

indian hills water district



Rules and Regulations

**4491 Parmalee Gulch Rd.
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Indian Hills, CO 80454**

This compilation of the Rules and Regulations contains all amendments through

May 18, 2026

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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. **District Access to Water System.** As an express condition of Customers obtaining water service from the District, the District retains the right to access any portion of the water distribution system to ensure compliance with these Rules and Regulations, District Policy, or to ensure the safe and efficient operation of water service. This right of access includes access onto or across Customers' property as needed to access the water distribution system. In normal circumstances, the District will endeavor to provide at least 24 hours prior written notice to a Customer before accessing their property; however, the District reserves the right to take emergency actions to repair the water distribution system or to shut-off water, as further set forth in Section 2.24.
- 1.3. **Effectiveness.** These Rules and Regulations are revised and readopted effective on the date listed on the cover page and supersede all former Rules and Regulations which are or may be in conflict with these Rules and Regulations.
- 1.4. **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.
- 1.5. **Titles.** Titles used in these Rules and Regulations are for convenience only and shall not be considered in interpreting their scope or meaning.
- 1.6. **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.
- 1.7. **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:

- 1.7.1. Accessory Dwelling Unit: A second, complete housekeeping unit with a separate entrance from the outside, kitchen, sleeping area, and bathroom facilities including a shower and/or tub, 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.
- 1.7.2. Accessory Use: A use not including but incidental to residential uses in a Dwelling Unit on Licensed Premises. Accessory Use does not include Accessory Dwelling Unit. Accessory Uses must be set forth in the License or separately approved by the Board.
- 1.7.3. Board: The Board of Directors of the Indian Hills Water District, as established by Colorado statute, which consists of five members.
- 1.7.4. Customer: Both the owner and the occupant of the Licensed Premises
- 1.7.5. District: The Indian Hills Water District, both as an enterprise fund and as the legal boundaries of the District.
- 1.7.6. 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. Dwelling Unit includes “accessory dwelling units” as defined by Jefferson County.
- 1.7.7. 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.
- 1.7.8. Inspector: The person or persons appointed by the Board and charged with the enforcement of the Rules and Regulations.
- 1.7.9. License: The right to water service granted by a Water Service Agreement approved by the Board for the purposes specified in the agreement.
- 1.7.10. 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.
- 1.7.11. Licensee: Any person, association, corporation or other entity having ownership of the License and Licensed Premises.
- 1.7.12. Multi-Service Line: A Service Line jointly owned and used by more than one Licensee from which individual Service Lines emanate.

- 1.7.13. Residential Structure: A building which contains at least one and no more than two Dwelling Units.
- 1.7.14. Service Line: A Service Line is all the pipe, fittings, and appurtenances from the Main Line to the dwelling. A Service Line and the District approved water meter are owned by the Licensee. The term “Service Line” as used herein includes Multi-Service Lines, defined above.
- 1.7.15. Standby Water Service: A License issued to a premises which is not physically connected to the District facilities.
- 1.7.16. 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 2.8.3 below.
- 1.7.17. Tap: A connection made to a water main line for the purpose of supplying water to a Service Line.
- 1.7.18. Tap Application: An application for a License presented to the Board.
- 1.7.19. 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.
- 1.7.20. Unauthorized Connection: Any connection to the District’s Water System that is not approved, in advance, by the District pursuant to these Rules and Regulations.
- 1.7.21. Water Availability: The determination made by the District that the District can legally and physically provide a water supply sufficient for the purposes of a Licensee or applicant for a License.
- 1.7.22. Water Key: A Water Key is an account set up for persons residing within District boundaries that are not District Customers or do not have a water tap to allow such persons to take delivery of water from the District’s System in a specific manner and rate and for a limited time as approved by the District.
- 1.7.23. Main Line. Includes water main pipelines or distribution main pipelines owned by the District and used for distribution of water along public roads or appropriate rights-of-way.
- 1.7.24. Water Service: Supply of water to Licensed Premises following connection of the Licensee's Service Line to a main line and installation of a Beacon water meter or other water meter approved by the District for the Licensed Premises.

1.7.25. Water System: The facilities and system owned or controlled by the District which are used to pump and distribute water.

1.7.26. Water 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 and offset the total costs of the District providing the service to the Customer, including but not limited to acquisition, development and protection of water supplies, and collection, treatment, and delivery.

Section 2 – Licenses

- 2.1. Conditions of Service. The use of water provided by the District shall be at the discretion of the Board in accordance with the District’s rules and regulations applicable laws, and the water court decrees of the District, and shall require a License from the District. All water provided by the District shall be used only on Licensee’s property included within the District. After commencement of water service by the District, any exempt, registered or late registered water wells located on the Licensed Premises shall be abandoned in accordance with the rules and regulations of the Colorado State Engineer. No Tap or other connection shall be made to a Main Line unless or until the Board has issued a License. Licenses for undeveloped and vacant property will only be granted if the **applicant and** applicant’s lot meet all of the lot size, building permit and OWTS requirements of Jefferson County regulations, without considering any variance under those regulations that Jefferson County may approve. 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. Licenses Have No Ownership Interest in District Water. The issuance a Licenses or other contractual rights to use the District’s water shall not constitute a conveyance or relinquishment of the District’s sole ownership of, title to, and control of any of the District’s water or water rights, including rights of reuse. Licensees and other contractual users of the District’s water shall not acquire any ownership interest in the District’s water and water rights, including rights of reuse.
- 2.3. Licenses Run with the Land. Subject to exceptions described in these rules and regulations, each License, including the Tap, is appurtenant to and must be cancelled or transferred to a new owner of the Licensed Premises at the same time as the transfer of the Licensed Premises pursuant to District procedures.
- 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, District Rules and Regulations, and court decrees, subject to the modification, suspension or revocation of such License as herein provided. All Licenses are limited to use in one Dwelling Unit unless the License expressly allows use in a second Dwelling Unit or allows Accessory Uses. Tap may be approved for residential indoor purposes in up to a combined total of two Dwelling Units and Accessory Uses on the Licensed Premises. No greywater or other reuse or successive use of water provided by the District shall be allowed. If a Licensee holds a standby tap and the Licensed Premises is subdivided into multiple lots, the standby tap must be assigned to one

of the subdivided lots, within the boundaries of the original Licensed Premises, which lot must meet all of the lot size, building permit and OWTS requirements of Jefferson County regulations, without considering any variance under those regulations that Jefferson County may approve, and the License cannot be assigned to a separate property or lot outside the boundaries of the original Licensed Premises. Modification of License to Include use for Accessory Use or Second Dwelling Unit.

2.4.1. A modification to a License may be applied for by a Licensee and approved by the Board to supply water to an Accessory Use or second Dwelling Unit on a Licensed Premises, under the following conditions:

2.4.1.1. Said Accessory Use or second 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;

2.4.1.2. If said Accessory Use or second Dwelling Unit requires an extension of the Service Line from the primary Residential Structure, said extension must be installed according to District specifications and inspection rules as for Service Lines, and shall only be made at a point after the water meter, so that all water use on the Licensed Premises shall be measured by one meter for billing purposes.

2.4.1.3. 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. If the Accessory Use or second 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.

2.4.2. The Licensee shall apply to the District for a modification to the License to allow for such Accessory Use or second Dwelling Unit, which application shall be accompanied by:

2.4.2.1. an appropriate fee as set by the Board

2.4.2.2. a site plan describing the locations of all proposed Accessory Uses and second Dwelling Units on the Licensed Premises and the location of any proposed extended Service Line

2.4.2.3. approvals of use, construction, and inspection of the Accessory Uses and second Dwelling Unit as are required to be issued by the building, planning, and zoning, and public health/environment authorities of Jefferson County.

2.4.3. The District, upon review of the application and attachments, may require additional documentation in order to ascertain compliance with these Rules and Regulations. Any existing Accessory Dwelling Unit or second Dwelling Unit that is

connected to the Water System but is not expressly allowed by the License will be reviewed by the Board to determine if such use is permissible pursuant to the License.

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

2.4.4.1. that the License has been modified to allow water to be delivered to an Accessory Use and/or second Dwelling Unit on the License Premises, and

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

2.4.4.3. 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

2.4.4.4. 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

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

2.4.5. 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.

2.7.1. Metered Residential Service. Licenses allowing residential uses of the District's water.

2.7.2. Metered Commercial Service. Licenses allowing commercial uses of the District's water.

2.7.3. Summer Service from May 1 – October 31 is available only to those Licensed Premises that are currently set up as a Summer Account. Each year in which Summer Service is

desired, the Summer Service Licensee must activate their Summer account by contacting the District. Activation of Summer Service will not be allowed for Summer accounts with outstanding balances. Summer Service Licensees must have a Beacon or other District approved water meter installed prior to activation. The District will shut off Summer Service on November 1. All Summer accounts, will be billed monthly and incur the same charges as regular metered rate Customers, including minimum monthly charges and any surcharges. The charges will be incurred by Summer accounts for each of the six months whether or not water is actually delivered to the summer Licensee in any given month. Summer Service Licensees may convert to year-round service at any time, provided the Licensee's water lines are appropriately protected from freezing. A regular Licensee receiving water service on a year-round basis shall not be convertible to Summer Service.

2.7.4. School Water Service – Licenses for public schools for use of the District's water.

2.7.5. Fire Protection – License for Indian Hills Fire Protection District pursuant to the Inter-Governmental Agreement between the District and Indian Hills Fire Protection District.

2.7.6. Water Key – Persons or entities that enter a Water Key License Agreement with the District are not Licensees, expressly accept the water quality "as is," and are responsible for filling and hauling their own water tanks from the location designated by the District, which water must be used for residential household use only at the designated address specified in the Agreement or, if not specified in the Agreement, the address associated with the Water Key.

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

2.8.1. Application Information. The applicant shall submit the signed Water Tap Application for a tap and water service. The applicant must be the owner of record of the premises to be served by the License, as confirmed by the online Jefferson County Assessor's records or other documentations provided by applicant, and the District will consider that the application is submitted by all titled owners of the premises when signed by at least one such owner of record. The request shall be on a form provided by the District and contain the following information and be accompanied by the required application fee:

2.8.1.1. A description of the proposed Licensed Premises 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.

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

2.8.1.3. 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 and Jefferson County.

2.8.2. If the License application is approved by the Board, the application fee will be applied applicant's Service Line inspection charges. If a License application is not approved, the application fee will be refunded to the applicant less any out of pocket costs for toward engineering studies necessary to determine Water System capacity.

2.9. Payment of License Fee. Licenses approved for issuance by the District must be paid 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.

2.10. Application Process. All applications received by the District will be considered at the following month's regular Board meeting. The number of Licenses to be issued in any one year shall be determined at the sole discretion of the Board. If the number of tap applications in any month exceeds the number of available Licenses approved by the Board for any year, then the Board shall consider the following criteria in deciding which application is granted:

2.10.1. Applicants experiencing hardship conditions (discussed below) on improved premises included in the District. "Improved premises" means a property with an inhabitable structure for which a certificate of occupancy has been issued by the appropriate authority;

2.10.2. Applicants experiencing hardship conditions on improved premises outside of the District;

2.10.3. Applicants not experiencing hardship conditions on improved premises included in the District;

2.10.4. Applicants not experiencing hardship conditions on improved premises outside of the District;

2.10.5. Applicants for Licenses on unimproved premises included in the District;

2.10.6. Applicants for Licenses on unimproved premises outside of the District;

2.10.7. The Board may consider other criteria relevant to issuance of a License for that lot such as environment or infrastructure impact or feasibility of the water connection

2.11. Hardship Conditions. "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. The Board shall presume no hardship with respect to water quantity if an applicant only has access to less 3000 gallons or more per month for his/her property.

If the hardship is claimed on the basis of quality of water, the applicant must submit with the application copies of results of a water quality test of the available water supply for the property performed by a State of Colorado certified laboratory. 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 must submit with the application copies of the results of 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. 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.

- 2.12. Commencement of Monthly Charges. Upon the issuance of a License, the Licensee shall be charged in full for Water Service, including without limitation the monthly minimum charge.
- 2.13. Suspension of Water Service- Causes. Any License may be suspended by the District for the following reasons. (Suspension of the License includes suspension of Water Service but does not include the forfeiture of the License and Water Tap, which is addressed in the Revocation section below.):
 - 2.13.1. Failure to pay proper charges when due or non-payment of charges.
 - 2.13.2. Failure to comply with or use of water that violates or is not allowed by the District's Rules and Regulations or the License.
 - 2.13.3. Tampering with the Water System, causing or maintaining cross connections, or tampering with or modifying any Service Line, curb valve, water meter, backflow prevention device, or any other equipment or facility used on the Licensed Premises in a manner that causes a violation of these Rules or poses a risk to the District's Water System.
 - 2.13.4. 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. "Willful" means intentional or with knowledge, and may be inferred from circumstantial evidence of acts or omissions of the Licensee.
- 2.14. Suspension of License Procedures. When the District Manager or Board determines there exists reasonable cause for suspension of a License and Water Service, the District will give notice to the Licensee in writing of such determination. The Notice will be sent by regular mail or be hand delivered to the Licensee, and, hand delivered to or posted to the front door of the primary Dwelling Unit on the Licensed Premises. The Notice will include:
 - 2.14.1. A demand to immediately cease the prohibited activity and to pay any amounts due to the District.
 - 2.14.2. The effective date of the proposed suspension, which date shall be no sooner than ten days following the date of the notice.

2.14.3. The reason(s) for suspension.

2.14.4. An estimate of amounts owed to the District, including interest at a rate of 8% per annum compounded annually. The amounts may include without limitation:

2.14.4.1. A charge for the value of the water improperly used by the Licensee. The Board may base the amount of said charge on comparable prices to buy and truck water to the place of use. The estimate of the Board as to the value shall be final and conclusive for all purposes.

2.14.4.2. A charge for the costs to the District of the services of its employees, attorneys, accountants, engineers related to the detection and verification of the violation, enforcement of the Rules and Regulations against the Licensee, and remediation of any damages caused by the Licensee.

2.14.4.3. Reimbursement of any and all additional expenses of the District related to the violation.

2.14.4.4. A penalty for each day the violation persists in an amount set by the Board from time to time.

2.14.4.5. Procedures for requesting a hearing.

2.15. Hearings. Hearings to contest a proposed suspension or revocation of License are held only when requested by the Licensee or occupant. Hearings shall be conducted within 30 days of the request. The District shall provide the License notice of the time and date of the hearing at least 7 days before the hearing. The hearing shall be conducted by two board members or one board member and the District. The Licensee may appear in person and may be represented, may present evidence and argument, and may question any person, testimony or statement. If as a result of the hearing the District determines that reasonable cause exists for suspension, the District may suspend service. Suspension shall not reduce the amounts owed to the District, which the District may collect in any manner legally available to the District, including the procedures set forth in C.R.S. § 32-1-1101(e).

2.16. Time of Suspension. If the Licensee has not requested a hearing and has not paid the outstanding balance in full, or if the violations persist as of the suspension date stated in the notice, then the account shall be suspended at any time on or after the suspension date. If a hearing is held and the decision is to suspend the account, then the suspension shall occur no sooner than ten days after the date of mailing said decision. Employees of the District are authorized to enforce such suspension by turning off and/or disconnecting the Tap and charging any applicable fee.

2.17. Reinstatement of License. A suspended License may not be reinstated, and Water Service may not be resumed, unless and until Licensee completes corrective actions required by the District to remedy the cause of the suspension, including without limitation payment as set forth in the Notice of Proposed Suspension has been made, plus any additional fees and charges accruing since the Notice. Costs and fees that may be

included with the Notice include the cost of suspension and reinstatement, and any charges and other applicable District fees, such as interest on the delinquent account, collection fees, lien fee, inspection fees, disconnection fees, and any reasonable attorney's fees.

- 2.18. Revocation. Any License may be revoked by the District and water service disconnected when there have been repeated or willful violations of the License or these Rules and Regulations. In addition, Licenses that have been suspended may be revoked for failure to reinstate the License within six (6) months of the suspension. 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 License is forfeited and record with the Clerk and Recorder of Jefferson County a notice of such forfeiture. When a License is revoked, Water Service shall be terminated and the meter shall be disconnected.
- 2.19. Notice of Proposed Revocation. When the District Board determines that there exists reasonable cause for revocation of the License, the District shall give notice and follow the same notice and hearing procedures described above for a suspension of a License, except at least two board members shall conduct the hearing.
- 2.20. Resumption of Service and Reconnection after Revocation of License. If a License has been revoked for a particular property, then the property shall not thereafter be served with water from the Water System unless and until the property owner obtains a new License for service from the District, if available, according to the District's rules and regulations then in effect. and only after payment of any and all sums owed to the District for both the new License and outstanding sums associated with the revoked License, including interest at 8% per annum compounded annually.
- 2.21. Criminal Penalties. The District reserves the right to seek criminal penalties against anyone whose account has been suspended or revoked or for any Unauthorized Connection. This includes but is not limited to (i) all costs associated with disconnecting from the District's system, including but not limited to any applicable District fees; (ii) the cost of administrative or consultant time charged to the District related to the Unauthorized Connection; (iii) the reasonable estimate of the cost of all water consumed through the Unauthorized Connection; and (iv) any other cost incurred by the District to remove and remedy the impacts of the Unauthorized Connection.
- 2.22. Statutory Lien. Pursuant to C.R.S. § 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.
- 2.23. Emergency Shut-Off. In emergency circumstances, the District may access any Customer's property and shut-off water service if the District determines shutting off water is necessary to protect the integrity of the water distribution system or avoid wasting water. The District will make reasonable efforts to provide notice of any such emergency action, but failure to provide such advanced notice or failing to obtain prior approval from the Customer shall not impact the District's ability to take emergency action under this Section 2.23.

- 2.24. Unauthorized Connections. Unauthorized Connections are strictly prohibited and may subject the offending party to fines and charges and/or criminal prosecution, along with all costs to remove the Unauthorized Connection, as set forth herein. If a Customer is found to have made an Unauthorized Connection they shall be subject to a fine of \$500 per day, for as long as the Unauthorized Connection is connected to or otherwise impacting the District's system. In addition, anyone making an Unauthorized Connection shall be responsible for (i) all costs associated with disconnecting from the District's system, including but not limited to any applicable District fees; (ii) the cost of administrative or consultant time charged to the District related to the Unauthorized Connection; (iii) the reasonable estimate of the cost of all water consumed through the Unauthorized Connection; and (iv) any other cost incurred by the District to remove and remedy the impacts of the Unauthorized Connection. The District's Board, in its sole discretion, may waive the fine if there is sufficient evidence that the Unauthorized Connection was made by reasonable mistake or based on an error on the part of the District. If an Unauthorized Connection is made by an individual that is not a Customer, the District will refer the matter to the appropriate jurisdiction for criminal investigation and seek restitution for (i) all costs associated with disconnecting from the District's system, including but not limited to any applicable District fees; (ii) the cost of administrative or consultant time charged to the District related to the Unauthorized Connection; (iii) the reasonable estimate of the cost of all water consumed through the Unauthorized Connection; and (iv) any other cost incurred by the District to remove and remedy the impacts of the Unauthorized Connection.

Section 3 – Rates and Billing Procedure

- 3.1. Payment Responsibility. While bills for water service will normally be sent to the Licensee based on the address of the owner according to County Assessor Records for 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 Licensee/owner of the Licensed Premises and/or occupant of the Licensed Premises to receive a bill for such Water Service. The Licensee/owner of the Licensed Premises and the occupant are jointly and severally liable for the bill. 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. The Board will routinely review the District's rate structure and may consider adjustments in the manner prescribed by statute. Water usage will be collected from the Beacon meter endpoint. Metered rate charges are due and payable as stated on the billing statement.
- 3.3. Flat Rate and Commercial/Multi-Family Rate Service. The Board will consider whether to approve applications for flat rate service and commercial/multi-family rate

service and the terms of such service on a case-by-case basis, and may adopt separate rates and fees for such services in accordance with C.R.S. § 32-1-1001 et seq.

- 3.4. Unmetered Service. The Board may periodically may adopt separate rates and fees for unmetered service and Water Key agreements in accordance with C.R.S. § 32-1-1001 et seq.
- 3.5. Billing Frequency. The Board shall determine the frequency of billings to Licensees.
- 3.6. Delinquencies, Turnoffs and Disconnections. All charges which are delinquent shall be charged 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.
- 3.7. 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.
- 3.8. Liens. The District may record a lien for any unpaid bill in accordance with C.R.S. § 32-1-1001(1)(i)(l). A fee as set by the Board plus the cost of recording will be charged whenever a lien is released.
- 3.9. Account Adjustments. Accounts will be adjusted when error is made in rendering the account, crediting payments, calculating charges and the like.
- 3.10. Meter Adjustments. When accounts of Licensee needs to be adjusted due to meter malfunction, the District will calculate the charges based on prior use and/or current meter readings when appropriate and fair, as determined by the District. The District will test a meter upon the request of the Customer if it is suspected that the meter in question is malfunctioning. A meter removed and tested at the request of the Licensee 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 Licensee.
- 3.11. Miscellaneous Fees. The District shall charge the following special miscellaneous fees, the amount of which shall be set by the Board in accordance with C.R.S. § 32-1-1001 et seq and listed on a rate and fee schedule:
 - 3.11.1. Tap Application Fee: A fee shall be payable and due at the time of application for a new Tap.
 - 3.11.2. Tap and Connection Fees: The applicant shall pay the Tap Fee and a connection fee in advance of connecting the Tap to the Main Line and installing the meter. . A re-inspection fee may also be charged. The connection fee will include the supply of

parts to make the physical connection including the Main Line saddle and corporation stop at the connection and include the meter. All other parts will be paid for by the Customer.

- 3.11.3. 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.
- 3.11.4. Shut-off Charge. A shut-off charge will be made for any service that is shut off-off at the request of the Licensee or as a result of a violation of these rules. If the service is cut off because of a violation of these Rules, the cut off charge may be set at a higher amount.
- 3.11.5. Turn-On Charge. A charge will be made for turn-on service where service has been reinstated.
- 3.11.6. Interim Reading of Meter: A charge will be made where request is made for interim reading and billing.
- 3.11.7. Failure by Customer to Read Meter: A penalty will be charged per month when a Licensee 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 Licensee, or, if unable to gain access to the meter, the District may estimate the water usage for the month based on its records of past usage for the Tap.
- 3.11.8. Tag House for Non-Payment: A fee will be charged to hand deliver and/or post on the Licensed Premises a water shut-off for non-payment notice.
- 3.11.9. Service Call Rate: Any work done by a District Operations Employee for a Licensee shall be charged at an hourly rate set by the Board.
- 3.11.10. Special Work on Premises. If, in order to enforce compliance with District Rules and Regulations, employees of the District perform services at a Licensed Premises which the Licensee fails or refuses to perform, or which services are not related to the general maintenance of the Water System, the Licensee shall be responsible for reimbursing the District for the cost of such work.

Section 4 –Water Mains, Extensions and Extraterritorial Service

- 4.1. Ownership and Installation. Unless otherwise agreed to in writing by the District, the Water System, including Water Mains and related facilities, is owned, operated and maintained by the District.Water Main Extensions. The proprietary functions of the District do not require extension of its facilities beyond those Water System that now exist. The Board retains the sole discretion to determine whether an extension of a Water Main is in the best interests of the District. In making such a determination, the Board would consider various factors including, but not limited to:

- 4.2.1. Whether the extended Water Main conforms to the District's installation specifications and any Water Main extension plan or policy approved by the Board.
- 4.2.2. Whether the extension shall be installed either by the District or under the District's supervision.
- 4.2.3. Whether the costs of the extension will be borne by the Customers to be served pursuant to a line reimbursement agreement or other agreement.
- 4.3. Service Outside the District. The District maintains the authority to provide service outside of the current District boundaries pursuant to C.R.S. § 32-1-1001(1)(k). At the time of adoption of these Rules and Regulations, it is in the best interest of the District to limit service to properties within the District boundaries. The Board will evaluate applications for out-of-district service according to these Rules and Regulations and make a determination as to whether such service outside the District will be in the best interests of the District, and the terms and conditions for such service, including the applicable rates and fees.

Section 5 – Service Lines and Appurtenances

- 5.1. Ownership and Maintenance. The 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 shall begin at the point where the tap is made to a main line of the District. The District shall have the right, but not the obligation, to shut off water service to, repair or replace the Service Line at the expense of the Licensee(s), 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. In the case of a Multi-Service Line, the District may charge the cost of such shut-off, repair or replacement to the Licensees equally, unless in the discretion of the District, circumstances warrant a specific Licensee(s) bear more or all of the costs. The District shall bear no liability for any damage to or caused by any Service Line, including water flow therefrom, and occurring on or off the Licensed Premises served by such Service Line. In addition, Customers shall not place shrubbery, trees, landscaping within five (5) feet of the location of any Service Line, including curb stops and meter pits, or District infrastructure. The District shall not be liable for replacing shrubbery, trees, or landscaping that is damaged during operation, maintenance and repairs of the District's Water System and the 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 a License established through a Board approved and fully executed Water Service agreement.
- 5.3. Connections. All Tap and curb stop installation shall be made by the District. . Although the District tries but is not obligated to schedule the installation 7-21 days after the request for connection is made, circumstances may delay the installation.
- 5.4. Water Service Line. All Tap and curb stop installation shall be made by the District. Although the District tries but is not obligated to schedule the installation 7-21 days after the request for connection is made, circumstances may delay the installation.

- 5.5. Thawing and Repair of Service Line. It is the obligation of the Licensee to protect the water meter and Service Lines from freezing and other hazards. The Licensee shall be liable for all costs associated with the location, identification, repair, replacement of leaking or thawing of water meters or Service Lines due to any cause, as well as the cost of the water lost.
- 5.6. 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 (170 psi). The District shall not be liable to anyone receiving water from the Water System for damage caused by pressure exceeding 170 psi due to circumstances beyond the control of the District. To prevent such damage, the District recommends installation of pressure reducing valves on all Service Lines.
- 5.7. 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's needs, which for example occurs with building sites situated higher in altitude than the District's storage tanks.
- 5.8. Valve Box and Manhole Grades. If a Licensee alters the road or easement grade after a construction contract has been approved and/or completed, the cost of altering the manhole or valve box height will be that of the Licensee.
- 5.9. 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. The stop order will stay in effect until the deficiencies are corrected and the stop order is lifted by the District representative. No Service Lines or meter pits shall be backfilled without the District representative's inspection and written approval.

Section 6 – Water Meters

- 6.1. Ownership. The Licensee is responsible for payment to the District of all applicable fees and costs for the meter as set by the District, but the District shall retain ownership of all meters.
- 6.2. Size and Type. All meters used by Customers shall meet the District's specifications. The District in its sole discretion will determine whether any meter not provided by the District meets the District's specifications.
- 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 Licensee 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.

- 6.4.1. The Licensee shall be responsible for the costs of maintaining, repairs, and replacement of the meter. The District shall have the right but not the obligation, at all reasonable times, to inspect, read, repair and replace the meter. . The Licensee shall have the responsibility of notifying the District of any meter in need of repair or replacement.
- 6.4.2. If in the sole discretion of the District, the meter of any Licensee or its operation threatens the integrity of the Water System or Water Service to other Licensees, the District may shut off water service to without prior notice to repair or replace the meter. The District shall bear no liability for any damage to or caused by any malfunctioning 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. While every effort is made to provide high quality water, sudden storms or heavy spring run-off can cause an unusual amount of cloudiness and/or discoloration of the water provided by the District. Accompanying silt may temporarily overburden the treatment facilities of the District and cause some interruption of Water Service. In addition, system maintenance or unforeseen circumstances can also cause temporary impairment of water quality and/or interruption of service. When possible, the District will notify affected Customers so that Customers can make arrangements during the impairment and/or shut-off. During such episodes, unless a boil or similar order is issued, the District will continue to chlorinate all water in accordance with state and county statutes and regulations, which may cause distinct taste and odor issues.
- 7.2. Cross Connections Prohibited. 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. Cross connections of Service Lines and downstream piping of water from the District Water System with non-District lines carrying water from other sources, such as private wells, are prohibited. The District shall inspect facilities for any such dual supply to determine no cross connection exists.
- 7.3. Backflow. Backflow into the Service Line or Water Mains is strictly prohibited. Where a potential for backflow is present, backflow prevention devices, air gaps, or system(s), as may be prescribed by the District and/or State Regulation, shall be installed to prevent its occurrence. Toilets, urinals and bidets must be supplied with self-closing valves, and in no case may a bib or faucet be installed over such fixtures. The District retains the right to enter onto any property within the District to determine whether a backflow device is necessary or to comply with laws regarding backflow and cross connections.

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 District water shall be paid for at the District's highest tiered rate, 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 installed for any Tap 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 the Licensed 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 is generally not allowed for new Licenses. Outdoor uses of Licensees existing as of [date] may continue, subject to outdoor water use restrictions adopted at the discretion of the District. Please notify the District if you anticipate extraordinary usage so that preparations can be made. Please see the IHWD document "Conservation Guidelines" for further information on outdoor watering limitations. Customers will be notified of such limits through a notice posted on the District website and at the District offices bulletin board a minimum of 24 hours prior to the enforcement of the restriction.
- 8.5. **Limited Water Supply and Water Restrictions.** 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 call for increased voluntary water conservation measures as described in IHWD document "Conservation Guidelines" and/or the District may adopt such water use restrictions and /or water allocations as are reasonably calculated to conserve and protect the water supply and to insure a regular flow of water through the Water System. Water use restrictions and /or water allocations shall remain in force and effect until the District determines that the conditions requiring their imposition no longer exist. 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. 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 District owns hydrants installed by the District.

- 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 subject to a fine as determined by the Board, which shall preclude any criminal penalties or civil action to remedy past or prevent future violations.

Section 10 –Variances

10.

- 10.1. Variances. Variances to these rules may be granted by the District upon written request and a showing by the applicant that the requested variance is for good cause and will not impair public welfare, health and safety of the District and its Customers, including without limitation the District’s watershed. The District shall approve or deny the variance request in writing at or before the second regularly scheduled board meeting after receipt of the variance request. The Board shall provide reasons for its decision, and, if the variance is granted, the Board may impose conditions necessary to implement the intent of these rules.

Section 11 – Records Open to the Public

- 11.1. Enactment. These Rules and Regulations have been adopted by the Board for the protection and use of the District and for the citizens therein.
- 11.2. 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, which responsibility may be transferred to the Office Manager by the Secretary.
- 11.3. 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”).
- 11.4. 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 12 – Amendments.

- 12.1. 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 24 hours prior to the Board meeting for the information of interested citizens.