include, but not be limited to, clear water such as storm water, surface water, ground water, french drain discharge, roof runoff, subsurface drainage, cooling water, recreational vehicle waste, or industrial process waters introduced into the sewer system by means of a drainage collection system. Said drainage water is detrimental to the sewage system since it interferes with the system's volume capacity and with the biological process necessary for treatment.

.05 - PRELIMINARY SEWAGE TREATMENT MAY BE REQUIRED: The admission into the Sewage System of any Special Sewage having harmful or objectionable characteristics shall be subject to the review and approval of the Board, who may prescribe limits on the strength and character of these waters and wastes based on criteria provided by the Joint Authority. Where necessary, in the opinion of the Board, the Customer shall provide, at his expense, such preliminary treatment as may be necessary to treat these wastes prior to discharge into the sewer Main. Examples requiring pre-treatment include grease traps and sand/oil interceptors, among others.

.06 - PLANS AND MAINTENANCE OF PRELIMINARY SEWAGE TREATMENT SYSTEM: The Customer shall be responsible to provide such plans, specifications, and any other pertinent information relating to proposed preliminary treatment facilities as may be required to be submitted for the approval of the Joint Authority, and the State Board of Health, and no construction of such facilities shall be commenced until such approval is obtained in writing. Where preliminary treatment facilities are provided for any waters or wastes, they shall be maintained continuously in satisfactory and effective operation by the Customer, at his own expense.

.07 - PROTECTION FROM DAMAGE: No person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface or tamper with any portion of the District's Sewage System.

In the event any person shall violate the provisions of this Section, the District may take all necessary steps to insure that said person shall be subject to criminal prosecution to the fullest extent provided by Colorado law. The District may, in addition, bring a civil action for trespass, conversion, destruction of property, and punitive damages.

.08 - DISTRICT PERSONNEL TO CONNECT: The Manager or employees or authorized agents of the District are the sole persons authorized to make Connections on the District Mains.

.09 - MAIN AND SERVICE LINE CONSTRUCTION SPECIFICATIONS: Mains and Service Lines shall be constructed in accordance with Article XIV of these Rules and Regulations.

.10 - NO RV DUMP STATION: No property within the District boundaries is allowed to construct or use an RV dump station.

ARTICLE VII

700 - STORM DRAINAGE SYSTEM

.01 - OBJECTIVE: The purpose of this section is to reduce exposure of the public's investment in utilities, streets, ditches, and greenbelt areas from damage or long-term deterioration due to improper consideration of drainage damage potential. Plans and reports prepared for the District shall be sufficiently broad to consider the drainage basin as a whole and shall consider not only runoff from the development area but also, where applicable, runoff from those areas adjacent to and upstream from the development. In addition, the effect of runoff on ditches and properties downstream shall be considered.

Persons constructing drainage systems, including ditches within the District, must conform to Summit County specifications for the design of drainage systems, materials and construction specifications to be used in the installation of these systems.

.02 - DRAINAGE ANALYSIS MAY BE REQUIRED: Prior to the construction of any development within the District or alterations to any existing drainage systems or ditches, the District may require the completion of a drainage analysis. The drainage analysis shall include, at a minimum, analysis of the impact of the proposed development or change in drainage systems or ditches on existing drainage patterns or flows, runoff rates, quantity of runoff, impacts on upstream and downstream properties, impacts on the District's facilities, erosion or other impacts on ditches, and any other information that may be relevant to determining the advisability of the completion of the drainage improvements or development.

.03 - ENGINEER'S RESPONSIBILITY AND LIABILITY: If required, a drainage analysis shall be submitted to the District for review and approval by the District Engineer. All drainage analyses shall bear the seal and signature of a registered professional engineer licensed to practice in the State of Colorado and the signature of the Contractor, User, Customer or Developer responsible for the specified property and proposed improvements. Any alteration of the approved drainage analysis or plan shall be done with the concurrence of the engineer who sealed the documents and the District. Approval of such drainage analyses and reports by the District shall in no way relieve the engineer whose seal is found on the drainage analysis from responsibility for errors or omissions.

.04 - GENERAL CRITERIA FOR DRAINAGE IMPROVEMENTS: Drainage improvements shall conform to Summit County standards. All grading and regrading that may, in the opinion of the District, affect drainage (including discharge into roadside ditches and the creation of berms and other barriers) shall be conducted in accordance with a grading permit issued by Summit County, the specific criteria set forth in these Rules and Regulations, and shall be subject to the District's prior approval. No person shall fill, construct, place, plant, remove or replace any temporary or permanent improvement, structure, building or deep rooted shrub, plant or tree, in, on or under any part of any drainage easement without the prior written approval of the District which the District may in its sole discretion grant or deny.

.05 - LOCATION OF DRAINAGE IMPROVEMENTS: If the District is to accept the improvements, to the extent practical, drainage improvements shall be installed in easements granted to the District. No underground private property drainage improvements shall be placed in the same ditch as a water Main or Service Line. All water Main or Service Lines must be ten (10) feet horizontally from any underground private property drainage line.

a. **Conveyance After Completion:** Those who have completed construction of drainage improvements shall, before those improvements are accepted by the District, deed and/or convey by bill of sale in a form acceptable to the District, those improvements, easements, and all appurtenances to the District free and clear of all liens and encumbrances.

b. **Conveyance of Easements:** Prior to the acceptance of drainage improvements by the District, all easements necessarily accompanying those improvements shall be duly recorded or provided for at the Constructor's expense.

c. **As-Built Drawings:** Prior to the District's acceptance of the drainage improvements, reproducible as-built drawings shall be provided by the Contractor in the form of AutoCad, PDF or compatible with ESRI GIS or reasonable provision shall be made for the provision of such drawings.

.06 - TORT RESPONSIBILITY FOR DRAINAGE FACILITIES: Drainage improvement agreements entered into by the District shall include provisions whereby the Developer shall indemnify the District against all losses associated with or caused by the drainage improvements, including but not limited to ponds or other bodies of water or streams, during construction and during the warranty period and, in addition and at any time, losses caused by defects in design, materials, or workmanship in the drainage facilities. "Losses" as used herein shall be liberally construed to include all damages that may be suffered by public or private persons or entities, and shall include, but not be limited to, losses of District property, and the costs of attorneys' fees, court costs, and judgments against the District, including the costs incurred in defense of the District. The District may require a bond or evidence of insurance commensurate with the risk involved with a particular drainage improvement.

.07 - RESPONSIBILITIES OF THE PROPERTY OWNER: Each property owner shall be responsible for maintaining drainage lines, ditches, culverts, ways or appurtenances serving his property. Leaks, stoppage, or breaks shall be repaired by the property owner within a reasonable period of time, after notification of such condition and such time period by the District. The District shall have the right to effect the repair and collect costs from the property owner, which costs shall be a charge of the District and be enforceable by a perpetual lien against the property to secure such costs.

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

In the event any person shall violate the provisions of this Section, the District may take all necessary steps to insure that said person shall be subject to criminal prosecution to the fullest extent of Colorado law, and upon conviction thereof, shall be fined in an amount as established by law for such violation. The District may, in addition, bring a civil action for trespass, conversion, destruction of property, and punitive damages.

.09 - SUMMIT COUNTY CODE, Chapter 5 Road & Bridge Standards: Wildernest property owners shall abide by the Summit County Code Chapter 5 as follows:

5107.03: Standards for Driveway Design - H. Provision for Drainage:

Driveway design shall make adequate provision for drainage and prevention of erosion.

1. Drainage from driveways shall be diverted to roadside ditches or other appropriate drainage way(s). Drainage from driveways shall not flow onto roads.
2. When necessary to handle roadside drainage, driveways shall use culverts, drainage pans or other devices suitable for the conveyance of roadside drainage. Final approval for the types of drainage items used and the locations of such items shall be at the discretion of the County Engineer or his delegate.
3. Culverts shall be corrugated metal pipes, or other material types approved by the Road & Bridge Department. In addition, culvert design and installation shall be in compliance with the following:
 - a. Culverts shall have either flared end sections or shall have annular ends.

- b. There shall be a minimum of four (4) inches of road-base cover over culverts serving driveways.
 - c. Culvert lengths greater than 30 feet are not allowed.
 - d. Culverts installed for driveways shall be sized and installed subject to the provisions of the required right-of-way access permit issued for the installation, but in all cases the minimum diameter for these culverts shall be 15-inches.
- 4. Drainage pans shall be designed to accommodate flows associated with the 25-year design storm. Concrete mix designs for drainage pans shall be submitted to the Engineering Department for approval prior to installation.
 - 5. Property owners shall be responsible for keeping their culverts clean and ice-free. The Road & Bridge Department may require owners to heat tape their culvert to ensure flow during the winter months to minimize the potential of ice forming on roadways (see Section 5507.02).

5507.02: Providing for Drainage (pg40+41)

- A. Culverts are required where driveways connect to roadways unless specifically exempted by the Road & Bridge Department and these regulations. It is the responsibility of the property owners to maintain their culverts free and clear of silt, mud, debris and ice at all times. Repair of damage to a road caused by a blocked culvert or lack of a culvert is the responsibility of the property owner. If it becomes necessary for the County to undertake repairs, costs will be billed to the property owner by the Road & Bridge Department as may be authorized by law (see C.R.S. Section 43-5-303 et seq.).
- B. Water that flows out of driveways must be diverted to ditches. Repair of damage to roadways caused by such water is similarly the responsibility of the owner and repair costs will be billed accordingly.

ARTICLE VIII

800 - STREET SYSTEM

.01 - GENERAL: It is anticipated that to the extent not maintained by Summit County the public streets and related components within the District may be maintained by the District.

.02 - CONSTRUCTION OF STREETS BY LANDOWNER OR DEVELOPER: All street construction shall be completed to conform to Summit County road and bridge standards.

.03 - DRIVEWAYS AND PARKING AREAS: All property owners with driveways connecting improvements on their properties to streets owned or maintained by the District or Summit County, and parking areas on their property shall comply with the provisions of the Summit County Code ("County Code"), including but not limited to design, maintenance, and permitting requirements.

a. **Maintenance:** The property owner shall be solely responsible for the construction, installation, repair, replacement and maintenance of the driveway, driveway culverts, driveway curbs, parking areas or associated improvements on its property and within the right-of-way adjacent to the edge of the roadway maintained by the District or Summit County.

b. **Driveway Culverts:** Culverts that run under driveways or are on private property are the responsibility of the property owner. Maintenance by the property owner must be conducted on an annual basis to keep driveway culverts free of ice, dirt and other debris. Any damage caused by a blocked driveway culvert will be the responsibility of the property owner. Driveway culverts must meet county code and regulations in regards to size, length, materials. Failed culverts must be replaced at the cost of the homeowner to meet current county standards.

c. **Snow Removal and Storage:** Driveway and parking area maintenance includes snow removal. Snow removed from driveways and parking area shall be stored on the property associated with the driveway and parking area in question; and shall not be pushed, plowed, blown, or dumped into, on or across any public road or right of way. Any property owner that stores snow removed from private property in the areas referenced above may be subject to the fines found in Section 1500.11. Any vehicle parked in a manner that impedes the District's snow removal operations is subject to booting or towing without notice.

d. **Construction and Specifications:** Construction of, and modifications or additions to any driveway or parking area shall be done in accordance with the County Code and subject to the District's prior approval as required by the Wildercrest Covenants.

d. **Permitting:** Any party modifying or constructing a driveway or parking area shall comply with the permitting requirements of the County Code, including but not limited to the requirements that a party obtain an access permit to connect a driveway or parking area to a public road, and a grading permit if more than 500 square feet of earth are to be disturbed.

.04 - RIGHTS OF WAY

The county road right of way averages 60 feet in width. The driven portion of the roadway varies anywhere from 22-24 feet in width. The area outside of the driven portion of the roadway is designated for ditches and drainage systems, snow storage, signage and utilities. At times, it is necessary to plow snow well off the roadway within this right of way to make room for the next snowstorm. Homeowners and residents need to know where their property line is in relation to this right of way so

as to not place landscaping or any other improvement(s) so as to interfere with the roadway and where it then becomes a roadside hazard and liability. The District shall not be responsible for, nor have any liability for, any improvement(s) a homeowner or resident places beyond their property line and into the right of way.

a. Road & Bridge Standards: The Summit County Road and Bridge Standards establish a uniform road development policy throughout Summit County and provide a clear statement of the procedures for road and bridge construction. The purpose and intent of these policies and procedures is to provide safe, attractive travel corridors, efficient traffic flow, and efficient maintenance. All parties are expected to adhere to the Summit County Road and Bridge Standards at all times.

b. Protecting Utilities: Utility companies mark power boxes and telephone pedestals to protect them from damage by snowplows in the winter. Your cooperation in leaving the markers intact benefits the County, the utility companies, the District and the public.

c. Driveway Restrictions: When paving or constructing your driveway, bear in mind that only one 18-24 foot wide (flare to flare) access to the county road system is allowed. Parking pads are not allowed within the County right of way. Courtesy inspections are done at no charge for County residents prior to paving any access.

.05 EASEMENTS

All lots within the District have (at a minimum) 10' drainage and utility easements along the sides and rear lot lines. No property owner shall excavate or fill, construct, place, plant, remove or replace any temporary or permanent improvement, structure, building or deep rooted shrub, plant or tree, in, on or under any part of such easements without the District's prior approval. The District may remove such improvements from such easements if required to fulfill the District's service obligations.

ARTICLE IX

900 - PARKS AND RECREATION SYSTEM

.01 - PURPOSE AND INTENT: At the current time, the District has no rules and regulations regarding parks, recreational facilities, or community buildings, but it reserves the right to acquire or construct such facilities and to make rules and regulations concerning such facilities in the future.

ARTICLE X

1000 - TRANSPORTATION SYSTEM

.01 - GENERAL: Transportation services may be provided in accordance with any transportation services agreement entered into between the District and a transportation services provider. Any entity authorized to provide transportation services shall do so in full compliance with all the laws and regulations of any federal, state, court or municipal government, agency, commission or service having jurisdiction.

.02 - DISTRICT RULES: The District's contract with its transportation services provider shall incorporate such rules and regulations concerning the conduct of such service as the Board may, in its discretion, adopt.

.03 - PROVISION OF SERVICE BY DISTRICT: Nothing herein shall be construed as a limitation on the authority of the District to provide, independently of any agreement with a transportation services provider, and in its discretion, transportation services within and without the boundaries of the District in accordance with applicable law, and under such terms and conditions as the Board deems appropriate and necessary.

ARTICLE XI

1100 - APPLICATION FOR SERVICE

.01 - RULES TO BE APPLICABLE: Except as provided in these Rules and Regulations, service will be furnished only to persons whose property is made subject to the Rules and Regulations of the District.

.02 - TAP PERMITS:

a. **Applications:** A User seeking the privilege of service from the District shall submit a written application for service. The application for service must be filed with the District at least five working days prior to making Connections and on forms to be provided by the District Manager, as hereafter described, and must be accompanied by (1) appropriate fees as determined by the District Manager in accordance with these Rules and Regulations, and (2) evidence satisfactory to the District Manager that all approvals necessary for the User to construct the Unit or other development to be served have been obtained by the User, including without limitation and as applicable approvals from Summit County, from the Joint Sewer Authority, from the State of Colorado and its various agencies, and from any homeowners or property owners association or architectural review organization empowered with applicable development review controls or authority.

b. **Permits:** Upon approval by the District, a water, sewer or irrigation Tap Permit will be issued to the owner, which shall designate the specific piece of property to be served.

c. **Allocation of Taps:** Unless otherwise provided in accordance with these Rules and Regulations, the District will allocate available residential or commercial Taps on a “first-applicant first-served basis” following submittal of the application for a Tap Permit. Special consideration may be given to those applicants who are able to immediately put the Tap to use. In addition, preference will at all times be given to projected residential and commercial uses when considering other uses such as irrigation.

.03 - CHANGE IN CUSTOMER'S EQUIPMENT OR SERVICE: No change in the Customer's equipment, service or use of the property shall be made without the approval of the District being first obtained and without first paying any applicable fees or charges.

a. Requests for change in equipment or service may be denied for any reason, or no reason. The District may approve a change of use which would result in one residential unit being altered to allow “lock off” or “accessory” unit which, for purposes of this regulation, shall be defined as a portion of a residential unit capable of being entered through an independent entrance, secured from the remainder of the unit by a locked door or a wall. The “lock-off” unit must be constructed pursuant to Summit County Code. Such “lock-off” unit will be subject to applicable water and sewer system development tap fees and/or quarterly service fees.

b. If approved, 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 and any other District-owned equipment.

.04 - FORMS: The District Manager shall promulgate forms, checklists, and instructions to assist applicants desiring services from the District to apply for such service. The forms shall generally conform to the information required to administer these Rules and Regulations. The Board shall review and approve all forms, checklists, and instructions prior to their use. Upon such approval, the forms, checklists, and instructions shall be deemed part of these Rules and Regulations

and Exhibit A hereto whether or not physically attached thereto and shall be distributed to prospective applicants by the District Manager or his/her designee as appropriate.

.05 - TAPS NOT ASSIGNABLE: Taps, when purchased, are for use only on the property designated at the time of purchase of Taps. Taps shall be sold and/or transferred by the owner of a property to a subsequent owner of the same property.

.06 - EMERGENCY ALLOCATIONS: The Board of Directors may adopt appropriate allocation and priority policies in emergency instances involving a shortage of water or sewer capacity. Such procedures shall consider the needs of all present and future Customers, and copies of the policies shall be distributed to all Customers affected.

.07 RESERVED EQR'S: An equivalent residential unit (EQR), is defined as any unit that impacts the sewer collection and/or treatment system. At a minimum, the District will reserve available EQR's as follows:

1. For each undeveloped lot: One (1) EQR for a single-family home; two (2) EQR's for a duplex; three (3) EQR's for a triplex; and four (4) EQR's for a multi-unit condo.
2. Ten (10) EQR's for operational flow.
3. Ten (10) EQR's for existing development additions.

ARTICLE XII

1200 - OUTSIDE DISTRICT AREAS

.01 - SERVICE OUTSIDE THE DISTRICT: The District may, if it seems advantageous to the District, furnish water and/or sewer service to properties located outside the boundaries of the District, by contractual arrangement approved by the Board of Directors.

ARTICLE XIII

1300 - FEES, CHARGES AND BILLING

The information contained in this Article is pertinent to all charges of whatever nature to be levied for provision of water, sewer, and other services by the District. Said rates and charges as herein established shall be set forth in the current Fee Schedule or “Application for Water and Sewer Service”, which are on file and may be viewed by the public at the District's offices and shall remain in effect until modified. Nothing contained herein shall limit the District 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. Cortina Ridge properties are billed at one and half times the Wildernest rates.

.01 - APPLICATION OF THIS ARTICLE: The rates, charges and other information shown herein shall apply only to Users and 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 Article.

.02 - SYSTEMS DEVELOPMENT FEE: Prior to the issuance by Summit County of either a permit to dig and construct a foundation, or a building permit, the owner of the property to which such permits would apply shall make application for a water and sewer tap, and where applicable an irrigation tap; and a Systems Development Fee shall be assessed and due for the privilege of connecting to the District’s Water and Sewage Systems, and for the use of the other programs, services and facilities furnished by the District. The fees shall be charged pursuant to the Fee Schedule.

.03 - RESIDENTIAL SYSTEMS DEVELOPMENT FEE SCHEDULE: Current Systems Development Fees are set forth in the Fee Schedule and the “Application for Water and Sewer Service” available from the District Manager.

.04 - BUSINESS SYSTEMS DEVELOPMENT FEES: Systems Development Fees for business uses and clubhouses are charged on the modified EQR basis.

.05 - CONNECTION FEES: Prior to obtaining a water meter and reader from the District, the Customer shall pay to the District the cost of the meter plus a ten percent (10%) surcharge to cover the District's cost of delivery and handling.

.06 - IRRIGATION FEES: Irrigation Systems Development Fee shall be calculated as a water Systems Development Fee only, with no consideration given to sewer collection and treatment.

.07 - TAP PERMIT REQUIRED: A party seeking water, sewer and/or irrigation service shall provide to the District an “Application For Water and/or Sanitary Sewer Service” in the form required pursuant to these Rules and Regulations. The request shall be accompanied by cash, check or certified funds in an amount equal to the current Systems Development Fees charged by the District.

.08 - NOTICE OF TAP STATUS: A letter to Summit County may be sent by the District stating that water and sewer capacity is available provided that such capacity does in fact exist and provided the applicant has received architectural approval from the District.

.09 - SERVICE CHARGE: Except for construction and irrigation water usage, service charges for all services furnished by the District, including but not limited to minimum charges for water and sewer service, landscape maintenance, recreational facilities and other services or programs shall commence six months after the Systems Development Fee is paid or when a certificate of occupancy is issued for the first unit in the building, whichever comes first. Service charges for construction and irrigation usage shall commence with the commencement of usage.

Whenever possible, bills for service will be directed to the owner of record of the property rather than the occupant. The owner shall be ultimately responsible for all water and sewer charges. When a homeowners' association exists for a number of units receiving service from the District through one meter, said homeowners' association shall receive a bill for all units serviced by the association. In no event shall the District bill the owners of individual units within a condominium unless service to each unit is metered separately. Service charges shall be as reflected in the Fee Schedule.

.10 - COMMENCEMENT OF CHARGES: Commencing at the time a Tap is purchased, unmetered water used for construction purposes only will be billed at the rate of one-half the minimum rate for water only per month, per unit, for each building. At such time as any unit in the building receives a certificate of occupancy, or at the end of six months from the date of issuance of the Tap Permit, whichever comes sooner, all units in a building will begin paying the full minimum charges for water and sewer, or actual charges if meters are connected, regardless of whether or not a certificate of occupancy has been issued. Water used for irrigation only shall in all cases be separately metered and shall be billed when and as used with no minimum charges applicable.

.11 - DEPOSIT REQUIRED: The District may request all Customers to make a deposit for service. The service deposit will be refunded upon transfer of property ownership, if all other fees and charges have been paid.

.12 - METER READINGS AND TESTING: There shall be no special charge for regular periodic meter readings within the District for regular billing. See the "Application for Water and Sewer Service" or the Fee Schedule for current charges for any final or special meter reading or meter testing.

.13 - PAYMENT OF SERVICE CHARGES: Statements for charges for all fees may be rendered on such periodic basis as the Board shall deem appropriate. Charges for late payments, turn-on, turn-off, protective covenant fines, etc., shall be added to the bills. Water and sewer bills will be mailed to the Customer (and, where different, the owner of the property in question) by the District the same week of each quarter, and shall be payable within fifteen (15) days of the statement date. A penalty may be assessed against all delinquencies in payment, together with the assessment of interest not to exceed one percent (1%) per month. When such statements are sixty (60) days delinquent, they shall be declared "overdue" and a shut-off notice shall be sent to the Customer by first class mail, email, and door posting, advising that payment must be made to avoid disconnection. The notice will include an opportunity for a hearing before a District employee or the Board prior to disconnection. If payment is not made within five (5) days of such shut-off notice, the District may shut-off the water service. The deposit for service, if any, shall be applied against the outstanding bill.

.14 - REVOCATION OF SERVICE: Service shall be revocable by the District upon non-payment of fees owing to the District, 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 (and where different the owner of property in question) shall be given ten (10) days notice of revocation, in order to provide an opportunity for correction of such non-compliance or to allow for a request for a hearing before a District employee or the Board prior to revocation.

.15 - SERVICE THROUGH PUBLIC AND PRIVATE FIRE HYDRANTS: Some fire hydrants within the District are owned by the District and some are privately owned; this section applies to all hydrants, regardless of ownership.

Except for emergency use in the suppression of fires, no Hydrant, whether Public or Private, shall be turned on without prior District permission and then only following the payment of a deposit and grant of a permit.

Upon application to the District and payment of a partially refundable deposit of \$1,500.00, qualified users may obtain a District permit for use of hydrant water. Permits shall be issued on an individual basis as approved by the District Manager prior to water use, and service shall be metered at locations selected by the District. No more than three (3) permits shall be issued in the District at any one time without the prior approval of the Board. Persons requesting the use of water

through a Private Hydrant shall first present the signed written approval of the hydrant owner with the application for a District permit. Use of water pursuant to a Permit shall cease for the duration of any fire in the vicinity of the District or any other fire which, in the opinion of the Fire Chief, should be suppressed in part by use of the District's water system. 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. The District may adopt additional Rules and Regulations regarding access to, use of and cost associated with Hydrant access, which shall be made available upon request.

.16 - LIMITS ON DISTRICT WORK: No work by District personnel shall be done on Saturdays, Sundays, or holidays unless permission is granted by the District. No work shall start until all District fees have been paid, and the District Manager notified.

.17 - MISCELLANEOUS COSTS AND EXPENSES: All costs and expenses incident to the installation, inspection, and connection of the water and/or sewer service shall be borne by the property owner. The property owner shall waive all claims against the District and shall indemnify the Board and District for any loss or damage that may directly or indirectly be occasioned by the installation of the water or sewer service.

.18 - LIABILITY FOR PAYMENT, LIEN, FORECLOSURE FEES, COSTS: 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. At any time the District determines, following efforts to collect tardy payments of any fee, rate, toll 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. Section 32-1-1001(1)(j), the District shall in each such case assess a foreclosure fee against each Unit on the property or, if no Units exist, then against the subject property, in the amount of \$5,000, which fee shall be payable in full upon assessment and shall be included in the amount then being foreclosed. Payment of said foreclosure fee and any and all other fees outstanding against the subject property shall be a precondition to the resumption of service to that property.

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. All such costs shall be deemed a charge of the District.

The property, the Customer and the User are hereby deemed equally liable for charges of the District. The District assumes no responsibility hereby for any agreement made between Customers and occupants including landlord and tenants regardless of how made or whether the District was notified of such agreement. The District will hold the water and sewer user, occupant, and property owner jointly liable for all charges appurtenant to water and/or sewer service at the address where the bills are sent.

In addition to any other means provided by law, the District may elect, by resolution, at a public meeting held after receipt of notice by the Customer (and property owner if different than the Customer), to have certain delinquent fees rates, tolls, penalties, charges, or assessments made or levied solely for water, sewer, or water and sewer services certified to the Summit County Treasurer to be collected and paid over by the Summit County Treasurer in the same manner as taxes are authorized to be collected and paid over pursuant to section 39-10-107, C.R.S.

.19 - SELLERS' AND BUYERS' RESPONSIBILITIES: The District assumes no responsibility for agreements between sellers and buyers. It shall be the joint responsibility of both to notify the District for final and start meter readings and completion bills. It shall be the responsibility of the buyer to ascertain whether fees, charges, infrastructure repair mandates, or protective covenant violations have been paid or resolved by the seller or are otherwise outstanding. 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, 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. The parties to a sales transaction will be expected to verify that all curb stops are properly functioning and fully operational before closing the transaction.

.20 - UNAUTHORIZED CONNECTION PENALTIES: It is unlawful to connect to the District's system without prior approval by the District. In addition to other fines and penalties available under the law, including criminal prosecution, an unauthorized Connection penalty equal to twice the applicable Systems Development Fee due shall be payable by persons connecting to District's water or sewer lines without prior payment of Systems Development Fees, approval of such Connection, application for service, or opportunity given the District for inspection of Service Lines.

.21 - TURN-OFF SERVICE: Customers desiring a "turn-off" service for any purpose, shall be charged a turn-off fee which will also cover the "turn-on" request. In any case minimum water and sewer service billing will continue to be in effect.

.22 - TURN-OFF & TURN-ON FEE: If services are discontinued at the request of the Customer, or due to delinquency, a "turn off" fee will be charged. If the curb box and shut-off valve are not in working order, repair of same will be at the expense of the Customer. In addition, a "turn on" fee will also be charged. See the Fee Schedule for current fees, located in Exhibit A.

.23 - PENALTY FOR "UNAUTHORIZED TURN-ON": No person other than employees or officials of the District may turn on water. After notice and an opportunity to be heard, the Board may assess a penalty, in such amount as the Board considers appropriate under the circumstances, against anyone who violates this subsection. Nothing herein shall be deemed a waiver of any remedy available to the District, including the opportunity to file criminal charges.

.24 - PENALTY FOR PROHIBITED SEWAGE: The Board may assess a penalty, following notice and an opportunity to be heard, in such amount as the Board considers appropriate under the circumstances, against anyone who discharges Prohibited Sewage into the District's Sewage System.

.25 - CHANGE BY CUSTOMER: Prior to making any change in water or sewer service or meter installation, including but not limited to a change in use of the property served, a Customer shall file an amended application with the District at least five days prior to making the proper change and shall apply for additional taps or increase in service as may be necessitated by the change and pay any additional Systems Development Fees.

Any Customer not notifying the District of such change shall be assessed all additional fees on its next monthly statement after determination by the Board that there has been a change. The monthly statement shall serve as notice that such additional Systems Development Fees are past due and must be paid within ten (10) days. Any Customer or User shall have the right to request a hearing to dispute the District's determination that a change has occurred. Such hearing shall be held at the next monthly meeting of the Board following a written request for a hearing. Before a requested hearing is held, the additional fees shall be deposited with the District, in full. Failure to make such deposit shall cause an automatic denial of the Customer's appeal, and the District shall proceed with collection of the additional fees in accordance with these Rules and Regulations. If the determination is made that no change has occurred, the deposit shall be returned to the Customer.

.26 – BILLING ADJUSTMENTS

The District may consider a 50% credit on excess water fees once every three years for customers. Such 50% adjustment will be capped at \$200 for single metered properties; \$200 for each unit in a duplex/triplex/fourplex property; and \$1,000 for multi-family properties that share a single service line.

.27 – DISTRICT SALES TAX

On November 2, 2020, voters in the District approved a new 4% sales tax in the District to be used for road maintenance, road safety and transportation. This new sales tax is applicable to all Colorado State Department of Revenue taxable sales items including short-term-rentals and products delivered into the District.

**Fee Schedule is Posted on District Website or
Contact District for Current Fee Schedule**

ARTICLE XIV

1400 - CONSTRUCTION OF MAINS AND SERVICE LINES

.01 - DISTRICT CONSTRUCTION CONTRACTS GENERALLY: All construction contracts of the District shall incorporate these Rules and Regulations and the laws of the State of Colorado.

a. **Bond:** A payment and performance bond shall be furnished to the Manager, on a per-job basis, in the amount set by the Board.

b. **Liability Insurance:** Insurance shall be carried in favor of the Board in the amount of at least \$150,000 per person and \$600,000 per occurrence for both personal injury and property damage or in accordance with the applicable limitations contained in the Governmental Immunity Act or other applicable Colorado law.

c. **Workmen's Compensation Insurance:** Workmen's Compensation insurance shall be carried in accordance with the provisions of the Workmen's Compensation Act, as amended, of the State of Colorado. Satisfactory evidence of the existence of a current Contractor's Workmen's Compensation policy must be on file with the District prior to any work being performed.

d. **On-Site Briefing:** The general contractor and excavator must attend an on-site briefing with the Manager, and such other persons as the Manager may deem appropriate, prior to excavation or tree removal. Items discussed will include, but not be limited to, trees to be removed, route of water and sewer lines, location of water and sewer taps, water meter location and others.

.02 - PLANS AND SPECIFICATIONS: All plans and specifications submitted shall be in strict compliance with the engineering standards contained herein and shall meet any special conditions that may be reasonably required. The submittal shall clearly present only the required information. The design and installation of all facilities shall insure development of an integrated water and sewer system. No work shall commence on any facilities until the plans and specifications are approved in writing by the District. In addition all plans shall:

a. **Surveys:** Be made from actual field surveys by a Land Surveyor registered in Colorado. Line and grade for water and sewer Mains shall be established by the District Engineer or by a Land Surveyor licensed to practice in the State of Colorado. Survey points shall be set a maximum distance of 100 feet apart. All valves, crosses, tees, horizontal and vertical bends, fire hydrants and manholes shall be staked for location and grade. Points of curvature and points of tangency of curves, as well as point on the curve, shall be staked for location and grade. All stakes shall be flagged to increase their visibility.

b. **Fire Hydrant Certification:** Contain the following statement and appropriate signature on the cover sheet of the plans: "All fire hydrants shall be installed according to AWWA and District Standards. The number and location(s) of fire hydrant(s) and fire flow as shown on this water Main installation is correct as specified by the Lake Dillon Fire Authority.

Signature of Fire Chief & Date

c. **District Engineer:** Be prepared by or under the supervision of the District Engineer or a designated representative acceptable to the Board who shall be responsible for the design, the plans, determining the material

specifications and directing the field survey. All submitted plans and specifications shall bear the District Engineer's stamp prior to approval for construction.

.03 - INSPECTION: The construction of all new Mains and Connections in the District shall be inspected and approved by the District Engineer or the Manager or a designated representative acceptable to the Board. Problems which may require sound field judgment, in lieu of strict interpretation of these Rules and Regulations and the plans and specifications, shall be resolved by the District and the Contractor to the satisfaction of the District. Any work not accepted by the District shall be redone until compliance with these Rules and Regulations and the plans and specifications is achieved.

.04 - EXCAVATION: The District Manager must be notified at least 5 working days before any excavation is begun regarding the District's Water Works or Sewage System. No excavation shall be allowed in public rights-of-way from November 1 through April 30 of each year unless prior written permission is obtained from Summit County.

Any person doing any work on any water or sewer Main, or otherwise excavating in streets and easements in the District, shall comply with Summit County, Joint Authority, and these District Rules and Regulations regarding excavation, backfill, compaction and restoration of surfacing. Backfill shall be compacted to the 95 Procter standard. All trenching must meet OSHA standards and/or be properly shored. No District or contractor personnel shall enter any excavation that does not comply with OSHA and all other applicable standards.

The Manager may inspect excavations for compliance with the aforementioned laws and these Rules and Regulations, however compliance is the sole responsibility of the Contractor and the District does not, by such inspection, undertake any obligation to supervise or enforce such compliance.

.05 - MAIN CONSTRUCTION (WATER AND SEWER):

a. **Main Sizes:** The minimum size water and sewer Main shall be eight inches (8") in diameter unless demonstrated by engineering analysis approved by the Board that a reduced size will be in the best interests of the District and its residents. The minimum size Main shall be that size which is adequate to serve the needs of existing and future development.

b. **Application for Main Extension:** It shall be unlawful for any person to construct a Main extension within the District without first having made formal application to the Board for approval and having complied with the Rules and Regulation of the District. In the discretion of the Board, private persons may be permitted to construct a Main extension.

Plans and specifications for such extensions or additions shall be submitted to the District Engineer along with the application for a Main extension.

All Main extensions shall be designed and constructed according to these Rules and Regulations. All Main extensions within the jurisdiction of the Board shall be made under the supervision of the District Engineer at the applicant's expense.

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

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

Prior to the District's acceptance of the Mains, reproducible AS BUILTS drawings certified by a professional engineer shall be provided by the constructor or reasonable provision made for such drawings. These AS BUILTS will depict, but not limited to, curb stops, Main locations, manholes, curb cuts, fire hydrants, valve boxes and any other facilities.

Prior to acceptance by the District, all sewer Mains and manholes shall be vacuum tested, and all water Mains shall be pressure tested, as directed by the Manager or the Manager's designee.

c. **Location of Main Extensions:** Main extensions shall be installed in public roads or streets or in easements granted to the District. No water Main shall be placed in the same ditch as a sewer Main. All water Mains must be ten (10) feet horizontally from any sewer Main. No other utility lines, telephone, cable, gas, electrical or other types of communication lines, circuits, etc. are permitted in the same trench as water and sewer Mains.

Sewer Mains shall be in a straight alignment with no bends. Sewer mains shall be permitted to cross over potable water mains provided the crossing is 45 degrees or greater, the sewer line is reinforced either with SDR 26 or C900 using stainless steel backed couplers, and a full stick of pipe normally 18-20' is centered on the crossing. Concrete encasements are not allowed. No type of steel or iron pipe is to be used on sanitary sewer systems. All water Mains will be at a depth to allow for at least nine (9) feet of cover and shall be laid at uniform grade and in straight alignment.

d. **Cost Recovery:** The Board may, in its discretion and pursuant to the terms of a valid Main extension agreement, provide for cost recovery payments to a Constructor in such amounts and at such times as the Board may determine.

e. **Oversizing:** The District may, at its option, require the construction of oversized Mains, i.e. Mains larger than the minimum sizes specified herein or Mains larger than the size necessary to service the Customer's development. Participation by the District in the cost of installation of oversized Mains and lines shall be at the sole discretion of the Board, and shall be only for the cost of the materials necessary for oversizing.

f. **Dead-end, Non-looped Mains:** Shall be avoided if possible. Adequate blowoff valves or fire hydrants shall be provided, at the Constructor's expense, at the end of all dead-end water Mains.

g. **Air Evacuations:** High points and dead ends should be avoided if possible but if necessary, high points of looped water Mains and dead end water Mains shall be provided, at the Contractor's expense, with Air relief valves the specifications for which may be determined by the District in coordination with the Contractor. Combination valves are not permitted in the system.

h. **Extensions to Property Lines:** All Main 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 and sewer systems may continue.

i. **Preservation of Gravity Sewage System:** In those instances where pumping stations, forced mains or similar devices are required, the Sewage System shall be so designed as to permit eventual connection into a gravity system with a minimum of expense. Where practical, easements shall be provided and sewage Mains constructed to tie into the gravity system. The District may, in its discretion, require deposits to ensure the eventual construction of gravity Mains.

j. **Final Grade:** All valve boxes, manholes and fire hydrants shall be adjusted to the final finish grade by the Contractor. Paved areas shall be brought to within one and a half inches (1 1/2") of surface and a one inch (1") paving extension so that final grade is half inch (1/2") below finished paving surface. All fire hydrants are to be buried within two inches (2") of the bury line (note not the flange). The District will allow for topsoil/native grasses in the immediate area of the hydrants.

k. **Wet Taps:** Are not allowed in the water system.

l. **Ductile Iron Pipe:** Water Mains and Service Line extensions using ductile iron pipe shall install minimum schedule 52 pipe and fittings with a resilient seat type valve each 400 ft of pipe minimum. DR14 C900 is allowed with the District's approval, valves are to be Mueller epoxy coated resilient wedge type valve to be connected at every connection to adjacent mains.

m. **Plastic Pipe:** Plastic water Mains may be permitted using minimum C 900 DR 14 rated pipe and fittings, plastic water Mains require tapping per current industry standards.

n. **Sewer Mains and Service Lines:** Sewer Mains must have a manhole every 400 ft, at every change in horizontal, and at every vertical change in direction, as well as at any pipe sizing change must be completed within a manhole. Service lines must have a clean out within seven feet (7') of the building (per County Code) and at every hundred feet in length or a total of 180 degrees in fittings. Pipe reductions are not allowed in the sewer system

o. **Sewer Pipe:** Sewer Mains will be SDR 26 polyvinyl chloride (PVC) pipe with bell and spigot with compression ring gaskets.

p. **Sewer vacuum testing requirements for Sewer Mains:** All manholes and Sewer Mains are to be vacuum tested before acceptance. Testing should be done from the top of the metal lid frame to include all sections of the manholes as well as all pipe sections. Four foot (4') manholes and pipe sections are to hold a vacuum of 10mg of Mercury for two (2) minutes. There is an allowable drop to 9mg during the two (2) minutes but anything greater will be considered a failure. A representative from the District must be present for testing and a minimum of forty-eight (48) hours' notice is required.

q. **Charging of Water Mains and Service Lines:** District personnel will be the only people authorized to charge water Mains and Service Lines.

r. **Valves:** Valves will be the same size as the water Mains. Valves will open to the left (counter clockwise).

s. **Chlorination of Mains:** All Main extensions shall be chlorinated in accordance with AWWA standard C601 and the authority having jurisdiction, prior to acceptance by the District. The chlorinating agent, and method of application shall be approved by the District.

The chlorination of the finished Main shall be done prior to the hydrostatic testing. Before filling the Main with water, the Main shall be clean and free of debris to the satisfaction of the District. The District will not provide labor or material for disinfection to applicants installing Mains under private contract.

After the main is filled with water and chlorine, the chlorinated water shall be in contact with all parts of the main for a minimum of 24 hours. A minimum of 48 hours of "cook time" will be required if water temperature, condition of pipe and possible debris/contamination exists. After the minimum 24-hour cook time, a flush is allowed to commence. The Main should be thoroughly flushed to remove the heavily chlorinated water, air and other debris, including all service lines, laterals, and fire hydrants lines. Flushing must achieve 2.5'/sec velocities minimum and meet all AWWA requirements. It is the contractor's responsibility to create a plan to ensure highly chlorinated water is sufficiently contained, does not enter waterways, cause erosion or cause damage in any other manner. Flushing will continue until system residual chlorine is detected. Following this procedure, the new main is to sit for 24 hours. After 24 hours a bacteriological sample shall be taken by the Contractor. The Contractor is responsible for taking, delivering, and confirming result samples with a state certified lab. Only when the bacteriological sampling results have come back as absent, can mains become active and turn on for public consumption. The Contractor is responsible for providing all equipment, personal sampling bottles and for completing the testing to the District's satisfaction.

t. **Hydrostatic Testing:** No hydrostatic tests shall be made on any portion of the Main until field place concrete has had adequate curing time. Testing must follow AWWA standards.

u. **Main Extensions by District:** Notwithstanding any provision of this section, the District may, in its discretion, extend Mains under such conditions as the Board deems appropriate.

.06 - SERVICE LINE EXTENSION AND CONNECTION: A minimum of one separate and independent Service Line shall be provided for every building. All Service Lines shall be installed by and at the expense of the Customer, except as otherwise provided herein.

a. **Composition:** Water Service Lines shall be Pure Core PE 250 psi pipe is to be used for service lines two inches (2") and less. It is the District's recommendation for minimum plastic service lines to be 1 inch in diameter and to be restrained on both sides of any bi material couplings upon entering the building. All service lines must have tracer wire run on top of pipe to be located in the future. If using K copper, advanced permission must be obtained from the District. Compression fittings are only allowed above surface? Not sure about that/where this came from, and flared couplings are not allowed.

b. **Cover and Location:** Water Service Lines shall be brought to the building at a depth to allow for at least nine feet of cover. Water Service Lines which are less than 9 feet deep shall use insulation approved by the District and paid for by the customer. No Service Line shall be laid parallel to and within five (5) feet of any bearing wall which might be thereby weakened. Water Service Lines shall be laid at uniform grade and in straight alignment.

c. **Multi-Family:** Duplex properties must have a single sewer line for each unit and may have a single water line serving both units, provided that each unit shall be separately metered. Multi-family buildings and condominiums other than duplexes shall have a single water line and a single sewer line serving each building unless a different configuration is required by Summit County.

d. **Commercial:** 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.

e. **Curb Stops:** Service Line curb stops shall be located in the public right-of-way within three feet of the property line or in a utility easement. Curb stops are the responsibility of the Customer. If the curb stop becomes inoperative, the Customer shall be responsible for costs for correction of the problem. A representative of the Customer or Service Line Contractor shall verify with the District that the curb stop and valve box have been properly installed and are operational after back fill. Subsequently, if the curb box/valve becomes mis-aligned or inoperative, the Customer shall be responsible for costs involved in correcting the problem(s).

f. **PVC Sewer Service Lines:** Sewer Service Lines shall be PVC pipe with bell and spigot and compression ring gaskets. The PVC pipe shall be the ASTM 3034 or SDR 26

The Service Line shall be water-tight, in a straight line, on a constant grade and not closer than five feet to any bearing wall. Sewer Service Lines must conform to a grade of a minimum 1/8" to 1 ft. Select backfill of a Class B type granular (1/4" to 3/4") squeegee shall be used as bedding for the Service Line and shall be placed 6 inches under and under both sides. Twelve inches shall be placed on top of the Service Line. Sewer Service Line Bends and Clean outs – a maximum of 180 degrees in bends is allowed before an additional cleanout is required or every 100 feet. 90-degree fittings are not

allowed anywhere in the sewer system. Lines are to have 7' minimum of cover with anything shallower requiring insulation. Please consult the District for insulation requirements.

For all sewer lines servicing restaurants, car washes, businesses or commercial garages, property owner and/or contractor must install oil and/or sand interceptors or grease traps. . These traps or interceptors shall be sized and installed in accordance with the Uniform Plumbing Code and maintained at the property owner's expense.

g. **Sewer Taps:** Sewer Taps are to be constructed and installed by property developer/contractor only after tap fees are paid and with prior approval from the district. Tap type must be pre-approved by the District prior to installation.

h. **Fittings:** All fittings underground/outside the building foundation must be a push on gasket type style with no glued joints outside the foundation. Installation must adhere to local and county Codes.

i. **Water/Sewer Main Breaks and Repairs:** The District will perform maintenance as needed on the water and sewer main distribution systems. Main lines are located in established utility easements. Any restoration work in the easement will reestablish the original grading and restore with native grasses. No landscaping or other revegetation work will be allowed or replaced in easements.

ARTICLE XV

1500 - COVENANT AND COUNTY CODE ENFORCEMENT AND PENALTY POLICY.

The District, acting by and through its Manager, has been delegated and has accepted certain powers, duties, and authority to enforce the Wilderrest Covenants pursuant to that certain Assignment of Rights and Obligations Under Declaration of Protective Covenants for Wilderrest Subdivision Filing Nos. 1 and 2 (the "Premises") dated June 15, 2004 (the "Delegation"). A copy of the Delegation is recorded in the real property records of Summit County, Colorado at Reception No. 762834. The District hereby incorporates by reference all prohibitions, guidelines, requirements, and terms of the Wilderrest Covenants into these Rules and Regulations.

.01 - NO HAZARDOUS ACTIVITIES: No activity shall be conducted and no improvement shall be constructed on any property within the Premises that is or might be unsafe or hazardous to any person or property, including but not limited to open burning, and the discharge of weapons. The District's Manager or other employee or agent may identify activities considered hazardous pursuant to this section, but in all cases such identification shall be reasonable and not arbitrary or capricious.

.02 - LANDSCAPE MAINTENANCE: All plans and specifications for landscaping within the Premises are subject to the District's approval. All landscaping, including but not limited to trees existing on each parcel within the Premises, shall be maintained in a neat, attractive and healthy condition. The owner shall remove dead, dying, diseased, or insect-infested landscape materials, including all noxious weeds, as soon as possible but in any event within thirty (30) days of a written request by the Manager. The District may require that removed landscape materials be replaced in accordance with the County Code and taking into account weather conditions affecting the planting of replacement landscaping, but replacement of any landscape materials shall be subject to the District's prior written approval and applicable fire mitigation standards may dictate that removed landscape materials not be replaced.

a. All lots within the District have (at a minimum) 10' drainage and utility easements along the sides and rear lot lines. No property owner shall excavate or fill, construct, place, plant, remove or replace any temporary or permanent improvement, structure, building or deep rooted shrub, plant or tree, in, on or under any part of such easements without the District's prior approval. The District may remove such improvements from such easements if required to fulfill the District's service obligations and may charge the property owner time and material costs for removing such items from the easement. Once required utility work is completed in the easement, landscape materials, trees, shrubs etc. will not be replanted in the easement.

b. All landscaping, including berm installation, is additionally subject to Summit County's prior approval.

.03 - GARBAGE AND TRASH: No refuse, garbage, trash, lumber, grass clippings, shrub clippings, plant waste, compost, metal, bulk materials, construction materials, scrap or debris of any kind shall be kept, stored, or allowed to accumulate on any parcel or upon any right-of-way within the Premises, except within an enclosed structure or appropriately screened from view. All trash containers shall be placed outside enclosed structures only on the appointed day for trash pickup, and shall be returned to enclosures no later than 24 hours after pickup. The District may require bear/animal proof containers if a property is cited more than two (2) times for not properly securing trash.

.04 - NUISANCE AND NOXIOUS ACTIVITIES: No noxious or offensive activities shall be carried on within the Premises, nor shall anything be done or permitted which shall constitute a public nuisance therein. For purposes of these Rules and Regulations, the following shall constitute public nuisances:

- a. Dead or dying trees;
- b. Fallen trees;
- c. Trees diagnosed as being infected with mountain pine beetles or any other infectious, communicable disease or insect;
- d. Abandoned vehicles, as that term is used in Sections 42-4-1202 and 42-4-1801, et seq., C.R.S., vehicles without current registration tags, or vehicles that cannot be moved under their own locomotion (unless such vehicles are parked in a garage or covered by a cover made to fit the vehicle);
- e. The accumulation of trash, garbage, or other rubbish which is noxious, offensive, unsightly, dangerous, hazardous or otherwise constitutes a public nuisance on any property or on any alley, sidewalk, or right-of-way; and
- f. Construction activity that causes noise audible outside the premises at any time other than 7:00 a.m. through 7:00 p.m., Monday through Saturday, or that exceeds the maximum permissible noise levels for industrial zones as specified in Section 25-12-101, C.R.S.

This list of public nuisances is not exhaustive, and any other action or activity may be determined to constitute a public nuisance after appropriate Board research and analysis.

.05 - PARKING: No party shall park, store or allow to remain any vehicle on unpaved areas (excepting any County approved parking area); park any unlicensed vehicles (unless covered with a cover made to fit the vehicle); park any commercial vehicles (as defined in the County Code); park any vehicle on or overhanging a road, path, sidewalk, or street right-of-way; or park recreational vehicles, boats or trailers in any front yard (or driveway) or setback within the Premises;

a. Parking within Summit County road rights-of-way is prohibited by the County Code and these Rules and Regulations. In addition to any other remedy available to the District in law or under these Rules and Regulations, any vehicle of any type or size parked in a manner that impedes the District's snow removal operations is subject to booting or towing without notice. The District may, but is not required to, post notice on any vehicle violating these Rules and Regulations prior to towing or booting.

b. Recreational vehicles, boats or utility trailers may be parked in the front yard or setback of residential properties that contain more than five (5) living units provided a driveway or parking area has been constructed in the front yard or setback.

c. For vehicles that are allowed to be parked or stored on the side or back side of a property on an improved surface constructed to Summit County Code, such recreational vehicles, boats, and utility trailers must be owned or leased by the property owner, guest, or tenant of the property owner; not exceed 33 feet in length or 15,000 pounds gross vehicle weight and be licensed and operable unless covered with a cover made to fit the vehicle.

d. All lots within the District have (at a minimum) 10' drainage and utility easements along the sides and rear lot lines. No party shall construct any driveway or parking area, park, store or allow to remain any vehicle within any part of such easements without the District's prior approval.

e. **Recreational vehicle** means a vehicle designed to be used primarily as temporary living quarters for recreational, camping, travel, or seasonal use that either has its own motor power or is mounted on or towed by another vehicle. “Recreational vehicle” includes camping trailers, fifth wheel trailers, motor homes, travel trailers, camper vans, and multipurpose trailers, as defined below:

“Camping trailer” means a vehicle that meets the definition of “camping trailer” set forth in the American National Standards Institute's (ANSI's) standard A119.2 or any amendment thereto.

“Fifth wheel trailer” means a vehicle that meets the definition of “fifth wheel trailer” set forth in the American National Standards Institute's (ANSI's) standard A119.2 or any amendment thereto.

“Motor home” means a motor vehicle designed to provide temporary living quarters for recreational, camping, or travel use, built on or permanently attached to a self-propelled motor vehicle chassis or on a chassis cab or van that is an integral part of the completed vehicle.

“Recreational park trailer” means a trailer-type unit that is primarily designed to provide temporary living quarters for recreational, camping, or seasonal use, that is built on a single chassis mounted on wheels, and that has a gross trailer area of not more than four hundred square feet or thirty-seven and fifteen one-hundredths square meters in the set-up mode.

“Travel trailer” means a vehicle that meets the definition of “travel trailer” set forth in the American National Standards Institute's (ANSI's) standard A119.2 or any amendment thereto.

“Camper vans” means Class B motorhomes that are built using automotive vans or panel trucks and are used for recreational purposes. Vans used for construction jobs or daily commuters are exempt.

“Multipurpose trailers” means a utility trailer or a wheeled trailer vehicle without motive power.

f. **Loading/Unloading:** Property owners are allowed twenty-four (24) hours to load & unload recreational vehicles, trailers and equipment. No sleeping and/or camping use of the vehicle or trailer during this 24 hour period is allowed.

g. **Construction Parking:** Subject to District approval, parking in the right-of-way during a construction project is allowed if enough space is available to safely allow traffic to pass. Construction parking may not block or hinder nearby driveway egress.

h: Any vehicle parked in a manner that impedes the District’s snow removal operations is subject to booting or towing without notice.

.06 - STORAGE: As required by the County Code, no party shall store any item in a front yard (defined as that area of a lot in front of the front plane of the dwelling) or setbacks; provided that firewood may be stored in a front yard, but not in setbacks, if stacked in an orderly manner. No portion of any lot may be used for non-residential storage (e.g., storage of items in exchange for compensation) absent prior approval by Summit County and appropriate screening approved by the District. All outdoor residential storage shall be made in a neat and orderly manner. If the District determines that a screen to shield permitted outdoor residential storage would be in conformance with the property’s overall landscaping plan and the County Code, the District may permit or require such a screen be installed by the property owner, notwithstanding the fence prohibitions set forth in the Wilderrest Covenants. A garage may be used to screen or shield storage.

.07 - FENCES, WALLS, AND SCREENS: All fences, walls, and screens are subject to the District’s prior approval. The District will allow fences, walls and screens only in the following circumstances and for the following purposes as outlined below. All plans will be reviewed, and decisions made based on lot location, lot size, and neighbors’ views of proposed fencing. Fences shall not exceed six feet in height.

a. **Safety:** Safety related fences, walls and screens constructed to enclose hot tubs, swimming pools, tennis courts, trash receptacles, and common area recreation facilities.

b. **Patio:** Fences, walls and screens of materials and finishes which conform with the architectural design of the adjoining dwelling and do not exceed 50 cumulative feet in length may be constructed around a deck or patio, and between adjoining units, such as duplex offsets.

c. **Decorative:** Split rail fences which do not exceed 30 cumulative feet in length may be constructed as part of an approved overall landscaping plan, but in no case may such fences be used to delineate the perimeter of a lot.

d. **Restraint:** One animal or child enclosure of materials and finishes which conform with the architectural design of the adjoining dwelling may be constructed on each lot. Such enclosures must be constructed wholly within applicable setbacks may not limit access to any utility connection or meter.

Fenced areas may be permitted in back or side yards only and shall start and end contiguous to the house. Fences may not encroach utility easements. Landscaped screening may be required, depending upon visibility from the street and/or neighboring properties. Maximum square footage of a fence enclosure is based on the following lot size specifications:

Lot Size (sq.ft)	Max Fence Size (square feet)
43,560+	600
21,780-43,559	500
13,068-21,779	400
7,000-13,067	300
3,000-6,999	200
0-2,999	100

Permitted materials include wood, or possibly, other metal type fencing. No plastic, fiberglass, or chain link fencing is permitted. The design, location and quality must be appropriate to preserve the aesthetic values of the home and neighborhood. Fences on duplex, triplex or multi-family properties will need to obtain the written consent of adjacent property owners.

e. **Electronic:** Invisible electronic animal fences may be constructed, but such fences may not be constructed within 5 feet of any lot line, extend across any easement, or extend forward of the front plane of the dwelling.

.08 - DUMPSTERS: Any dumpster that is visible from anywhere outside the property must be placed in an enclosure with at least three sides. Such enclosure shall be at least six feet in height and screen the dumpster from public view. An enclosure without a roof may be placed in the property’s setbacks. All other buildings, structural improvements and paving are prohibited in any required setback, except driveways and parking areas in the front setback.

a. **Location:** Dumpsters and enclosures should be located as far as practical inside property boundaries and may not be located in utility easements (absent District approval) or public rights of way. Along Ryan Gulch Road, the right of way typically extends 18 feet from the edge of the paved surface; along all other streets in Wildercrest, the right of way

typically extends 13 feet from the edge of the paved surface. Utility easements are located along most property lines and are typically 10 feet wide on both sides of the line.

b. **Gates:** If an enclosure can be oriented so that the front, back and sides of the dumpster are not visible from nearby properties and rights of way, gates are not required.

c. **Dimensions:** The walls and gates of an enclosure should be not more than twelve inches above the ground and not less than six inches higher than the height of the dumpster. Where gates are not required, enclosures should be deep enough to allow the dumpster to be set at least twelve inches inside the open side of the enclosure after trash removal.

d. **Materials & Finish:** Exterior surfaces of walls and gates must be finished with wood siding not more than eight inches wide. Interior surfaces need not be finished with siding.

e. **Repair & Maintenance:** All surfaces and components of an enclosure must be painted or stained to match other structures on the property and maintained in good repair at all times.

f. **Existing Non-compliant Dumpsters:** Existing dumpsters that do not comply in all respects with this subsection 1500.08 shall be brought into compliance as a condition of any approval of the District for any addition to or modification of any aspect of the property in question, but in any case no later than December 31, 2009.

.09 - SIGNS: While the Wildernest Covenants prohibit all signs, and this prohibition may be enforced by any property owner, the District's enforcement of this prohibition shall be limited to the express terms of these Rules and Regulations.

a. **General Provisions:**

1) All signs must be professionally made and comply with the County Code's restrictions on permitting, size, and placement.

2) Signs must be plumb, level and maintained in good repair at all times.

3) Signs must be supported by a permanently attached post, which post must be stained or painted and maintained in good repair at all times. Signs may not be attached to trees, buildings, or vehicles.

4) Signs must be set back at least fourteen feet from publicly maintained roads.

5) These Rules and Regulations do not limit the power of other entities to limit or prohibit signs, including the power of homeowner's associations to adopt stricter sign provisions.

b. **Project Identification Signs:** Each condominium or townhome development may post an identification sign no larger than 12 square feet with the top of the sign no more than six feet above the ground. All such signs must be approved by the District prior to installation. One sign indicating the management agent, not larger than 2 square feet, may be attached to the post(s) supporting each approved project identification sign.

c. Real Estate Signs:

1) Sales: One “For Sale” sign no larger than 4 square feet with the top of the sign not more than 4 feet above the ground is permitted on each property offered for sale.

Real Estate signs are limited to one (1) sign per real estate company at HOA entrances.

b) Any real estate company posting a “For Sale” sign must be under a current listing contract with the property owner. Any sales agent listed on a “For Sale” sign must be licensed in the State of Colorado.

c) Any owner posting a “For Sale by Owner” sign may only post a professionally made sign. Any “For Sale by Owner” sign must be removed within six months of its original posting, and shall not be replaced on the property (either with the same sign or a similar sign, excluding signs posted by a licensed real estate agent) for three months following its removal.

d) All “For Sale” and “For Sale by Owner” signs must be removed within the earlier of 72 hours of closing or expiration of the listing agreement.

e) One “Open House” sign no larger than 4 square feet, with the top of the sign not more than 4 feet above the ground, may be posted temporarily on property for sale during daylight hours only.

2) During construction, one builder/contractor identification sign, one “For Sale” sign, and one “Open House” sign (posted during daylight hours only) per project are permitted. Builder/contractor identification signs may not exceed 12 square feet with the top of the sign not more than 6 feet above the ground.

d. Business Identification Signs: Any sign designed to identify a business is subject to the prior approval of the District and adhere to the Summit County Land Use and Development Code for Sign Regulations including applicable permit.

e. Other Signs: All other signs must adhere to the Summit County Land Use and Development Code for Sign Regulations including applicable permit. The size must not exceed 12”x 14” and color is limited to white letters on a green background. Placement may not be located within any right-of-way or utility easement which is ten (10) feet from the property line.

f. Additional Enforcement: In addition to any other enforcement powers that may be exercised by the District, the District may remove non-conforming signs. Any sign removed by the District and not claimed within 15 days of removal will be destroyed.

.10 - EXTERIOR MODIFICATION TO STRUCTURES: No modification or addition to the exterior of any structure shall occur in the absence of the prior written approval of the District.

.11 - NO TEMPORARY STRUCTURES: No temporary structure, excavation, basement, trailer or tent shall be permitted in the subdivision unless authorized by the District.

.12 - NO LIVESTOCK: No livestock, horses, or sheep shall be kept, raised or bred in the subdivision.

.13 - ENFORCEMENT:

a. Property Owners Responsible of Compliance: It benefits all property owners within the Premises to adhere to the Wilderrest Covenants to promote the common good and enjoyment of the property owners’ investments, protect

property values, and maintain a pleasant residential environment. Each owner of property within the Premises is responsible for the compliance with these Rules and regulations regardless of whether the property in question is rented to others or vacant for any length of time. Upon adoption of these Rules and Regulations, the District Manager or any duly authorized agent of the Manager or the District, bearing proper credentials and identification, shall be permitted to enter upon the exterior portions of all properties for the purposes of investigating suspected violations and enforcing these Rules and Regulations. The Manager shall make reasonable efforts to notify the property owner prior to such entry. Should a property owner be in violation of the Wildernest Covenants or these Rules and Regulations, the Manager may, but is not obligated to, provide the following notices and impose the following penalties:

1st Notice of Violation (Courtesy Notice) - Written notice to property owner describing the alleged violation and requesting that the property owner correct the alleged violation within a stated period of time, depending upon the violation in question, as determined in the exercise of the Manager’s discretion. Any written request by the Manager to replace or remove dead, dying, diseased, or insect-infested landscaping shall be considered as the Courtesy Notice.

2nd Notice of Violation (\$50.00 Penalty) - Written notice to property owner that the alleged violation has not been corrected, informing property owner that a penalty of \$50.00 has been imposed, and notifying the property owner that an additional \$100.00 penalty will be imposed if the alleged violation is not corrected within ten (10) days. The Second Notice of Violation may be issued if the property owner does not correct the violation within five days of the First Notice of Violation.

3rd Notice of Violation (\$100.00 Penalty) - Written notice is given to property owner that the alleged violation has not been corrected, informing property owner that a penalty of \$100.00 has been imposed, and notifying property owner that an additional \$100.00 penalty will, without further notice, be imposed for every subsequent ten (day) period, in part or in whole, that the alleged violation remains uncorrected. The Third Notice of Violation may be issued if the property owner does not correct the violation within five days of the Second Notice of Violation.

b. **Penalties Imposed per Violation:** Penalties imposed for violations shall be imposed on a per-violation basis, rather than a per-notice basis.

c. **Recurring Violations:** All notices of violation provided pursuant to this section shall also notify the property owner that if the same violation occurs within one year of the date of the First Notice of Violation, such recurrence shall be considered as a continuance of the original violation and not a new violation and be subject to immediate penalties. All notices shall state the date, time, and location of the next regularly-scheduled Board meeting.

d. **Right to Appear at Board Meeting:** Any party notified of a violation pursuant to this section shall be permitted to appear at the next regularly-scheduled Board meeting following such notice of violation to present evidence and testimony regarding the violation. The Board shall then determine, based on the evidence presented, whether the party committed a violation, whether the party should be subject to any penalty (“fine”), whether any circumstances should mitigate the fine, and whether any other circumstances justify a delay, deferral or removal of the fine.

e. **Recovery of Damages, Including Attorney’s Fees:** In accordance with the Wildernest Covenants, the District Manager may without notice institute proceedings at law or in equity to enforce the Wildernest Covenants, and to recover damages, including reasonable attorney’s fees, as applicable.

f. **Perpetual Lien:** The penalties set forth in this section shall constitute penalties of the District in accordance with Section 32-1-1001(1)(j), C.R.S., and until paid shall constitute a perpetual lien on and against the property that is the subject of the enforcement action.

g. **Immediate Action in Lieu of Notice:** In lieu of the notice and penalty policy set forth in this section, the Manager may, if necessary to guard against fires or otherwise protect any portion of the Premises or the Constituents, take such immediate action(s) as may be necessary to enforce the Wildernest Covenants or ensure compliance with these Rules and Regulations, including but not limited to instituting an enforcement action authorized by this section or entering private property within the Premises to remove dead, dying or diseased trees, or trees diagnosed as infected with mountain pine beetles or other similar insects.

1) If the Manager takes immediate action(s) to enforce the Wildernest Covenants or enforce these Rules and Regulations, any and all costs and fees incurred by the District related to such enforcement or other corrective action, plus a ten percent surcharge, shall constitute a fee, penalty or charge of the District and shall constitute a perpetual lien on and against the property served in accordance with C.R.S. §32-1-1001(1)(j)(I).

2) If the Manager takes immediate action(s) to enforce the Wildernest Protective Covenants or enforce these Rules and Regulations, such action(s) shall be ratified by the Board at the Board meeting immediately following such action.

3) If the Manager takes immediate action(s) to enforce the Wildernest Protective Covenants or enforce these Rules and Regulations, neither the Manager nor the District, nor any of their employees, agents, or contractors shall be liable in any fashion for trespass or related claims arising from the enforcement activity.

EXHIBIT A

(Forms, Checklists and Instructions)

Application for Water and Sewer Service

Property Owner (Title to Land):

Name: _____ Phone: _____

Billing Address: _____ Email: _____

Contractor: _____ Phone: _____

Property Address: _____

Location: Lot: _____ Block: _____ Filing: _____

Date Projected "On-line" _____

Single Family Residential: _____ bedrooms / _____ bathrooms

Duplex/Triplex: _____ bedrooms / _____ bathrooms

Apartments: _____ bedrooms / _____ bathrooms

Condominiums: _____ bedrooms / _____ bathrooms

Area to be Irrigated: _____ (Acres) Swimming Pool/Hot Tubs: _____ Total Gallons

Number of Hydrants Required: _____ Clubhouse Area: _____ Square Feet

Minimum & Maximum Flow Rates: _____ Water Service Line Size: _____

CERTIFICATION:

I, _____, certify that I am the owner or an authorized agent of the owner of the above-described property and that the foregoing information is correct to the best of my knowledge. I agree to abide by the Rules and Regulations of the District which may be amended from time to time without notice and grant to the District the right to access the above-described property for the purposes of inspection and/or maintenance of the water meter, service lines, and any sanitary sewer pre-treatment facilities.

Signature: _____

Date: _____

AUTHORIZATION TO CONNECT TO WATER,
AND SANITARY SEWER SYSTEMS

Property Owner: _____

Service Address: _____

Your APPLICATION for Water and/or Sanitary Sewer Service dated _____ was APPROVED by the Buffalo Mountain Metropolitan District on _____, subject to payment of all applicable fees and adherence to the Rules and Regulations of the District, which fees and Rules and Regulations may be amended from time to time. You are Authorized to connect to the water and/or sanitary sewer systems and to receive water and/or sanitary sewer services from the District system.

Your ACCOUNT NUMBER is _____.

Charges for construction water are effective _____. Charges for full water and sewer service are effective the earlier of _____ or the first day of the calendar quarter following the issuance of a certificate of occupancy. Charges for water and sewer service are billed in arrears following the end of each calendar quarter.

Construction water is billed at a flat rate of \$_____ per quarter; sewer service at a flat rate of \$_____ per quarter; and water service at \$_____ per quarter for up to 15,000 gallons of water use. Water use in excess of 15,000 gallons per quarter is billed at \$_____ per 1,000 gallons. Charges not paid by the due date are assessed a late fee of 1% per month on the unpaid balance.

By virtue of issuing this authorization, the District has the right to access the customer's property for the purpose of inspection and/or maintenance of the water meter, and any sanitary sewer pretreatment facilities.

Water and Sewer Systems Development Fees are calculated based on the number of EQRs required as set forth in the Silverthorne/Dillon Joint Sewer Authority EQR Schedule. The District's fee is \$15,200 for each EQR assigned or fraction thereof.

CALCULATIONS:

Number of Units: _____ x _____ bedrooms / _____ bathrooms

Total EQRs Required: _____
Water Systems Development Fee: _____
Sewer Systems Development Fee: _____
Other Charges: _____

SYSTEMS DEVELOPMENT FEE CHARGE: _____

TOTAL PAID: _____

Buffalo Mountain Metropolitan District hereby acknowledges that the applicant has paid all District fees and is hereby entitled to actual service connections.

BUFFALO MOUNTAIN METROPOLITAN DISTRICT

Signature: _____

Name & Title: _____

Date: _____

This authorization is valid for a period of one year from the date it is signed by the District. If actual tap connections are not made within that period, this authorization shall automatically terminate and all fees shall be forfeited.

Any future building alterations or expansions may be subject to additional Systems Development Fees if they increase demand. All District fees, and the use by applicant of the District's systems, are subject to the District's Rules and Regulations, which are in turn subject to amendment from time to time as the Board of Directors of the District may, in its sole discretion, deem appropriate, and applicant receives no right to continued use of the District's systems, nor to a particular fee or method of calculation thereof by virtue of this authorization.