

WHITE HORSE SPRINGS WATER AND SANITATION DISTRICT RULES AND REGULATIONS

Article I GENERAL REGULATIONS

1.1 Purpose. These Rules and Regulations are necessary to promote the health, safety and general welfare of the inhabitants of the District and will govern the management and operation of the water system of the District.

1.2 District Services. The District provides potable water service.

1.3 General Definitions. The following terms, as used herein, are defined as follows:

1.3.1 District Board means the Board of Directors of the District.

1.3.2 District Attorney means the person or firm designated by the District Board to provide legal representation to the District.

1.3.3 District Bookkeeper means the person designated by the District Board as the bookkeeper for the District accounting records.

1.3.4 District Engineer means the person or firm designated by the District Board to provide engineering representation to the District.

1.3.5 District Water System Operator means the person or firm designated by the District Board as the Operator of the District potable water system.

1.3.6 District Staff. The District Staff is collectively the District Attorney, the District Bookkeeper, the District Engineer and the District Water System Operator.

1.4 Water Definitions. The following terms, as used herein, are defined as follows:

1.4.1 Air Gap shall mean the unobstructed vertical distance through the free atmosphere between the lowest opening from any pipe or faucet supplying water to a tank, plumbing fixture or other device and the flood level rim of said vessel. An approved air gap shall be at least double the diameter of the supply pipe, measured vertically, above the top of the rim of the vessel, and in no case less than 1 inch. When an air gap is used at the service connection to prevent the contamination or pollution of the District potable water system, an emergency bypass shall be installed around the air gap system and an approved reduced pressure principle device shall be installed in the bypass system.

1.4.2 Approved Backflow Prevention Device shall mean a device that

has been manufactured in full conformance with the standards established by the American Water Works Association entitled AWWA C506-78 Standards for Reduced Pressure Principle and Double Check Valve Backflow Prevention Devices, and have met completely the laboratory and field performance specifications of the Foundation for Cross Connection Control and Hydraulic Research of the University of Southern California established by Specifications of Backflow Prevention Devices - #69-2. Final approval shall be evidenced by a Certificate of Approval issued by an approved testing laboratory certifying full compliance with said AWWA standards and FCCC&HR specifications dated March 1969 or the most current issue.

1.4.3 Approved Testing Laboratory for Back Flow Devices is the Foundation for Cross-Connection Control and Hydraulic Research, University of Southern California, University Park, Los Angeles, California 90007 that has been qualified by the District to test and certify backflow preventers.

1.4.4 Auxiliary Water Supply shall mean any water supply on or available to the premises other than the District's water supply.

1.4.5 Backflow Preventer shall mean a device or means designed to prevent backflow or back siphonage.

1.4.6 Back Siphonage means the flow of water or other liquids, mixtures or substances into the distribution pipes of the District's potable water system from any source.

1.4.7 Cross-Connection Inspector and/or Tester shall mean a person who has passed a State approved testing and/or inspection course and who is listed by the State as a certified inspector and/or tester.

1.4.8 Check Valve shall mean a self-closing device which is designed to permit the flow of fluids in one direction and to close if there is a reversal of flow.

1.4.9 Colorado Department of Health Cross-Connection Control Manual shall mean a manual that has been published by the State addressing cross-connection control practices, which will be used as a guidance document for the District in implementing a cross-connection control program.

1.4.10 Connection Permit shall mean written permission of the District Board to connect to a water line of the District, pursuant to these Rules and Regulations.

1.4.11 Cross-Connection shall mean any unprotected, actual or potential connection or structural arrangement between the District's and a customer's potable water system, either or both, and other source or system through which it is possible to introduce into any part of the potable system any substance, other than the intended potable water, with which the system is supplied. Bypass arrangements,

jumper connections, removable sections, swivel or changeover devices and other temporary or permanent devices through which or because of which backflow can or may occur, are considered to be cross-connections.

1.4.12 District Water Service Line shall mean the tap to the water main, the curb valve, the meter vault, the water meter, and the water line between the tap and the water meter, all of which are the property of the District.

1.4.13 Double Check Valve Assembly shall mean an assembly of two independently operating approved check valves with tightly closing shut off valves on each side of the check valves, plus properly located test cocks for the testing of each check valve. The entire assembly shall meet the design and performance specifications and approval of a recognized and District-approved testing establishment for backflow prevention devices. To be approved, these devices must be readily accessible for in-line maintenance and testing.

1.4.14 Inspector shall mean the District Engineer or such other person or entity designated by the District Board, unless specifically designated herein.

1.4.15 Private Water Service Line shall mean the water line from the downstream side of the water meter to the premises being served.

1.4.16 Reduced Pressure Principle Device shall mean an assembly of two independently operating, approved check valves with an automatically operating differential relief valve between the two check valves, tightly closing shut-off valves on either side of the check valves, plus properly located test cocks for the testing of the check and relief valves. The entire assembly shall meet the design and performance specifications and approval of a recognized and District approved testing establishment for backflow prevention assemblies. The device shall operate to maintain the pressure in the zone between the two check valves at a level less than the pressure on the public water supply side of the device. At cessation of normal flow, the pressure between the two check valves shall be less than the pressure on the public water supply side of the device. In case of leakage of either of the check valves, the differential relief valve shall operate to maintain the reduced pressure in the zone between the check valves by discharging to the atmosphere. When the inlet pressure is two pounds per square inch (2 psi) or less, the relief valve shall open to the atmosphere. To be approved, these devices must be readily accessible for in-line maintenance and testing and be installed in a location where no part of the device will be submerged.

1.4.17 State Regulations shall mean regulations promulgated by the Water Quality Control Commission including Primary Drinking Water Regulations and Water and Wastewater Facility Operators Certification Requirements.

1.4.18 Undefined Terms referring to the District water system not specifically defined herein shall have the definition stated in the "Glossary Water and Sewage Control Engineering," A.P.H.A., A.S.C.E. and W.P.C.F., latest edition.

1.4.19 Vacuum Breaker, Atmospheric Type shall mean a vacuum breaker which has a moving element inside, which during flow prevents water from spilling from the device and during the cessation of flow, drops down to provide a vent opening. The atmospheric vacuum breaker cannot be installed where there can be back pressure, only where there can be back siphonage. This device should not remain under pressure for more than twelve (12) hours in any twenty-four (24) hour period, and shall not have any shutoff valve downstream.

1.4.20 Vacuum Breaker, Pressure Type shall mean a vacuum breaker that can be installed where there can be back pressure. The pressure vacuum breaker may have shutoff valves downstream.

1.4.21 Water Main shall mean any water line owned by the District.

1.4.22 Water Service Connection shall mean the terminal end of a private water service line at the connection with the District water main.

1.5 Water System. The following general regulations shall apply to the District potable water system:

1.5.1 Purpose. The District water system is intended to provide potable water service to its customers.

1.5.2 Water Rights. The District is the owner of two-thirds (2/3) of the adjudication of the White Horse Springs Collection System and Storage Tanks as decreed in Case No. 5884; the remaining one-third (1/3) is owned by the Starwood Metropolitan District. The water right is limited to a maximum diversion of 1122 gallons per minute or 2.52 c.f.s. direct flow of water. The water right is subject to a Plan of Augmentation approved in Case No. 87CW395. Alternate Points of Diversion of the water right to the White Horse Springs Wells No. 1-8 was authorized in Case No. 94CW196.

1.5.3 Fire Hydrants. Fire Hydrants are principally for utilization in the event of an emergency by emergency personnel. Under limited circumstances, fire hydrants may be utilized for other purposes with the prior express conditional approval by the District Board and payment of applicable fees to the District.

1.5.4 Regulation of Usage. Whenever there is a shortage of water, system operating failure, system repair or emergency, the District Board shall have the power to regulate and curtail water usage.

1.5.5 Damage to and Interference with District Property. No person shall, whether maliciously, willfully, negligently or otherwise, break, damage, destroy, uncover, unreasonably cover, deface, make any connection without a permit, tamper with, or interfere with any structure, appurtenance or equipment of the water system,

including fire hydrants or the District's access to any such structure, appurtenance or equipment of the water system. Any person violating the foregoing will be responsible for all District expenses associated with any and all remedies.

1.5.6 Property Damage. No claim for damage shall be made against the District by reason of any damage to real or personal property resulting from turning on or shutting off of service or a variation in system pressure.

1.5.7 Authority of District Manager. The District Manager and other duly authorized representatives of the District with proper credentials shall be permitted to enter upon all properties at reasonable times within the District as necessary for the purpose of inspection, observation, measurement, sampling and testing and repairing any of the Water Mains or Service Lines.

1.5.8 System Operator. The District will at all times employ or contract with an operator who possesses the appropriate operator's certification for operation of the District water system as issued by the Water and Wastewater Facility Operators Certification Board. As prescribed by State Regulations, the System Operator will:

1.5.8.1.1 exercise a level of reasonable care and judgement consistent with the experience and training appropriate to their level of certification; and

1.5.8.1.2 protect the public health and safety by properly performing and/or supervising the tasks pertinent to controlling the operation of the District water system; and

1.5.8.1.3 comply with all duties prescribed in the State Regulations for Certified Operators and Operators in Responsible Charge.

1.6 Facility Relocation Policy. Relocation of District facilities shall be discretionary and not mandatory and shall occur only on terms and conditions approved in writing by the District Board.

1.7 Facility Extension Policy. Extension of facilities shall be discretionary and not mandatory and shall occur only on terms and conditions approved in writing by the District Board.

1.8 Procedure for Relocation or Extension of District Facilities.

1.8.1 Application. Application for a relocation or extension of District facilities shall be made to the District including a copy of the plans and a description of the work to be done, the address of the property to be served, and such other information as may be required by the District.

1.8.2 District Expenses and Deposit. The applicant will pay all of the cost and expense incurred by the District in review of the application including District consultants, District Engineer statements, District Attorney statements and District Operator time allocation. If approved, The applicant will pay all of the cost and expense incurred by the District for the administration of the Project including District consultants, District Engineer statements, District Attorney statements and District Operator time allocation. An initial deposit of Fifteen Thousand Dollars (\$15,000.00) deposit will be made to the District for payment of such costs to a segregated Project Fund. The Project Fund deposit will be timely replenished to the amount of Fifteen Thousand Dollars (\$15,000.00) when the balance of the Project Fund is reduced to One Thousand Dollars (\$1,000.00).

1.8.3 No Cost to District. The District is not responsible for any cost and expense of the design, construction, installation and inspection of the Project.

1.8.4 All design, construction and installation of the Project will comply with the requirement of the District Design Standards or as they may subsequently be amended.

1.8.5 Project Inspection. The District Engineer will perform the supervisory inspection services for the Project to assure the construction thereof in accordance with final design and the District Design Standards.

1.8.6 Project Warranty Upon Completion. The applicant will warrant the construction of the Project against any defects in materials and workmanship until July 1st following the second winter season after the date of acceptance thereof by the District.

1.8.7 Security for Project Warranty. Upon completion of construction of the Project, but prior to the final acceptance thereof, as security for performance of the warranty, an irrevocable letter of credit issued by a state or national banking institution, with offices located within the state of Colorado, in a form reasonably acceptable to the District, in an amount equal to ten percent (10%) of the construction cost of the Project, or in a greater amount if required by the District Engineer due to the unique nature of the Project components, will be delivered to the District. The letter of credit will authorize the District to draw against the same, from time to time, for the purpose of paying the cost of any warranty work in the event of a default in the performance or payment thereof. The letter of credit will have a term expiring one (1) month after the end of the warranty period. The final release of such letter of credit will occur upon the expiration of its term, except as to any claims asserted during the warranty period that are unresolved. Any cost and expenses incurred by the District in obtaining any payments from the issuer of a letter of credit will be considered as additional costs of the Project and will be reimbursed to the District upon demand.

1.8.8 Easement for Project. The applicant will cause a survey of the

Project to be prepared containing an as-built metes and bounds description of the facilities in a form acceptable to the District. Upon approval thereof by the District, a permanent easement for the maintenance and repair of the facilities based upon said survey, to the extent that said facilities are not located within easements therefor which have been dedicated for such purposes previously to the District.

1.9 Procedure for District Review of Development. At any time the District becomes aware, by any means, that an owner is undertaking development efforts that may affect or impact the District's ability to serve property within the District in any way, the following procedure applies.

1.9.1 Plans. The District may request all engineering and design plans from the owner and any other information that may be necessary for the District's review. The owner shall provide all requested information.

1.9.2 District Expenses and Deposit. The owner shall pay all of the cost and expense incurred by the District related to the proposed project including, without limit, engineering, legal, and operator costs. To that end, the owner shall make an initial deposit of fifteen thousand dollars (\$15,000.00) to the District for payment of such costs and expenses. The District shall maintain the deposit in a segregated project fund. The District will draw on this fund for its expenses until the project is complete. Any time the balance of a project fund is reduced to one thousand dollars (\$1,000.00), the owner must deposit additional funds to bring the balance back to fifteen thousand dollars. The District shall return to the owner any money remaining in the project fund once the District has completed its inspection and approval of the project.

1.9.3 No Cost to District. The District is not responsible for any cost or expense of the design or construction of the development project.

1.9.4 All design, construction, and implementation of the development project must comply with the requirements of the District Engineer, accepted engineering standards, and these Rules and Regulations.

1.9.5 Inspection. Any work on water service infrastructure related to the project must be inspected and approved while it is visible by the District Engineer or, if the District Engineer is unavailable, the District Operator. If the owner fails to notify the District until after such infrastructure work is covered, the owner shall make the infrastructure visible for inspection. Upon completion of the development project, the District Engineer or, if the District Engineer is unavailable, the District Operator will inspect the development project to ensure compliance with the requirements of the District Engineer, accepted engineering standards, and these Rules and Regulations, and to assess, if necessary, any increased service rates or charges. The owner shall give the District notice of completion or near completion of the project in advance and schedule this inspection. The inspection must occur prior to the owner applying for a certificate of occupancy from Pitkin County, if required for the project or within a reasonable time in advance of completion otherwise. Failure by an owner to schedule a completion inspection will cause the owner to forfeit any monies on deposit with the

District and may be subject to a fine, the amount of which is to be determined in the District Board's discretion.

1.9.6 Easement. To the extent necessary, the owner shall grant any and all easements to the District that are necessary to allow the District to access its infrastructure on the owner's property. Such easements shall be surveyed by the owner. Upon approval by the District Engineer, such easements will be accepted by the District Board at its next occurring meeting.

Article II WATER SERVICE POLICY

2.1 Connection Permit Required. Before a building permit or a plumbing permit is issued by Pitkin County, or any connection is made to the water mains, whichever shall first occur, a Connection Permit shall be obtained from the District and the required fees paid.

2.1.1 Application for Permit. Application for a Connection Permit must be made to the District on forms furnished by the District, which shall include, without limitation, a copy of the plans and a description of the work to be done, the address of the property to be served, and the name of the Pitkin County licensed plumber to perform the work under the permit, and such other information as may be required by the District.

2.1.2 Term of Permit. Upon issuance, the Connection Permit shall remain in effect for the same period as the building permit or plumbing permit issued by Pitkin County, for the project for which the Connection Permit is required, or one (1) year from the date of issuance, whichever is less.

2.1.3 Inspection. Prior to applying to Pitkin County for a Certificate of Occupancy or a Certificate of Completion, the holder of a Connection Permit shall contact the District and request a water conservation and compliance inspection by the District Water System Operator. The licensed plumber identified in the application for the Connection Permit shall certify to the District that the water control flow fixtures and fittings installed comply with the requirements of these Rules and Regulations.

2.1.4 Revocation of Permit. Any Connection Permit may be revoked if the installation or use of the water service is not made in accordance with the provisions of these Rules and Regulations, and prescribed specification of the District, or any special condition of the permit.

2.1.5 Separate Permit. Not more than one (1) connection to the water mains shall be allowed under each Connection Permit.

2.1.6 Other Permits. No Connection Permit shall be considered to be authority for the making of any cut in a public road or street, or in lieu of a building permit required by Pitkin County, or any permit required by any other regulatory body.

2.1.7 Water Service Line Specifications. The following specifications shall apply to installation, maintenance, upgrade, or relocation of all water service lines and any other activity affecting water service lines in any way:

2.1.7.1 Connection. Upon payment of the Connection Permit fees, the customer shall install a water service line, including corporation cock and curb valve, extending from the District's main to a point within approximately ten feet (10') from an individual property line, at which point the curb valve will be located. Commencing at the curb valve, the customer shall extend the water service line to a meter vault to be constructed by the customer and install, in the meter vault, a District-approved water meter. The customer shall convey the tap, corporation cock and curb valve, meter vault, meter and the water line from the tap to the meter (the District Water Service Line) to the District upon approval of the installation by the District Engineer. The remainder of the water service line, from the downstream side of the meter to the premises, shall be installed by the customer and shall be considered a Private Water Service Line to be owned and maintained by the customer in accordance with provisions of these Rules and Regulations and any requirements of the District Engineer. The water service line must be inspected and approved by the District prior to the District providing water service to the property.

2.1.7.2 Installation/No Line Bleeding. Water service lines shall be installed in a manner that bleeding of water is not necessary to prevent freezing.

2.1.7.3 Material. Only three-quarter inch (3/4") type K soft copper tubing with above ground silver solder joints or flare couplings shall be utilized. No underground solder joints are permitted or authorized.

2.1.7.4 Minimum/Maximum Cover. Service lines shall be buried with a minimum of eight feet (8') of cover, provided however, additional cover may be required at the specific location to avoid freezing. The maximum amount of cover shall be not greater than twelve feet (12').

2.1.7.5 Backfill. Backfill shall be properly compacted so that

no lines will be broken by settlement and so that the surface will not be damaged in areas where the surface is improved. All backfill or cuts in public rights-of-way shall be in compliance with requirements of the District and Pitkin County.

2.1.7.6 Excavation and Backfill Inspection. Excavation, trench shaping, pipe bedding and backfilling are subject to the approval of the Inspector. No service lines shall be backfilled or covered until approved by the Inspector.

2.1.7.7 Authorized Period for Installation. Service lines may be installed and taps to District water mains may only occur during the period commencing April 15th and terminating on October 31st, weather permitting. The District Board may authorize the installation of a service line or the tap of a District main at other dates in its sole discretion.

2.1.8 Private Water Service Line Maintenance. Each customer shall be responsible for maintaining the entire length of the Private Water Service Line. Leaks in a Private Water Service Line shall be repaired by the customer within seventy-two (72) hours of notification of such condition, or the District shall have authority to repair the leak. In the event that the District repairs the leak, the customer shall immediately reimburse the District for the resulting repair costs and any related engineering, legal, or operator costs. Such costs shall constitute a perpetual lien against the property until paid.

2.1.9 Disconnections. No water service line connected to a District main shall be disconnected therefrom without the prior written approval of the District specifying the method, conditions and time of disconnection.

2.1.10 Conditions of Service. The following items shall apply to all water service connections:

2.1.10.1 Pressure Reducing Valves. Pressure reducing valves shall be furnished, installed and maintained at not greater than seventy-five pounds per square inch (75 psi), by the customer. The pressure reducing valve shall be located at an accessible location approved by the District Water System Operator.

2.1.10.2 Water Meters. To provide for equitable charge for water usage and to induce future water conservation, any customer required to obtain a Connection Permit shall install an adequate metering point and metering yoke in the water service line, if none presently exists, and shall install a water meter accessible at the metering yoke.

2.1.10.3 Meter Vault. All water meters shall be housed in a District approved meter vault at a location approved by the District. The meter vault will meet the specifications contained in the District meter vault detail, attached hereto.

2.1.11 Cross-Connection and Backflow Control. The District water system shall have no cross-connection to any pipe, fixture or supply containing water of a quality below the minimum general sanitary standards of drinking water supplied to the public, as promulgated by the Colorado Department of Health. An approved backflow prevention device shall be installed depending on type of hazard. Such a device shall be installed in all cases, before the first branch line leading off the private water service line, at an accessible location approved by the District Water System Operator, wherever any of the following conditions exist:

2.1.11.1 Auxiliary Water Supply. In the case of a premise having an auxiliary water supply which is not or may not be of safe bacteriological or chemical quality and which is not acceptable as an additional source by the District.

2.1.11.2 Objectionable Substances. In the case of a premises on which any industrial fluids or any other objectionable substance is handled in such a fashion as to create an actual or potential hazard to the District water system, including the handling of process waters and waters originating from the District water system which have been subject to deterioration in quality.

2.1.11.3 Internal Cross Connections. In the case of a premises having internal cross connections that cannot be permanently controlled.

2.1.11.4 Intricate Plumbing. In the case of intricate plumbing and piping arrangements or where entry to all portions of the premises is not readily accessible for inspection purposes, making it impractical or impossible to ascertain whether or not dangerous cross-connections exist.

2.1.12 Type of Backflow Device. The type of backflow prevention device shall depend upon the type of hazard which exists, as follows:

2.1.12.1 Reduced Pressure Principal Device. In the case of a premises where there is an auxiliary water supply which is not subject to any other provisions of these Rules and Regulations, the District water system shall be protected by an approved air gap separation or an approved reduced pressure principal backflow prevention device.

2.1.12.2 Double Check Valve Assembly. In the case of a premises where there is water or a substance that would be objectionable but not hazardous to health if introduced into the District water system, the District water system shall be protected by an approved double check valve assembly.

2.1.12.3 Air Gap Separation Device. In the case of a premises where there is any material dangerous to health which is handled in such a fashion as to create an actual or potential hazard to the District water system, the District water system shall be protected by an approved air gap separation or an approved reduced pressure principle backflow prevention device.

2.1.12.4 Maximum Protection. In the case of a premises where, because of security requirements or other prohibitions or restrictions, it is impossible or impractical to make a complete cross-connection inspection, the District water system shall be protected against backflow or back siphonage from the premises by the installation of an approved air gap separation or an approved reduced pressure principle backflow prevention device.

2.1.12.5 Irrigation Systems. The following guidelines relating to backflow prevention devices for irrigation systems shall apply:

2.1.12.5.1 A double check valve assembly may not be installed to serve multiple irrigation circuits in lieu of vacuum breakers on each individual irrigation circuit.

2.1.12.5.2 A reduced pressure principle backflow preventer or air gap separation shall be required before any piping network in which fertilizers, pesticides and other chemicals or toxic contaminants are injected or siphoned into the irrigation system. A reduced pressure principle backflow preventer may be installed to serve multiple irrigation circuits in lieu of vacuum breaks on each individual irrigation circuit.

2.1.12.6 Fire Systems. In cases where the domestic water system is used for both drinking and fire fighting purposes, approved backflow prevention devices shall be installed to protect such individual drinking water lines as are not used for fire fighting purposes.

2.1.12.7 Mandatory Annual Backflow Inspections. It shall be the duty of the customer to have certified inspections and operational tests made at least once per calendar year and to

submit the results of such inspections to the District Operator on or before September 1st of each year. Provided, however, the customer's system shall be open for inspection at all reasonable times to authorized representatives of the District and the certified cross-connection inspector to determine whether cross-connection or other structural sanitary hazards exist.

2.1.12.8 Additional Mandatory Backflow Inspections. In those instances where the District determines that a hazard exists, certified inspections may be required at more frequent intervals.

2.1.12.9 Maintenance of Backflow Devices. All backflow prevention devices shall be repaired, overhauled or replaced at the expense of the customer whenever these devices are found to be defective.

2.1.12.10 Inspection and Maintenance Records. Records of all backflow prevention device tests, repairs and overhauls shall be maintained by the customer and made available to the District upon request.

2.1.12.11 Suspension of Service. Water service to any premise may be discontinued if a required backflow prevention device is not installed, tested and maintained, or if a backflow prevention device has been removed or bypassed. An unprotected cross-connection on a licensed premises may also result in suspension of service. Service will not be restored until such conditions or defects are corrected.

2.1.12.12 Procedures for Suspension of Service. When a cross connection condition becomes known, the District Board will follow the procedures outlined in *Rule 2.10 for suspension of water service. The absence of a proper backflow prevention device, or the existence of an unprotected cross connection, may constitute an immediate threat of harm to the public health, safety or welfare, in which case the procedures in *Rule 2.10.4 for suspension of service for emergencies may apply.

2.1.13 Water Conservation Design and Fixtures. It is the policy of the District to minimize the waste of water by requiring the use of low flow plumbing fittings and fixtures. Such fittings and fixtures shall meet the standards for low flow plumbing fixtures set forth in Section 9-1.3-102(4) C.R.S. and those minimum standards established by Pitkin County. In the case of conflict between any of these standards, the standard requiring the least water usage will be utilized.

2.1.14 Restriction on Use. The District shall implement reasonably

practicable water conservation measures during those times when surface water supplies are limited.

2.1.14.1 To insure the proper functioning of the District's water system during periods of peak demand and to promote water conservation in outdoor watering practices, no watering shall occur between the hours of 10:00 a.m. and 3:00 p.m.

2.1.14.2 Watering shall be allowed on the days of each month as designated by the District.

2.1.14.3 The maximum area that may be watered is one thousand (1000) square feet of lawn or planted area, unless a larger area is authorized by the District Board on a case by case basis.

Article III RATES AND CHARGES

3.1 Setting Fees. The District Board may increase or decrease the rates and charges of the District as it deems necessary for the best interests of the District, provided such rates and charges are uniform in each classification. The District Board may establish different rates and charges for property classified by type or quantity of use.

3.2 Water Service Billing. Statements for service fees and water meter fees shall be calculated quarterly.

3.2.1 Commencement of Service Fees. Service fees shall commence on the first day of the calendar quarter following the issuance of a Connection Permit, or upon the first day of the calendar quarter following an actual connection by the Customer to District facilities, whichever shall first occur.

3.2.2 Metered Water Gallonage Fees. Gallonage fees for water used shall be calculated quarterly and payable in arrears.

3.2.3 Additional Charges. Charges for late payment of fees, penalties, fines or other unpaid amounts owing to the District shall be added to a customer's quarterly statement.

3.3 *Nonpayment.

3.3.1 Disconnection Notice. If the statement remains unpaid after the deadline for payment set forth in the delinquency notice, the District shall cause to be posted in a conspicuous place at the water service location, a shut off notice informing the customer that service will be shut off if the statement is not fully paid by a period of time stated in the shut off notice, which time period shall be not less than seventy-two (72) hours from the time of posting. If the statement remains unpaid after the shut

off payment deadline, then the District may shut off service to the delinquent customer.

3.3.2 Turn-On Fee. If services are discontinued due to nonpayment of a customer's account, a turn-on fee will be charged to reconnect the customer to the District's facilities. The fee shall be the same as the fee for a Connection Permit.

3.3.3 Continuance of Service Fee. All rates, fees and charges for service provided by the District shall continue to be paid by the customer even after the turn-off of the customer's water private service line from the District's facilities. A customer may be released from the obligation to pay all rates, fees and charges for service provided by the District, if, and only if, an actual disconnection of the customer's water private service line from the District facilities occurs, and upon reconnection to the District facilities, the customer shall pay all applicable Connection Permit fees and system development fees.

3.4 Liability for Payment. Until paid, all rates and charges shall constitute a first and perpetual lien on or against the property being served. Any such lien shall be foreclosed in the manner provided by the laws of the State of Colorado, or collected when the unpaid rates and charges are Two Thousand Dollars (\$2000.00) or greater. All costs relating to the liens incurred by the District, including, without limitation, attorney's fees and costs of suit, shall be paid by the customer. The District will hold both the occupant and the customer jointly and severally liable for all charged appurtenant to water service.

3.5 Schedule of Rates and Charges for Residential Use.

3.5.1 Water System Development Fee. \$175,000 for one (1) two inch (2") service. \$100,000 to upgrade to a two inch (2") for existing one inch (1") service.

3.5.2 Annual Water Service Fee. \$2750.00

3.5.2.1 2021 Capital Improvement Fee. \$2,000 to defray the costs of capital improvements to be charged annually. Any capital expense assessment funds collected in one year that are not spent on capital expense projects that year are to be carried over to the next year(s) as reserves.

3.5.3 Metered Water Rate per quarter.

Quarterly Usage in Gallons	Rate per 1000 gallons or part thereof
0-15,000	(included in Basic Water Service Fee per quarter)
15,001-30,000	\$6.50

30,0001-50,000	\$7.50
50,001-80,000	\$8.50
80,001-120,000	\$10.00
Greater Than 120,000	\$25.00

3.5.4 Minimum Metered Water Fee per quarter. \$200.00.

3.5.5 Water Connection Permit Application Fee. \$500.00

3.5.6 Tap, Meter and Inspection Fee for New Service. To be determined by the District at the time of the tap.

3.5.7 Tap Transfer Fee. \$1,000.00. The District will charge additional fees for a transfer if, in the District's discretion, the tasks necessary to effect the transfer, including legal or engineering tasks, merit additional charge.

3.6 Miscellaneous Schedule of Rates and Charges.

3.6.1 Bulk Water Hydrant Water Rate. At the discretion of the District, terminable bulk water use, such as irrigation or the filling of ponds, may be authorized at the rate of \$10.00 per 1000 gallons or part there.

3.6.2 Other Water Rates. At the discretion of the District Board, other terminable water use may be authorized at a rate determined by the District Board at the time of authorization.

3.6.3 Special Services. Where District personnel perform special services for or at the request of a Customer, or where special services are performed or are required to be performed at or in connection with Customer property to establish compliance with these Rules and Regulations or District engineering standards or practices which the Customer refuses to perform, the Customer shall reimburse the District for any and all actual costs of any and all such work including any and all related engineering or legal fees.

3.6.3.1 The District will bill the Customer or the occupant, as the case may be, for reimbursement. However, upon failure of such person to pay, the costs will be charged to the licensed premises at which such work was accomplished. The special service charge will be included in the water bill and will become subject to delinquency charges and suspension of service.

3.6.4. Water Availability Fee. For any parcel of land within the District that is not connected to the District's water supply system by a tap, the District will

charge the owner of such parcel a water availability fee of \$1,200, annually. The water availability fee will be charged quarterly in equal increments of \$300. The District will rely on Pitkin County Assessor records to determine whether property is considered a parcel of land for the purpose of charging the water availability fee.

3.6.5 Failure to Provide Backflow Prevention Inspection Results – Fine. At the discretion of the Board of Directors, the District will charge owners a fine for failure to submit the results of backflow prevention testing on or before September 1st of each year as required by section 2.1.12.7 of these Rules and Regulations. The fine shall be \$200. The amount of the fine shall double for each successive month the results are not received. Such fines will be included in the owner's water bill subject to delinquency charges and suspension of service if not paid. If an owner fails to submit the results within any calendar year, service may be disconnected following reasonable notice and an opportunity to be heard being provided.

Article IV ENFORCEMENT/SERVICE SUSPENSION

4.1 Causes for Suspension of Service. The District Board may physically suspend the supply of water including fire protection service for any of the following reasons:

4.1.1 A customer's account shall become past due if not paid in full within forty five (45) days of the statement date; or

4.1.2 Failure to comply with these Rules and Regulations or any of the District Engineering Standards, including any unauthorized cross connection or failure to install or maintain a required backflow prevention device, and meter, or a meter on the service line; or

4.1.3 Any unauthorized use of water, including use of water for purposes or on property not authorized by the District.

4.2 Suspension of Service for Non-Payment. A Customer's account that is not paid in full within forty-five (45) days of the statement date is delinquent.

4.2.1 Notice of Proposed Suspension of Service. When a Customer's account is delinquent, the District may deliver a Delinquency Notice by depositing the Notice in the United States Mail, postage prepaid, addressed to the delinquent Customer's address as appears in the records of the District specifying a deadline for payment to avoid suspension of service. The notice of proposed suspension shall include the following information:

4.2.1.1 The date of the proposed suspension, which shall be no sooner than ten (10) days following the date of the notice; and

4.2.1.2 The amount of the payment due; and

4.2.1.3 That the payment must be paid prior to the suspension date or service will be suspended; and

4.2.1.4 The name and contact information of the person at the District who can answer questions about the proposed suspension of service; and

4.2.1.5 Notice that the Customer may dispute service charges. Current water charges (not overdue charges) must be paid in full during the hearing process.

4.2.2 Customer Appeal. A Customer's water service will not be suspended provided that the Customer commences an appeal as described in Article IV of these Rules and Regulations. At the conclusion of the appeal process, if the suspension is approved, water service may be discontinued, but no sooner than ten (10) days after the date of mailing of the decision that concludes the process.

4.2.3 Reinstatement of Water Service After Suspension. Water service will be resumed after suspension when the Customer's account has been brought current by the payment of all service charges and fees, the costs of suspension and reinstatement and other special charges.

4.3 Suspension of Service for other than Non-Payment. In the event that a Customer does not comply with the terms and conditions of these Rules and Regulations, water service may be suspended until compliance with the Rules and Regulations is established.

4.3.1 Notice of Proposed Suspension of Service. The District Board will provide notice in writing a Noncompliance Notice by depositing the Notice in the United States Mail, postage prepaid, addressed to the Customer's address as appears in the records of the District specifying the nature of the noncompliance and a deadline for curing the noncompliance to avoid suspension of service. The notice of proposed suspension shall include the following information:

4.3.1.1 The effective date of the proposed suspension of service, which shall be no sooner than fifteen (15) days following the date of the Noncompliance Notice; and

4.3.1.2 The reasons for the proposed suspension of service and the corrective action that must occur to avoid suspension of service; and

4.3.1.3 The name and contact information of the person at

the District who can answer questions about the proposed suspension of service; and

4.3.1.4 Notice that the Customer may appeal the proposed suspension of service.

4.3.2 Customer Appeal. If the Customer does not request a hearing in accordance with Article IV of these Rules and Regulations, then water service will be suspended on or after the date specified in the Notice of Noncompliance. If the Customer requested a hearing in accordance with Article IV, the Customer's water service will not be suspended pending the appeal. At the conclusion of the appeal process, if the suspension is approved, water service may be discontinued, but no sooner than ten (10) days after the date of mailing of the decision that concludes the process.

4.3.3 Reinstatement of Water Service After Suspension. Water service will be resumed after suspension the noncompliance has been cured and has been verified by an inspection conducted by the District and all applicable fees and charges have been paid to the District.

4.4 Emergencies or Unauthorized Use Suspension of Water Service. In the event that the District becomes aware of unauthorized water use, or of an immediate threat of harm to District property, or the public health, safety or welfare, water service may be suspended until compliance with the Rules and Regulations is established.

4.4.1 Notice of Emergency or Unauthorized Use Suspension of Service. The District will make every reasonable effort to contact the Customer verbally prior to discontinuing water service. A Notice of the Water Service Suspension shall be posted in a conspicuous place at service location. As soon as practicable after the water service has been suspended, the District will deposit the notice in the United States Mail, postage prepaid, addressed to the Customer's address as appears in the records of the District. The notice of suspension shall include the following information:

4.4.1.1 The reasons for water service suspension and the action that must occur for water service to be resumed; and

4.4.1.2 The name and contact information of the person at the District who can answer questions about the water service suspension; and

4.4.1.3 Notice that the Customer may appeal the water service suspension.

4.4.2 Customer Appeal. If the Customer requests a hearing in accordance with Article IV of these Rules and Regulations, water service will remain

suspended during the pendency of an appeal. Water service will be resumed if appeal process results in a determination that reasonable grounds did not exist for the water service suspension. If the appeal process determines that the suspension was justified, the water service will not be resumed until the following conditions have been satisfied:

4.4.2.1 The action described in the Notice of the Water Service Suspension has been completed and as verified by an inspection conducted by the District; and

4.4.2.2 The service connection is in compliance with these Rules and Regulations and the District's Engineering Standards; and

4.4.2.3 All applicable fees and charges have been paid to the District.

Article V APPEAL PROCEDURE

5.1 Appeal Available. A Customer may seek an appeal of interpretation, application, or enforcement of these Rules and Regulations.

5.2 Informal Appeal. Appeals regarding the interpretation, application, or enforcement of these Rules and Regulations must be presented in writing to the District Board, however, Customers with potential suspension of service may contact by telephone the District contact person identified in the applicable Notice from the District. Upon receipt of the Appeal, the District Board will direct the District Staff to conduct a full and complete review of the Appeal. After completing the investigation, the District Staff shall promptly notify the District Board of the results of its investigation. The District Board shall then take such action as may be warranted; and shall notify the Customer of the resolution of the matter by U.S. mail, within fifteen (15) days after receipt of the Appeal.

5.3 Formal Appeal to District Board. If the Customer is not satisfied with the resolution of the Informal Appeal, the Customer may by request a hearing before the District Board in writing.

5.3.1 The District Board will schedule a hearing date and notify the Customer in writing of the date and time of the hearing not less than fifteen (15) days in advance.

5.3.2 At the hearing, the Customer shall have the right, personally or by representative, to give testimony orally, in writing or both, subject to reasonable rules of procedure established by the District Board to assure a prompt and orderly resolution of the issues. Such evidence shall be considered in making the decision but shall not bind the decision makers.

5.3.3 The District Board will render a decision expeditiously and notify the Customer of the resolution of the matter by U S. mail, within fifteen (15) days after receipt of the hearing. The determination of the District Board will be considered final.

Article VI DISTRICT ORGANIZATION AND OPERATION

6.1 Management of District. The business and affairs of the District shall be managed by its District Board and shall exercise all of the powers granted to it the Colorado Special District Act and the laws of the State of Colorado.

6.2 District Manager. The District Board may employ or contract with a person or entity to manage the day to day operations of the District under the supervision of the District Board. The District Board hereby delegates to the District Manager all authority necessary and proper for the District Manager to operate the District on a day-to-day basis. The District Board shall not actively participate in the day-to-day operations of the District, but shall act in a capacity as a board of directors of a corporation, and the District Manager shall act in a capacity of the President of a corporation.

6.3 District Bookkeeper. The District Board may employ or contract with a person or entity to provide accounting bookkeeping services under the supervision of the District Board.

6.4 District Board Meetings. Regular meetings of the District Board will occur at least bi-monthly on the date, time and location in Pitkin County, Colorado as designated by the District Board in the minutes of each meeting and as set forth in the notice of meeting. Notice of District Board meetings and the agenda will be posted conspicuously in two (2) places within the District and on the bulletin board in the Office of the Clerk and Recorder of Pitkin County, Colorado.

6.5 Conduct of District Board Meetings. In so far as is practical, Robert's Rules of Order shall be followed at meetings of the District Board. The District Board and the District Manager are subject to and shall comply with the provisions of all Statutes of the State of Colorado including without limitation those concerning Disclosure of

Conflicts of Interest, Section 18-8-308 C.R.S., Section 24-18-101 et. seq. C.R.S., and Proscribed Acts Related to Contracts and Claims, Section 24-18-201 et. seq. C.R.S., as they presently exist and may hereafter be amended.

6.6 Officers. The officers of the District shall include a President, Vice President, Secretary and Treasurer. The District Board shall elect from its members as follows:

6.6.1 Chairman of the District Board and President of the District; and

6.6.2 Vice Chairman of the District Board and Vice President of the District; and

6.6.3 Treasurer of the District; and

6.6.4 Secretary of the District.

6.7 Elections of Officers. The regular election of such officers shall be biennially at the first regular meeting of the District Board following the biennial election of the Directors in such year.

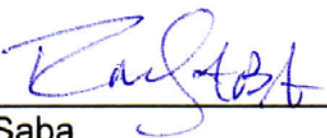
6.8 Financial Matters. All District bank accounts and investments shall be maintained in the name of the District and shall be authorized investments of a governmental entity in accordance with the laws of the State of Colorado. The District Bookkeeper is authorized to transfer funds within the District's bank to various accounts held in the bank without the necessity of approval of the District Board in advance irrespective of the amount of the transfer.

6.9 Check Signing Authorization. It is the policy of the District that checks should be signed by two (2) Directors.

6.9.1 One Signature Checks. Checks may be signed by one (1) Director provided that all such checks are presented to the Director for signature with a corresponding invoice.

6.9.2 Ratification for Signature. If a check is signed by only one (1) Director, all such checks will be ratified and approved by the District Board at its next scheduled meeting.

As District Executive Secretary, I, Roy Saba, hereby attest that the foregoing is a correct copy of the Rules and Regulations of the White Horse Springs Water & Sanitation District as of the date written below.



Roy Saba

1-19-23

Date