

indian hills water district

Rules and Regulations

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This compilation of the Rules and Regulations contains all amendments through

_____, 2019

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Section 1 - General Rules

1.1 Authority. The following Rules and Regulations are hereby adopted by the Board of Directors of the Indian Hills Water District. These Rules and Regulations are deemed necessary for the control, management and supervision of the business affairs of the Indian Hills Water District, and for the health and safety and general welfare of the inhabitants of the Indian Hills Water District. Nothing in these Rules and Regulations shall be interpreted as a requirement of the District to construct any lines or facilities or to enter into any agreement with any applicant for the construction of any lines. The Indian Hills Water District Board of Directors retains complete and full discretion with respect to water service within the District boundaries.

1.2 Effectiveness. These Rules and Regulations are revised and readopted effective on and after 2019 and supersede all former Rules and Regulations which are or may be in conflict with these Rules and Regulations.

1.3 Amendment – Notice. These Rules and Regulations may be altered, amended or added to from time to time, and such alterations, additions or amendments shall be binding and of full force and effect as of the date they are adopted by the Board of Directors.

1.4 Titles. Titles used in these Rules and Regulations are for convenience only and shall not be considered in interpreting their scope or meaning.

1.5 Severability. If any provision of these Rules and Regulations or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect any other provision or application, and to this end, the various provisions of these Rules and Regulations are declared to be severable.

1.6 Definitions. As used in these Rules and Regulations, unless the context shall otherwise require, the words defined in this paragraph shall have the meanings herein ascribed:

- a. District: The Indian Hills Water District, both as an enterprise fund corporation and as the legal boundaries of the District.
- b. Board: The Board of Directors of the Indian Hills Water District, as established by Colorado statute, which consists of five members.
- c. Inspector: The person or persons appointed by the Board and charged with the enforcement of the Rules and Regulations.
- d. Water System: The facilities and system owned or controlled by the District which are used to pump and distribute water.
- e. Water Main or Distribution Main: Those pipes owned by the District and used for distribution of water along public roads or appropriate rights-of-way.

- f. Service Line: A service line is all the pipe, fittings and appurtenances from the main or multi-service line to the dwelling. A service line is owned by the licensee.
- g. Multi-Service Line: A service line jointly owned and used by more than one licensee from which individual service lines emanate.
- h. Tap: A connection made to a water main line for the purpose of supplying water to a service line.
- i. License: The right to water service granted by a Water Service Agreement approved by the Board for the purposes specified in the agreement.
- j. Licensed Premises: The real property, as legally described in the application for a license and in the water service agreement entered into between the licensee and the District, to which water service is provided.
- k. Licensee: Any person, association, corporation or other entity having ownership of the licensed premises.
- l. Water Availability: The determination made by the District that there is sufficient physical water and the legal right to use such water for the purposes of a licensee.
- m. Water Service: Supply of water to licensed premises following connection of the licensee's service line to a main line and installation of a meter for the licensed premises.
- n. Standby Water Service: A license issued to a premises which is not physically connected to the District facilities.
- n-1. Summer Service: A license granting water service to a property commencing May 1 and ending October 31 of each year. Only certain properties are eligible to receive summer service. For additional information see section 2.7, below.
- o. Tap Application: An application for a license presented to the Board.
- p. Tap Fee: The fee charged by the District to a licensee for the grant of a license. The tap fee is set by the Board and may be based on any system development cost in order to serve the licensee.
- q. Water Usage Rate: The charges made by the District for the use of water, which charges may be based on any combination of metered usage, estimated usage and minimum usage.
- r. Water Key: A temporary right to withdraw water from the water system. The water key is an account set up for customers residing within District boundaries that do not have a water tap.
- s. Residential Structure: A building which contains at least one and no more than two Dwelling Units.
- t. Dwelling unit: A separate, complete housekeeping unit with a separate entrance, kitchen, sleeping area, and bathroom facilities and which is designed for occupancy by not more than one Family.
- u. Family: As defined in the Zoning Resolution of Jefferson County, as it exists on the date of the adoption of the within Regulation, and as it may be amended from time to time.

v. Accessory Use: A use, building (not including a Residential Structure), equipment or item customarily incidental to an existing permitted use on a Licensed Premises. Accessory Use does not include Accessory Dwelling Unit.

w. Accessory Dwelling Unit: A separate, complete housekeeping unit with a separate entrance from the outside, kitchen, sleeping area, and full bathroom facilities, which is smaller than and subsidiary to a primary Residential Structure and either attached to a primary Residential Structure containing one additional single family dwelling unit or within a detached Residential Structure upon the Licensed Premises.

Section 2 - Licenses

2.1 Conditions of Service. The right to use water of the District shall be at the discretion of the Board and shall be based only upon the issuance of a License to the Licensee. No Tap may be made to a Water Main until the Board has issued a License. No License may be issued for nor may water of the District be used upon property which is not within the boundaries of the District. Property for which a License is sought, which is undeveloped and vacant, must be two acres in size. The Board may condition the issuance of a License to any property upon the merger of all lots within the property into one parcel.

2.2 No Relinquishment of Title. Neither the issuance of a license nor the use of water thereunder shall constitute or be deemed a relinquishment of title to any water or water right by the District, and no act, circumstance or condition of use or service shall be deemed to constitute a conveyance or operate to create any vested or proprietary right in a licensee whatsoever.

2.3 Licenses Run with the Land. Subject to exceptions described in these rules and regulations, licenses are appurtenant to licensed premises only and are not separately transferable. They are not affected by changes in the ownership of the licensed premises. Exceptions include but are not limited to revocations under 2.15 hereof, and reconveyances under 2.18 hereof.

2.4 Use on Licensed Premises Only. A licensee shall use water only on the Licensed Premises and for the purposes specified in the License, subject to the modification, suspension or revocation of such License as herein provided. The lawful use of water on a Licensed Premises used for residential purposes shall be restricted to service to no more than two Dwelling Units per License and to no more than two Residential Structures upon any one Licensed Premises, as well as for other Accessory Uses.

2.4.1 Extended Service Line.

1. A modification to a License Agreement may be applied for by a Licensee and

approved by the Board to supply water to an Accessory Use or Accessory Dwelling Unit on a Licensed Premises via an extended service line, under the following conditions:

A. Said Accessory Use and Accessory Dwelling Unit shall be in compliance with all building, zoning, and public health/environmental regulations of Jefferson County, and, prior to the delivery of water thereto, if applicable, shall have received a certificate of occupancy from Jefferson County;

B. The connection of the extended service line from the primary Residential Structure to the Accessory Use and/or Accessory Dwelling Unit shall only be made at a point after the water meter to the primary Residential Structure on the Licensed Premises, so that all water use on the Licensed Premises shall be measured by one meter for billing purposes.

C. If the Accessory Use or Accessory Dwelling Unit is located upon a separately platted and distinct lot or parcel within the Licensed Premises, although under the same titled ownership as the lot or parcel upon which is located the primary Residential Structure, the Board may require that all lots or parcels within the Licensed Premises to which District water is supplied be merged into one lot or parcel.

D. The extended service line and its installation shall be subject to the same District specifications and inspection rules as for service lines.

E. The extended service line can only be connected to an Accessory Use or Accessory Building Unit on the Licensed Premises, i.e., the said line cannot extend beyond the outside boundaries of the Licensed Premises.

F. The Licensee shall apply to the District for a modification to the license to allow for such extended service line, which application shall be accompanied by an appropriate fee as set by the Board, by a site plan describing the locations of all proposed Accessory Uses and Accessory Dwelling Units on the Licensed Premises and the location of the proposed extended service line, and by such approvals of use, construction and inspection of the Accessory Uses and Accessory Dwelling Unit as are required to be issued by the building, planning and zoning, and public health/environment authorities of Jefferson County. The District, upon review of the application and attachments, may require other or additional documentation in order to satisfy itself of the legality and propriety of the use and construction of the Accessory Uses and Accessory Dwelling Units, and to ascertain their compliance with these Rules and Regulations. Any existing Accessory Dwelling Units that are connected to the water system will be reviewed by the Board to determine if they can continue water use.

2. The District may place a notification in the Jefferson County real estate records which states, among other things:

A.) that the License has been modified to allow water to be delivered to an

Accessory Use and/or Accessory Dwelling Unit on the License Premises via the extended service line, and

B.) that such modification of the License was approved by the District based upon the representations of the Licensee that the Accessory Use and/or Accessory Dwelling Unit was as described in the Licensee's application and no other, and

C.) that any other use of the water provided by the extended service line could nullify the modification approval and subject the Licensed Premises to possible suspension of water service and/or revocation of the License, and

D.) that an Accessory Use and/or Accessory Dwelling Unit may not be separately conveyed to a new owner without risking the suspension or revocation of the License for the Licensed Premises and the Accessory Use and Accessory Dwelling Unit, and

E.) that any use of water on the premises remains subject to the District's Rules and Regulations.

3. The approval for such modification of the License shall be at the sole discretion of the Board. No service line shall be extended except pursuant to this subsection and only upon the approval of the Board.

2.5 District Control. Notwithstanding the issuance of a license, the District reserves full power and authority to determine all matters related to the control and use of water from the water system.

2.6 Payment of Tap Fee Required. No license for water service shall be issued by the District without prior payment of an appropriate tap fee.

2.7 Types of Licenses. District licenses are issued for metered rate service, metered commercial service, summer service, school service, and in special instances, for flat rate service. The District retains the right to modify such rates pursuant to these Rules and Regulations.

1. Metered Residential Service – Water provided for residential users in the District.

2. Metered Commercial Service – Water provided for commercial users in the District.

3. Summer service is available only to those premises that are currently set up as a Summer Account. Summer service licensees must contact the District each year to have water service turned on for that six month season. Activation of service each year will not be automatic. For those accounts that are turned on, they will be automatically turned off November 1. Customers contracting for summer service will be charged, as a minimum, a total fee equal to six times the minimum monthly service charge to regular metered rate

customers. No reduction in the minimum charge shall be allowed for any reason, including non-availability of water due to inclement weather. The minimum charge will be billed to the summer service licensee in six monthly installments, beginning with the May billing. Monthly meter readings will be required of summer service licensees. Usage by summer service licensees in excess of the minimum 3000 gallons per month will be billed at the District's regular monthly tiered rate. Service will not be made available to summer service licensees until charges attributable to the previous years' service and usage have been paid in full. Summer service licensees may convert to year-round service at any time, provided the applicable premises are appropriately protected from freezing. A regular licensee receiving water on a year-round basis shall not be convertible to summer service.

4. School Water Service – Water provided to public school user in the District

5. Water Key - Such Customers are responsible for filling and hauling their own water tanks for residential household use at the designated address associated with the account. The quantity of water allowed to be withdrawn is equivalent to the use of the average single family residence, which is up to 6,000 gallons per month. The water is to be withdrawn from the location designated by the District.

6. Fire Protection - Service for Indian Hills Fire Protection District is outlined in the Inter-Governmental Agreement between the District and Indian Hills Fire Protection District.

2.8 Application for License. A license shall be issued only under the following application procedure:

1. Application Information. The applicant shall submit the signed Water Tap Application for a tap and water service. The applicant must be the titled owner of the premises to be served by the license, and the District will consider that the application is submitted by all titled owners of the premises whether said application is signed by all titled owners. The request shall be on a form provided by the District and contain the following information and be accompanied by the required application fee:

A. A description of the premises to be served under the license by reference to metes and bounds description or by designation of lot and block. Improved property shall also be designated by the street address of the property.

B. A statement of the purpose for which the water is to be used.

C. An acknowledgment and agreement by the licensee that use under the license must be as limited and defined by applicable law and Rules and Regulations of the District.

If the license application is approved by the Board, the application fee will be applied toward applicant's line inspection charges. If a license application is not approved, the application fee will be refunded to the applicant.

2. Payment of License Fee. Licenses approved for issuance by the District must be paid for in full within 90 days of approval or the approval shall automatically terminate, unless, upon a showing of good cause, said 90 day period is extended by the Board. In the case of the expiration of approval without payment in full, the Application fee will not be refunded to the applicant.

3. Application Process. License applications will be accepted for consideration on a case by case basis. All applications received by the District will be considered at the next regular Board meeting. The number of licenses to be issued in any one year shall be determined at the sole discretion of the Board of Directors. The applications for license(s) issued in any one year shall be considered and license(s) issued in accordance with the following criteria and in the following order of priority:

- A. Applicants experiencing hardship conditions on improved premises;
- B. Applicants not experiencing hardship conditions on improved premises;
- C. Applicants for licenses on unimproved premises.

4. Definitions and Conditions.

A. "Improved premises" means property with an inhabitable structure for which a certificate of occupancy has been issued by the appropriate authority.

B. "Hardship conditions" refer to circumstances in which, because of the inadequacy or un-potability of the water supply available to a property, the owner or occupants of such property are unable to meet or satisfy their daily living requirements. Hardship conditions of applicants will be examined and evaluated on an application by application basis. Hardship conditions can be related to the quality and/or quantity of water available for use on the property. Notwithstanding the above however, an applicant whose average monthly water production available to his/her property is 3000 gallons or more shall be presumed by the Board not to be experiencing hardship conditions related to quantity. If the hardship is claimed on the basis of quality of water, the application must be accompanied by a report of testing performed on the water supply for the property. Testing will be performed only by a State of Colorado certified laboratory. The cost of the testing will be paid for by the applicant. Efforts by the applicant to improve the quality of the water should be described in detail in the

application and receipts of expenditures in those efforts should be appended.

If the hardship is claimed on the basis of quantity of water, the applicant shall have had a well recovery test or other appropriate procedure performed by a well-testing firm approved by the District within six months prior to the date of application, and report of such tests or procedures must be submitted with the application. Efforts by the applicant to improve the production of his/her well or otherwise increase the quantity of water to the property shall be described in detail in the application and receipts of expenditures in those efforts should be appended.

5. Determination by The Board. The merits of particular applications for license and the issuance of licenses shall be as determined at the sole discretion of the Board of Directors. In the event that the Board determines that two or more applications have equal merit, and the Board is constrained from issuing licenses to both or all such applications, the Board shall base its decision to issue the license(s) upon the order of the dates of the District's receipt of said applications, as shown by the District's notation on the applications themselves, or if such method does not avail, then by lot.

6. Unissued Licenses—Applications And Fees Returned. License applications not considered in any one year shall be returned, along with the accompanying fee, upon the District's issuance of the maximum number of licenses for each year. License applications not considered must be submitted in the following year to be considered.

2.9 Commencement of Monthly Charges. Upon the issuance of a license, the licensee must commence paying the then-current monthly water rate or fee charged by the District in accordance with the District's rate structure.

2.10 Suspension. Any license to use water may be suspended by the District for the following reasons. (Suspension of the license includes termination of water service but does not include the forfeiture of tap. For forfeiture of tap, see Revocation below.):

1. Failure to pay proper charges when due or non-payment of charges.
2. Use of water for purposes not authorized by the license without prior notice to and consent from the District.
3. Use of water for any other property not licensed by the District.
4. Maintaining cross connections within the piping systems of any premises or

otherwise disturbing any service line, curb valve, water meter, or any other appliance of the District and for tampering with the water supply of the District.

5. Willful waste of water or neglect in protecting service line appurtenances from freezing and other physical damage or willful failure to maintain fixtures in good working order.

6. Failure to comply with any of the Rules and Regulations of the District.

2.11 Notice of Proposed Suspension. When the District determines there exists reasonable cause for suspension, the District will give notice to the licensee and occupant in writing of such determination and demand that the violation or other cause for suspension be halted prior to the effective date of the proposed suspension as set forth in such notice.

1. Notification of proposed suspension will include:

A. The effective date of the proposed suspension, which date shall be no sooner than ten days following the date of the notification.

B. The reason(s) for suspension which include, but are not limited to, non-payment of water account, improper use of water, and leak not repaired promptly.

C. Advice to the licensee that he/she is entitled to a hearing with at least three members of the Board to determine whether the District's determination should be reconsidered, and, if such cause exists, whether suspension should be undertaken in the licensee's case as previously ordered by the District with due consideration for such extenuating circumstances as may exist.

D. The address to which licensee's written request for such hearing may be sent.

1) The notice provided for immediately above shall be given in the following manner:

a. The notice shall be sent by regular mail or be hand delivered to the premises, addressed to the licensee and, if known, to the occupant of the licensed premises.

2.12 Hearings. Hearings on proposed suspension of license are held only when requested by the licensee or occupant. In the event the payment is not received or the violation is not halted as demanded in the notice and no hearing is requested within the time period and in the manner specified, service will be suspended immediately upon expiration of said period. If a hearing is requested, service will not be suspended, if at all, until a final decision is rendered.

2.13 Time of Suspension. If, as a result of said hearing, it is determined that reasonable cause exists for suspension and said suspensions should be undertaken in the particular case, water service shall be discontinued no sooner than ten days after the date of mailing said decision. Employees of the District are hereby authorized to effectuate such suspension by turning off the water supply to any premises where it has been determined by the District that suspension should be undertaken in that particular case.

2.14 Reinstatement of License. A suspended license may not be reinstated, and water service may not be resumed at a premises previously supplied under such a license, unless and until payment as set forth in the Notice of Proposed Suspension has been made, or, if suspension is for violation of Rules and Regulations governing suspension, until such time as corrective action is taken. The cost of suspension and reinstatement, and any charges, such as interest on the delinquent account, collection fees, lien fee, and any reasonable attorney's fees shall be assumed and paid for by the licensee or occupant, prior to reinstatement.

2.15 Revocation. Any license may be revoked by the District when there have been repeated or willful violations of the water service agreement or these rules and regulations. The District shall not be obligated to refund any tap fee forfeited as a result of the revocation of the license. As a part of the revocation, the Board shall declare that the tap is forfeited and record with the Clerk and Recorder of the county, a notice of such forfeiture. When a license is revoked, water service to the licensed premises (if such is being provided) shall be terminated.

2.16 Notice of Proposed Revocation. When the District determines that there exists reasonable cause for revocation of the license, the District shall give notice to the licensee in writing of such determination and will demand that the violation or other cause for revocation be halted prior to the effective date of the proposed revocation as set forth in such notice. Such notice shall contain the information and advisements required for a notice of suspension, except that the notice shall be sent by certified mail both to the occupant, and to the licensee or owner of record of the licensed premises.

2.17 Resumption of Service and Reconnection Any premises, whose license has been revoked, shall not thereafter be served with water from the water system unless and until a new license for service at such premises shall have been issued. A new license shall be issued only upon a payment of a new tap fee and upon compliance by the applicant with all conditions required by the Board and after payment of any and all fees and charges incurred by the District related to the detection and verification of the violation and enforcement of the "Rules and Regulations" against the licensee and the premises. Such fees and charges may include, but are not limited to the following:

1. A charge for the value of the water improperly used by the licensee. The estimate of the Board as to the value shall be final and conclusive for all purposes.
2. A charge for the cost to the District of the services of its employees, attorneys, accountants and engineers related to the detection and verification of the violation and enforcement of the Rules and Regulations against the licensee.
3. Reimbursement of all additional expenses of the District related to the violation which are caused by the licensee.

The Board may, upon receipt of a written request for withdrawal of the forfeiture of tap, and upon good cause shown, waive the requirement for the payment of a new tap fee.

2.18 Reconveyance of License. Under such circumstances and upon such terms as the Board of Directors may determine to be appropriate, the District may agree to a reconveyance of a license back to the District from a customer. Upon such reconveyance, such license may become available for re-issuance to the same or another premises. The District shall never be obligated to accept a reconveyance of a license.

2.19 Statutory Lien. Pursuant to Section 32-1-1001(1)(j)(I), C.R.S., until paid, all fees, rates, tolls, penalties, or charges imposed by the District shall constitute a perpetual lien on and against the property on which the charges were imposed. Such a lien may be foreclosed on in the manner provided by Colorado law.

Section 3 - Rates and Billing Procedure

3.1 Payment Responsibility. While bills for water service will normally be sent to the last person of record listed as owning or occupying the licensed premises, the obligation to pay promptly for water service is in no way affected by failure of the District to furnish or send the bill or the failure of the owner and/or occupant of the premises served to receive a bill for such service. The owner of the premises and the occupant are jointly and severally liable for the bill. Both the owner and the occupant may hereinafter be referred to as "customer." The sale of the premises or termination of a tenancy will not reduce the liability of the owner and occupant for water service prior to the sale or termination. In the case of a new occupant or a new owner no water will be furnished to any property or premises against which any charge remains unpaid whether a bill shall have been sent or received, it being the requirement of the District that whoever seeks water service must assume the obligation to keep such license in force by paying all charges against the licensed premises without notice. Bills and notices are sent solely as a

convenience to users.

3.2 Metered Rate Service. Every two years, the Board will review, establish, and publish metered rate schedules for the various types of metered customers served. Total billing charges will be calculated on the basis of District records of the amount of water used and the applicable rate schedule. If the meter upgrade has been completed, water usage will be collected from the Beacon meter endpoint. Until the meter is upgraded, licensees shall turn in meter readings in a timely manner to the District, reporting on the amount of water used at the licensed premises during the appropriate billing period. Metered rate charges are due and payable as stated on the billing statement. The Board may establish a minimum water rate as a part of the rate schedule.

3.3 Flat Rate and Commercial/Multi-Family Rate Service. The need for flat rate service and commercial/multi-family rate service will be determined on a case by case basis by the Board, and billing will be based on the amount of water used and the appropriate rate schedule adopted by the Board.

3.4 Unmetered Service. The Board may periodically establish and publish a rate schedule for unmetered service and for use of water key.

3.5 Billing Frequency. The Board shall determine the frequency of billings to customers.

3.6 Delinquencies, Turn Offs and Disconnections. All charges which are sixty days delinquent from the date of the bill shall be charged with an interest rate set by the Board. If it becomes necessary to suspend service to the licensed premises, charges for such action will be billed to the owner together with any reasonable attorney's fees, costs of collection and costs of any lien that may be filed in connection with such delinquencies. The minimum monthly rate will continue to be due regardless of whether service has been suspended.

3.6.1 Deposit May Be Required. At the discretion of the District, a deposit against future fees and costs or as security for the performance of obligations under the License or these Rules and Regulations may be required of the Licensee or customer. Failure to make any required deposit shall be cause for any adverse action by the District authorized under these Rules and Regulations or the statutes.

3.7 Liens. The District may record a lien for any unpaid bill in accordance with Sec. 32-1-1001(1)(i)(I), C.R.S. A fee as determined by the Board plus cost of recording will be charged whenever a lien is released.

3.8 Account Adjustments. Accounts will be adjusted when error is made in rendering the account, crediting payments, calculating charges and the like.

3.9 Meter Adjustments. When accounts of licensed premises need to be adjusted due to meter failure or inaccurate measuring of water passing through it, the District will calculate the charges based on prior use and/or current meter readings to best avoid any inequities. The District will test a meter upon the request of the customer if it is suspected that the meter in question has become inaccurate. A meter removed and tested at the request of the occupant of the licensed premises and found to be accurate shall be subject to charges associated with such costs as are reasonably incurred by the District. All such costs will be charged to the licensed premises.

3.10 Service Fee. If, in order to enforce compliance with District Rules and Regulations, employees of the District perform services at a licensed premises which the owner or occupant neglects or refuses to perform himself, or which are not related to the general maintenance of the water system, the cost of such work shall be charged to the licensed premises benefited thereby as a service fee.

3.11 Miscellaneous Fees. The District shall charge the following special miscellaneous fees, the amount of which shall be set by the Board and listed on a rate and fee schedule:

1 Tap Application Fee: A fee shall be payable and due at the time of application for a new tap. The fee shall be applied to the inspection at the time the physical tap is made.

2. Water Tap Fee and Physical Tap: A fee shall be payable in advance for making the physical tap to District water line of each new tap and meter installation within the District. A re-inspection fee may also be charged. The tap fee will include the supply of parts to make the physical connection including the main line saddle and corporation stop at the connection. All other parts will be paid for by the customer. After installation, the District shall own and maintain the water line up to and including the curb box.

3. Penalty for Breaking Seal: A penalty shall be assessed against any owner or customer who breaks a seal placed by the District upon a water line or outlet, such penalty to be charged and collected in addition to the estimated charge for any water used after such seal is broken.

4. Shut off Charge: A cut off charge will be made for any service cut off. If the service is cut off because of delinquency in making payments for water service, the cut off charge may be set at a higher amount.

5. Turn on Charge: A charge will be made for turn on service where service has been reinstated.

6. Interim Reading of Meter: A charge will be made where request is made for interim reading and billing.

7. Failure by Customer to Read Meter: A penalty will be charged per month when a customer fails to read his meter pursuant to instructions from the District. The District may order one of its employees to take a reading of the meter at the expense of the customer, or, if unable to gain access to the meter, the District may estimate the water usage for the month based on the base rate usage or its records of past usage for the water tap account.

8. Tag House for Non-Payment: A fee will be charged to hand deliver a water shut-off for non-payment notice.

9. Service Call Rate: Any work done by a District Operations Employee for a customer shall be charged at an hourly rate.

Section 4 - Mains and Supporting Facilities

4.1 Ownership and Installation. Unless otherwise agreed to in writing by the District, water mains located within the District are owned by the District. The installation of all District piping facilities is under supervision of the District and such facilities shall be installed and maintained pursuant to specifications determined by the District.

4.2 Extensions. The proprietary functions of the District do not require extension of its facilities beyond those facilities that now exist. The Board retains the sole discretion to determine whether an extension in the best interests of the District. In making such a determination the Board would consider various factors including, but not limited to:

1. The extended mains conform to the District's installation specifications and any water main extension plan approved by the Board.

2. The extension shall be installed either by the District or under the District's supervision.

3. The District may specify a procedure whereby the cost of installation is borne by the

customers to be served.

4.3 Service Outside the District. The District maintains the authority to provide service outside of the current District boundaries pursuant to Sec. 32-1-1001(1)(k), C.R.S. At the time of adoption of these Rules and Regulations, it is in the best interest of the District not to provide service outside the District. However, if unique circumstances dictate the possible service outside the boundaries of the District, both tap fees and rates will be determined by the Board. Applications for out-of-district service will be considered after an inquiry has been made by the Board as to the advisability of including the property into the District.

Section 5 - Service Lines and Appurtenances

5.1 Ownership and Maintenance. The service line and multi-service line through which a licensee receives water service from the District main line shall be owned by, installed and maintained at the expense of the licensee. The service line and multi-service line shall begin at the point where the curb box is installed. The District shall have the right, but not the obligation, to shut off water service to, repair or replace the service line or multi-service line at the expense of the licensee or licensees, when such action is considered by the District in its sole discretion to be necessary to preserve and protect the integrity of the water system or its facilities, or to maintain satisfactory service to any or all other licensees. In the case of a multi-service line, the District shall consider all persons who own property obtaining water through a multi-service line to be the owners of that line and will charge the cost of such shut-off, repair or replacement to such persons equally. The District shall bear no liability for any damage to or caused by any service line, multi-service line, including water flow therefrom, and occurring on or off the property served by such service line or multi-service line.

5.2 License. Prior to the actual connection of any service line to the water system, the property owner or his representative must have in his possession a signed water service agreement which has been approved by the Board.

5.3 Connections. All actual connections to the mains of the District water system and all corporation stop installation shall be made by the District. At least one week's prior written notice must be given to the District, so appropriate arrangements can be made for the work. Although a good faith effort will be made to promptly schedule work, the District is under no obligation to perform work within a specific timeline.

5.4 Water Service Line. Every service line or multi-service line shall be of District approved pipe, both of construction and size, and shall meet all District specifications for parts

and installation. Each service line shall be equipped with a curb stop and a water meter which meets the specifications of the District. When the particular service requires that the water meter be installed outside, the meter must be placed in a District approved meter pit.

5.5 Remote-Readout Meter Installation. All properties whose meters have not been upgraded to the Badger Beacon meter must be equipped with remote read-out dials mounted on the exterior of the structure, preferably on the wall or foundation. Remodeling that would place the remote readout dial inside the house must include returning the dial to the exterior.

5.6 Thawing and Repair of Service Line and Multi-Service Lines It is the obligation of the licensee to protect the water meter and service lines and multi-service lines from freezing and other hazards. The licensee shall be liable for the costs of repair, replacement or thawing of water meters, service lines, or multi-service lines due to any cause, as well as the cost of the water lost.

5.7 Water Pressure. It is the policy of the District to attempt to provide water at a pressure not to exceed 170 pounds per square inch. If because of circumstances beyond the control of the District, the pressure should exceed desired maximum and damage should occur to the premises of the customer, the District is not liable. Pressure reducing valves are recommended on all service lines to protect the individual properties against such a situation.

5.8 Water Lift Pump Installation. The customer is responsible for the installation of a suitable lift pump and force main in any situation where the District is unable to supply sufficient pressure for the customer to operate the fixtures in his premises. Building sites situated higher in altitude than the storage tanks of the District are one example of customers that fall into this category.

5.9 Valve Box and Manhole Grades. If road or easement grades are altered after a construction contract has been approved and completed, the cost of altering the manhole or valve box height will be that of the party authorizing the grade change.

5.10 Inspection. All service lines and meter work shall be inspected by a District representative who shall have the authority to halt construction when, in his opinion, the District specifications or proper construction practices are not being adhered to. Whenever any portion of the District specifications are neglected, the District's representative shall order further construction to cease until all deficiencies are corrected. No service lines or meter pits shall be backfilled without the District representative's inspection and written approval.

Section 6 - Meters

6.1 Ownership. The licensee shall obtain meters from the District, upon payment of all applicable fees and costs, but the District shall retain ownership of all District meters.

6.2 Size and Type. The size, type and quality of all meters used within the District shall be as set forth in District specifications and is subject to the District's sole discretion.

6.3 Location. All meters must be so located as to allow free and non-hazardous access by District personnel at reasonable times for reading, removal, inspection and replacement, and so that the entire supply of water to the premises will at all times be accurately measured. The specific location of a meter shall be designated by the owner thereof, subject to the approval of the District. There shall be only one meter installed upon a licensed premises, which meter shall measure all water usage on said premises. In no circumstance shall anyone other than District personnel or District contractors remove a water meter without the written approval of the District.

6.4 Maintenance.

1. The licensee shall be responsible for the costs of maintaining or replacement of the meter. The District shall have the right but not the obligation, at all reasonable times, to inspect and read the meter to verify that the meter is in proper working order and not in need of repair or replacement and to verify that the remote reading is consistent with the meter reading. The District shall have the first right to repair or replace the meter at the expense of the licensee. The licensee shall have the responsibility of notifying the District of any meter in need of repair or replacement, unless a determination of such need is first made by the District. The District shall have no responsibility to regularly inspect the meter.

2. If in the sole discretion of the District, the meter of any licensee or its operation threatens the integrity of the water system, its facilities, or the District's ability to provide adequate service to other licensees, the District may shut off water service to such licensee with or without notice until repair or replacement of such meter is affected. The District shall bear no liability for any damage to or caused by any meter, including water flow therefrom, and occurring on or off the property served by such meter.

Section 7 - Sanitary Standards

7.1 Water Quality. The raw water supply of the District is taken from shallow wells which are fed primarily by normal surface run-off and subsurface concourses of mountain

streams which serve as the drainage for the area essentially served by the District. Sudden storms or heavy spring run-off can cause an unusual amount of discoloration of the water provided by the District. Accompanying silt may temporarily overburden the treatment facilities of the District and cause some interruption of service. While every effort is made to provide high quality water, system maintenance or unforeseen circumstances may arise that can cause temporary cloudy conditions or interruption of service. Whenever possible, a District representative will make an effort to forewarn those customers which may be affected so that a limited amount of auxiliary water may be acquired by those customers. However, all water is chlorinated in accord with state and county statutes and regulations. In periods of severe run-offs and discoloration a distinct chlorine taste may be unavoidable.

7.2 Cross Connection. A cross connection is a physical connection or an arrangement of pipe between two otherwise separate piping systems, one of which contains the water from the District system and the other water from another source whereby water may flow from one system to the other.

7.3 Dual Supply. Piping of water from the District water system and water from other sources, such as private wells, shall be installed in such a manner as to eliminate any cross connection. The District shall inspect any such installation and continuation of District service shall be contingent upon District approval of the dual supply installation.

7.4 Backflow. Backflow, which is the flow of water or other liquids into the distribution mains of the District's water system, is prohibited. Where a potential for backflow is present a protective device(s) or system(s), as may be prescribed by the District and/or State Regulation, shall be installed to prevent its occurrence. The District retains the right to enter onto any property within the District to determine whether a backflow device is necessary, if the District obtains evidence that backflow may be occurring.

7.5 Valves and Faucets. Toilets and urinals must be supplied with self-closing valves, and in no case may a bib or faucet be placed over any plumbing fixture or water using device unless there is an air space between the bib or faucet and the plumbing fixture or water using device adequate to prevent back siphoning or backflow into the District's system.

Section 8 - Water Conservation

8.1 Beneficial Use. Water shall be used only for beneficial purposes and shall never be wasted.

8.2 Unauthorized Use. Any unauthorized use of water shall be paid for at the same rate as if that use had been authorized, together with the costs incurred by the District in discovering and collecting for unauthorized use. Such payments shall not in any way affect the right of the District to suspend or revoke a license for unauthorized use nor shall they affect any criminal liability which may have attached by reason of such unauthorized use.

8.3 Seals. The District may require that seals be attached to any in-District water connection in or about a licensee's premises in order to detect any unauthorized use of water from such system. If necessary, the District may also require that mechanical devices may be attached to any water using system in or upon a licensee's premises in order to detect any unauthorized use of water from such system. Such mechanical devices may be inspected on behalf of the District at any reasonable time.

8.4 Outside Use of Water. Use of District supplied water other than inside a licensed premises' structure, e.g. for the watering of lawns, gardening and other outside uses may be limited at the discretion of the District. Notify the District in advance if planned use will be more than _____. Please see the IHWD document "Conservation Guidelines" for further information on limitations. Customers will be notified of such limits through a notice posted in at least three conspicuous public places within the District, a minimum of 24 hours prior to the enforcement of the restriction.

8.5 Water Shortage. The District shall determine the allocation of water to owners in the event of a water shortage. In the event there is insufficient water supply to meet the demand of customers, the District may call for restrictions as described in IHWD document "Conservation Guidelines".

8.6 Conditions. If conditions of water supply so limit the supply of water that unrestricted water use may endanger the adequacy of that supply, the District, exercising its discretion in the protection of the public health, safety, and welfare, may adopt such emergency water use restrictions as are reasonably calculated under all conditions to conserve and protect that supply and to insure a regular flow of water through the system. Emergency water use restrictions shall remain in force and effect until the District determines that the conditions requiring their imposition no longer exist.

8.7 Enforcement. The violation of water use restriction may be considered grounds for the suspension or revocation of a license. The District may shut off water to any owner who violates a water use restriction.

Section 9 - Fire Protection Service

9.1 Fire Hydrants. Fire hydrants will be placed at locations designated by the District under advice from District Operations and the Fire Marshall of the Indian Hills Fire Protection District. The only authorized users of the hydrants are the District and the Indian Hills Fire Protection District.

9.2 Ownership. Fire hydrants may not be procured by a person or entity other than the District. The hydrants installed by the District become the property of the District upon installation.

9.3 Unauthorized Use. Use of water from a fire hydrant for any purpose except as stated above shall be deemed an unauthorized use. Unauthorized use shall be punished by a fine as determined by the Board.

Section 10 - Records Open to the Public

10.1 Enactment. These Rules and Regulations have been adopted by the Board for the protection and use of the District and for the citizens therein.

10.2 Official Custodian. The Secretary of the Board is the official custodian responsible for the maintenance, care and keeping of any public records of the District.

10.3 Inspection of District Public Records. All public records of the District shall be open for inspection at any reasonable time pursuant to the provisions of the Colorado Open Records Act, Sec. 24-72-200.1 and following, C.R.S., as amended ("CORA").

10.4 Request for Inspection. Request for inspection and copying of any public records of the District shall be made to the official custodian in writing and set forth the particular document or record desired to be inspected or copied according to the District's CORA policy. If such document or record is available for inspection and copying, the official custodian will notify the applicant of the date, time and location where the material can be inspected or copied. If such public record is not available to the District, the applicant shall be notified of this fact. All applicable fees must be paid by the requestor prior to any records being disclosed.

Section 11 - Amendments

11.1 Amendments. These Rules and Regulations may be amended by the Secretary of the Board acting as official custodian of the records of the District, with the approval of the Board, at any time in the same manner as the original Rules and Regulations herein adopted. Any amendments to these Rules and Regulations which may be adopted by the Board in the future will be posted on the District's website at least 72 hours prior to the Board meeting for the information of interested citizens.

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