

Rules and Regulations
Bear Creek Water and Sanitation District



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RULES AND REGULATIONS
OF THE
BEAR CREEK WATER & SANITATION DISTRICT

ARTICLE 1 - PURPOSE & GENERAL REGULATIONS

Section 1.01. Declaration of Policy. The Bear Creek Water and Sanitation District is a governmental division of the State of Colorado with those powers specifically granted, reasonably employed, and necessary or proper to carry out the objectives and purposes of a special district. The Board of Directors of the Bear Creek Water & Sanitation District expressly finds and determines that the adoption of the following Rules and Regulations is necessary for the health, welfare, security and public safety of the inhabitants of the District and to bring about an orderly and uniform administration of the affairs of the District. It is intended that these Rules and Regulations shall be liberally construed to effect the general purposes set forth therein and that each and every part thereof is separate and distinct from all other parts. No omission nor additional material set forth in these Rules and Regulations shall be construed as an alteration, waiver, or deviation from any grant of power, duty, or responsibility or limitation or restriction imposed or conferred upon the Board of Directors by virtue of the statutes as now existing or as may hereafter be amended, nor any contract or agreement existing between Bear Creek Water & Sanitation District and any other governmental entity, and nothing contained therein shall be so construed as to prejudice or affect the right of this District to secure the full benefit and protection of any laws which are now or hereafter may be enacted by the Colorado General Assembly pertaining to special districts.

Section 1.02. Purpose of Sanitary Sewer System. It is hereby declared that the sanitary sewer system of the District is for the purpose of the disposal of domestic wastes and is not for the purpose of disposing of commercial, manufacturing or industrial wastes, except as provided within these Rules and Regulations. It is further declared that the sanitary sewer system of the District was not designed nor intended to be used other than for the purposes above declared and the District was not intended to provide, nor is it able to provide, for the disposal of flood waters, surface drainages, nor receiving the discharge of water from underground or above ground sources, except as contaminated by human, domestic, commercial, industrial and manufacturing uses as herein provided.

Section 1.03. Purpose of the Water System. It is hereby declared that the water system of Bear Creek Water & Sanitation District primarily is for the purpose of distributing water for domestic uses. The use of water for irrigating, commercial, manufacturing or industrial purposes is secondary to domestic use.

Section 1.04. Definitions

(a) Board or Board of Directors. The Board of Directors of the Bear Creek Water & Sanitation District.

(b) Connection. See "Tap."

(c) District. The Bear Creek Water & Sanitation District.

(d) District Engineer. A professional engineer, registered in the State of Colorado, retained by the Board of Directors to act in such capacity.

(e) Facilities. The Public Water System and/or the Public Sewer System and all appurtenances and accessories.

(f) Grease Trap/Grease Interceptor. A plumbing device that is installed in a sanitary drainage system to 'trap' or 'intercept' non-petroleum fats, oils and grease from a wastewater discharge.

(g) Imprest Account. An account established by the District from funds deposited by an applicant to ensure reimbursement to the District of expenses incurred on behalf of the applicant or in the course of providing specific services to an applicant.

(h) Inspector. That person retained by the Board from time to time who shall inspect all water and sewer connections, excavation, installations of and repairs to the Public Water System, the Public Sewer System, and the Facilities of the District to ensure compliance with the Rules and Regulations of the District.

(i) License. Written permission from the Board of Directors, as evidenced by the completion of a form prescribed by the Board.

(j) Licensed Contractor. A person having a License issued by the District as required herein who performs services within the District physically affecting the Facilities of the District.

(k) Manager. The person as appointed by the District, from time to time, under the direction of the Board of Directors of the District who shall manage the affairs of the District and shall be charged with the responsibility of the enforcement of these Rules and Regulations, but in no event shall the Manager have the right or authority to make any decision involving policy or committing the District to any policy without express authority of the Board.

(l) Multi-Family Dwelling. A building or group of buildings arranged, intended or designed for occupancy, or which is occupied by more than one family living independently of each other in separate housekeeping units or apartments. The term "multi-family dwelling" shall include, but is not limited to, such dwellings known as apartment homes, condominiums, duplexes, bungalows, hotels and motor inns or motels.

(m) One Ownership or Separate Ownership. A separate fee simple estate in real property and the structures thereon.

(n) Parcel of Land. A description of real property, formally indicated by legal description in recorded title to the property, together with boundaries thereof, used for general identification of the property.

(o) Permit. Written permission of the Board of Directors, as evidenced by the completion of the form prescribed by the Board, to connect a service line to the Public Water System or the Public Sewer System.

(p) Person. A reference to either the singular or plural and which shall include an individual, a firm, a partnership or a corporation.

(q) Public Sewer System. Any sewer line, sewer tap, appurtenances, accessories or portion thereof owned by the District.

(r) Public Water System. Any water line, water tap, appurtenances or accessories or portion thereof owned by the District.

(s) Punch List. An itemization of corrective measures which must be accomplished before a project shall be considered to be satisfactorily completed or before a system extension is eligible for probationary or final acceptance.

(t) Separate Building. A structure enclosed under a single roof system, said structure housing a system of pipes, fittings and fixtures for the collection and discharge of domestic wastes and/or provision of water for private or commercial uses.

(u) Sewer Service Line. That part of a sewer line receiving domestic, commercial, industrial or manufacturing wastes connected with the Facilities of the District and commencing at a point located approximately five (5) feet from the outside wall of a building from which such wastes are discharged into the Facilities of the District and terminating at the tap to the public sewer connection. Except as otherwise expressly stated herein, a sewer service line is not the property of the District and the District has no liability in respect thereto.

(v) Shall, Should, and May. Wherever the word "shall" is used, it shall be construed as mandatory; the word "should" indicates the recommendation of the District and the word "may" denotes the permissive.

(w) Single Family Dwelling. A Separate Building arranged, intended or designed to be occupied, or which is occupied, by not more than one family and which has not more than one kitchen.

(x) Single Family Residential Equivalent (SFRE). The capacity of sewer service or water service required for a single-family household.

(y) Stub-In. That portion of a service line extending from the Public Water System or Public Sewer System to the street right-of-way line.

(z) Tap. A hole made in a public water or sanitary sewer line to provide service from that public line.

(aa) Water Service Line. That part of any water line connecting to the public water line commencing at the shutoff valve on the inside building wall of any facility to which water is furnished and terminating at the Public Water System tap. Except as otherwise expressly stated herein, a water service line is not the property of the District and the District shall have no liability in respect thereto.

Section 1.05. Mandatory Connection. Whenever the Board determines that it is necessary to the protection of public health, it may compel the owner of premises within the District to connect such premises in accordance with the State plumbing code and these Rules and Regulations to the sewer, water and sewer, or water lines, as applicable, of the District within 20 days after written notice is sent by registered mail, if such sewer or water line is within 400 feet of such premises. If the owner has not commenced such connection within 20 days, the Board may thereafter connect the premises to the sewer, water and sewer, or water system, as applicable, of the District and shall have a perpetual lien on and against the premises for the cost of making the connection and any such lien may be foreclosed in the same manner as provided by the laws of Colorado for the foreclosure of mechanic's liens.

Section 1.06. Independent Connections.

(a) Each Parcel of Land in Separate Ownership shall have an independent connection to the Facilities of the District and shall not be interconnected with any other water or sewage disposal system, unless specifically authorized by the Board.

(b) Where a Parcel of Land has more than one Separate Building thereon, each Separate Building shall be independently served, except as provided in (c) and (d) herein.

(c) Where a Parcel of Land has more than one Separate Building thereon, under conditions of a unified development and under One Ownership, application may be made to the Board of Directors for a single water or Sewer Service Line to such development. The Board will determine initially whether single service will be permitted and upon what conditions and may then enter into an agreement with the property owner setting forth such conditions and cost requirements. Such agreement shall run with the land and shall be recorded in the records of the Clerk and Recorder of the county where the Parcel of Land is located.

(d) Where a Parcel of Land has one or more separate multi-unit building or buildings thereon, which building or buildings can be or are physically divided into multiple ownerships, application may be made to the Board for the unified development of such facility and, if desired, for a single water or Sewer Service Line to each multi-unit building. The Board will determine initially whether single service will be permitted and upon what conditions and may enter into an agreement with the property owner setting forth such conditions and cost requirements. Such agreement shall run with the land and shall be recorded in the records of the Clerk and Recorder of the county where the Parcel of Land is located.

Section 1.07. Connection. Before any connection is made to the Public Water System or Public Sewer System, a Permit therefore shall be obtained from the District and the required fees therefor paid as established by the Board.

Section 1.08. Disconnection. No service line connected with the Public Water System or Public Sewer System shall be disconnected therefrom without a Permit to do so and without inspection by the Inspector.

Section 1.09. Joint Jurisdiction. All matters relating to the connection (including Stub-Ins) to any water or sewer line operated or owned by the District or to any part of its public sewer or water system, which lies in any public or private right-of-way, street, alley or easement shall be subject to Permits issued by the District and to inspection by the District. All onsite sewer, plumbing or drain work within rights-of-way, except for connections on the property to Stub-Ins, shall be subject to permits issued by the City of Lakewood or Jefferson County and inspection by said authority wherever the property affected lies jointly within the boundaries of the City of Lakewood or Jefferson County and this District. Sewer connections are further subject to regulation by the Metro Wastewater Reclamation District. Relative to water lines owned or operated by the District, the Board of Water Commissioners of the City and County of Denver has authority by contract relating to Taps and onsite connections. Such lines are subject to the rules and regulations of the Board of Water Commissioners.

Section 1.10. Sewer Service Line Maintenance. After inspection and acceptance of the service line connection by the District where a tee or wye is in place, the District's responsibility includes the tee or wye which has been attached to and become a part of the public sewer. In the case of a hand tap, the District is responsible for the hole in the public sewer line but not for the Sewer Service Line or the attachment device to the sewer main. Roots that enter the public sewer line from around, but outside of, the Sewer Service Line shall be the responsibility of the District. Roots that enter the public sewer line from the inside of the Sewer Service Line shall be the responsibility of the property owner. It shall be the responsibility of the property owner to keep the Sewer Service Line between the building connected and the Public Sewer System clean and clear of any obstructions, including tree roots, and to keep said service line in good repair

at all times, so that exfiltration and infiltration are kept within District standards, no accumulation of septic sewage occurs therein, and obstruction or blockage of the District's mainlines is avoided.

Whenever, in the course of its routine preventative maintenance, or otherwise, the District becomes aware of the intrusion of tree roots from a Sewer Service Line or of any other condition which threatens an obstruction or blockage of the District's main line, the property owner shall, upon written notice from the District, promptly arrange for the correction of the infiltration problem or the clearing and removal of such tree roots or other obstruction or the correction of any condition which threatens the obstruction or blockage of the main line.

In clearing the service line of tree roots or other obstructions, the property owner and his contractor shall take all appropriate precautions to prevent severed tree roots or any other materials dislodged from the Sewer Service Line from entering into or remaining in the District's mainline so as to present a potential for the blockage or significant obstruction of the District's mainline.

Except when emergency conditions preclude prior notice, a property owner shall give the District advance notice of the date, time and place of any Sewer Service Line cleaning, saw cutting, roto-rooting or other service line maintenance activity which may result in tree roots or other materials being discharged into the District's mainline so as to afford the District the opportunity to observe such activity and assure compliance with the requirements of this Section 1.09.

If, as a result of a property owner's failure or refusal to comply with the requirements of this Section 1.10, the District incurs any costs for correcting an infiltration problem or for the clearing, inspection, or cleaning of obstructions from its mainline or suffers damages resulting from a blockage of its mainline, the property owner shall reimburse the District in full for all such costs and damages, upon demand. The failure to make such reimbursements shall be grounds for termination of service under Section 1.18 of these Rules and Regulations.

Section 1.11. Water Service Line Maintenance. After inspection and acceptance of the service line connection by the District, the District shall be responsible for that portion of the Water Service Line from the public water main line to and including the corporation stop and the property owner shall be responsible for the Water Service Line from the corporation stop to the building. It shall be the responsibility of the property owner to keep the Water Service Line between the building connected and the corporation stop in good repair at all times.

Section 1.12. Industrial Service Agreements. Industrial users shall be subject to certain additional regulations and requirements as determined by the Board to promote the best interests of the District and the general health, safety and welfare of its inhabitants. Such regulations and requirements shall be contained in and form a part of the industrial service agreement entered into with each industrial user. For purposes of this section, an industrial user shall mean any non-governmental business, commercial or industrial use which does contribute, or is likely to contribute, sewage to the Public Sewer System requiring special handling and/or extra treatment works capacities. Industries so classified shall be those identified in the Standard Industrial Classification Manual under Division A (Agriculture, Forestry, Fishing); Division B (Mining); Division D (Manufacturing); Division E (Transportation, Communications, Electrical, Sanitary Services); and Division I (Services). Any such classified user may be excluded from such class if the Board

determines that such user's normal sewage contribution is representative of the type contributed by a domestic commercial user. In such instances, the facility shall be considered a commercial user and the provisions of this section shall not be applicable to such user. Discharge of effluent by an industrial user into the Public Sewer System shall be delegated to and regulated by the Metro Wastewater Reclamation District's Section 6 Pretreatment Program Rules and Regulations. District's Pretreatment/Industrial Waste Control Resolution which is set forth in full in Exhibit "A" which is attached hereto and incorporated herein by this reference.

Section 1.13. Metering, Sampling and Pretreatment. Users shall install such facilities as the Board finds necessary for measurement of flows and sampling of quality. Users contributing sewage in volumes substantially equal to metered use of a water supply shall only provide for sampling; all others shall install sewage flow meters of the type which provide for continuous totalizing and recording in addition to facilities for sampling. A user may be required to provide for pretreatment of sewage contribution before discharging into the Public Sewer System.

Section 1.14. Imprest Accounts. It is the policy of the District that the expenses incurred by the District in connection with the provision of services, including, but not limited to, inclusion, exclusion, easements, inspections and administrative legal and engineering reviews and approvals shall be borne by the applicant for such services. Accordingly, wherever these Rules and Regulations require an imprest account deposit, the required amount shall be deposited with the District prior to the performance of any services by the District's personnel or staff. Imprest account deposits shall not bear interest. Services rendered by District personnel or staff shall be charged against the imprest account on a monthly basis and the applicant shall be furnished a monthly statement of such charges. Upon request by the District, the applicant shall deposit such additional funds to the imprest account as necessary to return it to its original balance. If at any time the balance of the imprest account is insufficient to pay the expense of providing a requested service, the District may decline to provide such service until the imprest account is sufficiently funded. Any balance remaining in the imprest account after completion of services rendered by the District and, if applicable, after the expiration of the warranty period shall be refunded to the applicant.

Section 1.15. Inspection of Property. The District or its designee shall have the right to enter upon any premises being served by the Public Water System or Public Sewer System at any reasonable hour to ascertain whether the provisions of these Rules and Regulations are being complied with and for the purpose of making inspection of the connections and Facilities of the District. The District shall have the right to enter upon any premises being served by the Public Water System or Public Sewer System at all times in the event of an emergency.

Section 1.16. Enforcement. It shall be the duty of the Manager or the Manager's designee to enforce these Rules and Regulations, to investigate all reports of violations, and to report the same promptly to the Board of Directors.

Section 1.17. Interpretation. Any dispute as to the interpretation of these Rules and Regulations or as to their application in any given case shall be submitted to the Board of Directors and its decision thereon shall be final.

Section 1.18. Termination of Service. The District shall have the right to terminate either water service or sanitary sewer service or both to any connector to the Facilities for (1) the non-payment of any fees or charges due from the connector to the District, or (2) a violation of these Rules and Regulations. Whenever the District believes that sufficient cause exists for the termination of service, the District shall provide written notice of the proposed termination to the connector at the connector's billing address as contained in the files of the District. No notice shall be required when the cause for termination presents, in the opinion of the District, an immediate threat to the public health, safety or welfare or the potential for injury to persons or to the property of the District or others. The written notice of proposed termination shall specify the date, time and place of a public meeting at which the connector may appear and show cause why the termination should not be effected. Nothing contained in any permit issued by the District or any contract to which it is a party or any easement which it accepts shall be construed as implying any waiver of the District's right to terminate service. The failure of the District to exercise its right to terminate service to remedy non-payment or a violation of the Rules and Regulations shall not constitute a waiver of the right to terminate service or any subsequent violation or non-payment.

Section 1.19. Reservation of Right to Change Regulations. The Board and the District reserve the right and authority to change these Rules and Regulations at any time in the manner now or hereafter provided by law.

Section 1.20. The headings which appear in the Rules and Regulations are for the purpose of identification and do not constitute any part of the Rules and Regulations.

Section 1.21. Severability. If any provisions of these Rules and Regulations are held invalid for whatever reason by a court of competent jurisdiction as part of a judgment, judicial decree or Court order, or otherwise, such adjudication shall not affect in any manner or particular any of the other provisions contained in these Rules and Regulations and the remaining Rules and Regulations shall remain in full force and effect.

Section 1.22. Limitation. These Rules and Regulations are an implementation on the part of the Board of some of the powers conferred upon the Board by statute. These Rules and Regulations are in no way to be construed as a limitation upon the powers of the Board nor as an expression of the Board of only so much of its powers as it intends to use.

Section 1.23. Sanitary Sewer Backup and Water Damage Policy. Whenever any duly authorized representative of the District responds to a call regarding a sewer backup involving a sewer service connection or a water line break involving damage to private property, the representative shall follow the District's Emergency Response Plan.

Section 1.24. Water Outage Policy. In the event of a scheduled water outage, all affected customers shall be notified at least 48 hours prior to the shutoff. The District is not responsible for providing alternate sources of water during the outage unless arrangements have been made prior to the water outage.

ARTICLE 2 - LIMITATIONS & PROHIBITIONS OF USE

Section 2.01. Source of Effluences. In addition to all other limitations herein prescribed, in no instance shall effluences be discharged into the Public Sewer System, unless the same are from domestic, commercial, industrial, or manufacturing establishments.

Section 2.02. Manufacturing and Industrial Uses. Manufacturers, meat processors, film processors, commercial processors and industries are specifically prohibited from using the Facilities of the District unless they have first obtained a special permit granted by the Board of Directors defining the conditions, limitations, and the restrictions prescribed by the District therefor, and the amount, category and classification of fees and charges as to each of the same determined by the Board to be for the best interest of the District.

Section 2.03. Connection of Old Facilities. No Sewer Service Line may be connected to the Public Sewer System, if that service line is connected to either a septic tank or cesspool. If an existing service line shows an excessive infiltration, in the sole discretion of the Board, the line shall not be connected to the Public Sewer System.

Section 2.04. Swimming Pools. No public or private swimming pool shall be connected to the Public Sewer System.

Section 2.05. Commercial Wash Racks. No drain accepting discharge from any service station, garage or commercial car wash or wash rack for vehicles shall be connected to any service line, or otherwise discharged into the District's system, without specific written approval from the District. Any application to connect such a facility shall include plans for a sand-oil interceptor for approval by the District Engineer. Failure to maintain and clean the sand-oil interceptor shall constitute a violation of these Rules and Regulations. In the event that the owner or his agents, lessees, or employees fail to so maintain and operate the sand-oil interceptor, the District shall have the right to (1) clean the same at the expense of the owner or (2) to disconnect the Sewer Service Line upon five (5) days written notice to the owner or the Person in possession of the property. All costs of the District in connection with inspecting, cleaning the oil-sand interceptor or disconnection of the service line shall constitute a perpetual lien against the property affected until paid.

Section 2.06. Grease Trap/Grease Interceptor.

(a) Each business, restaurant, bar, school, medical center, nursing home, or establishment providing food service to its customers, patrons, patients, or members of the general public shall maintain and make available for inspection at all times its grease trap so located and functioning that it will operate to capture grease and deleterious substances before the same enter the Public Sewer System of the District. The responsibility for cleaning and maintaining the grease trap shall be that of the property owner on whose property the trap is located. All grease trap/grease interceptors shall be cleaned at least semi-annually by a competent contractor. Copies of cleaning reports, including where, when and how the wastes were disposed shall be promptly forwarded to the District by the contractor who cleaned the grease trap/grease interceptor and are to be available to the District's representative during

inspection. Access to the grease trap/grease interceptor shall be available to the Inspector and officials of the District at all times. Failure to maintain and clean the grease trap/grease interceptor trap shall constitute a violation of these Rules and Regulations.

(b) In the event that the owner or his agents, lessees, or employees fail to so maintain and operate the grease trap/grease interceptor, the District shall have the right to (1) clean the same at the expense of the owner or (2) to disconnect the Sewer Service Line upon five (5) days written notice to the owner or the Person in possession of the property. All costs of the District in connection with cleaning the grease traps or disconnection of the service line shall constitute a perpetual lien against the property affected until paid.

(c) Each application which requires installation of a grease trap/grease interceptor under these Rules and Regulations shall be accompanied by a design of the grease trap/grease interceptor for approval by the District Engineer and an imprest account deposit in the amount set forth in the Schedule of Fees and Charges attached as Exhibit "B" and incorporated herein. Any variation from the design as submitted and as the same may be installed shall only be done upon approval of the District Engineer and accompanied by an "as-built" design in the form required by the District Engineer. Final inspection by the District will include inspection of the grease trap/grease interceptor.

(d) In the event that any owner or operator of any property on which it shall become necessary under these Rules and Regulations to install and operate a grease trap/grease interceptor desires to obtain a variance from any applicable regulation relating to the required grease trap/grease interceptor, the owner shall make written application to the District setting forth his or her name, a description of the property in question with a street address therefor, the reasons why, in his or her opinion, the regulation should not be applied to such property, and a general description of any fixture or apparatus presently used on the premises to collect grease. The District Engineer shall review the application and determine if the variance should be granted. No variance shall be valid except to the person to whom the same is issued.

Section 2.07. Individual Sewage Pump Systems. No drain accepting discharge from any residential or commercial pump system shall be connected to any service line, or otherwise discharged into the District's system, without specific written approval from the District. Any application to connect such a facility shall include plans for an individual sewage pump system for approval by the District Engineer. Failure to maintain and clean the pump system shall constitute a violation of these Regulations.

Section 2.08. Disposal. No person shall cause any waste or materials to be discharged into the Public Sewer System, unless such discharge is through a properly connected Sewer Service Line.

Section 2.09. Requirements Regarding Deleterious Wastes. Sewage delivered into the Facilities of the District shall follow the Metro Wastewater Reclamation District Rules and Regulations general requirements regarding deleterious wastes, attached as Exhibit "A."

Section 2.10. Unauthorized Connections. Any connection made to a Public Water Line or Public Sewer Line in violation of these Rules and Regulations may be disconnected by the District at the cost of

the Person making such unauthorized connection. If any Person violates these Rules and Regulations governing the installation, connection and repair of the service lines, such connections to the public sewer line may be disconnected at the cost of the Person making such violation. Such costs of disconnection until paid shall constitute a lien against the property upon which such unauthorized connection was attempted to be made. In the event that the unauthorized connection was made by a Licensed Contractor, the Licensed Contractor may, in the discretion of the District, be prohibited from doing any work within the District for a period not to exceed one year and may be subject to charges for Unauthorized Use of District Facilities as set forth in Schedule "B" Fees and Charges.

Section 2.11. Unauthorized Disconnections. Any disconnection from a public sewer line or a public water line in violation of these Rules and Regulations by any Person, shall permit the District or its designee to make a proper disconnection. All costs of making a proper disconnection shall, until paid, constitute a lien against the property upon which such unauthorized disconnection was attempted to be made. In the event that the unauthorized disconnection was made by a Licensed Contractor, the Licensed Contractor may, in the discretion of the Board, be prohibited from doing any work within the District for a period not to exceed one year.

Section 2.12. Improper and Illegal Stormwater and Groundwater Discharge Connections. No plumbing fixture, device, constriction or pumping system shall be installed within any building or improvement which will provide a connection between the sewer system of the District, directly or indirectly, or with a Sewer Service Line for the purpose of draining ground or surface waters into the sewer system of the District. No physical connections shall be permitted whereby a Sewer Service Line is connected to a sump pump or other facility in such a manner that, through the manipulation of valves or because of lack of back pressure valves or because of any other arrangement, it is possible to drain, flood, overflow, storm, or groundwaters directly or indirectly into the sewer system of the District. Any Person having, connecting, or permitting to be connected such a forbidden system to a service line or the main sewer line of the District may be summarily ordered to disconnect such forbidden device or pumping system at such Person's cost. Upon failure to do so, the District may forthwith disconnect any sewer line from the property containing such a forbidden device or pumping system at the main sewer line of the District, the cost of which shall be a lien and charge against the property involved. No Sewer Service Line shall thereafter be connected to the sewer system of the District without payment of all disconnection and connection fees to the District and all costs and expenses of the District relative thereto, and positive proof that such improper and illegal connection or device has been removed and will not thereafter be reconnected to the sanitary sewer system of the District.

ARTICLE 3 - PERMITS

Section 3.01. Service Line. Service lines shall not be connected or disconnected with the Facilities of the District until a Permit therefor has been issued by the District.

Section 3.02. Performance of the Permit. No person other than a Licensed Contractor shall construct a service line or make connections with the Facilities of the District as allowed by the Permit.

Section 3.03. Disconnection. No service line connected with the Public Sewer System shall be disconnected therefrom without a Permit from the District which shall specify how the Public Sewer System shall be properly sealed to prevent waters entering into the public sewer thereafter. No service line connected with the Public Water System shall be disconnected therefrom without a Permit from the District which shall specify how the Public Water System shall be sealed to prevent leakage or the introduction of contaminants into the Public Water System.

Section 3.04. Separate Permit. Not more than one service connection or disconnection to the Public Water System or the Public Sewer System shall be allowed under each Permit. A Permit shall apply only to that property specified within the application and shall not be transferable to any other property.

Section 3.05. Time Limit of Permit. Any Permit issued by the District shall expire twelve (12) months after the date of issuance. Connection to or disconnection from the Facilities of the District must be made within a period of time not to exceed twelve (12) months from a date of issuance. The Board may in such circumstances as it deems appropriate allow any connection or disconnection fee which has been paid to the District for a Permit which has expired to be considered a partial or prepayment of the current Permit fee and may issue a new Permit upon payment to the District of the difference, if any, between the amount allowed as a partial or prepayment and the amount of the current connection or disconnection fee.

Section 3.06. Hydrant Permit. Except for duly authorized representatives of the fire department and of the District, no person shall open, operate or withdraw water from a fire hydrant which is a part of the District's Facilities unless a permit therefor has been issued by the District and all fees in connection with the issuance of such permit have been paid. The permit fee shall include an amount which shall constitute a "Hydrant Deposit." The District shall inspect the hydrant for which a permit is requested before issuing the permit and shall again inspect the hydrant after the expiry of the permit. Any damage to the hydrant during the term of the permit shall be repaired by the District and shall be charged against the Hydrant Deposit on the hydrant. Any balance of the Hydrant Deposit remaining after the repairs have been paid for shall be returned to the permittee. Each permit shall license the use of a single specified hydrant for a period not to exceed 60 days. In the event that the cost of repairing damage to the hydrant which occurred during the permit term exceeds the amount of the deposit, the permittee shall pay the additional cost of such repairs immediately upon demand for such payment. No permit may be issued for the use of a hydrant which has not been approved for final acceptance by the District except to the landowner who installed the hydrant or who is responsible for its maintenance and repair until final acceptance. Any violation of the terms, conditions and requirements of the permit or any unauthorized use of any other hydrant in the District shall be grounds for the immediate revocation of the permit and the entire balance of the Hydrant Deposit shall

be applied to reimburse the District for the administrative expense involved in revoking and terminating the permit. No permit shall be issued to any applicant who owes unpaid fees and charges to the District.

Section 3.07. Confined Space Program. All sanitary sewer manholes, meter stations, PRV Stations and Vaults in the District have been designated by the District as permit-required confined spaces. Any Licensed Contractor or other entity that contracts with the District or otherwise wishes to access the District's confined spaces, shall, as a condition to entry into any of the confined spaces, and to providing services to the District, meet the following requirements:

(a) Acknowledge that the subject facilities are a confined space; and

(b) Agree to abide by the Occupational Safety and Health Administration (OSHA) regulations for "permit-required confined space" and "non-permit confined space," including the establishment of an OSHA required "permit-required confined space program" (the "Permit Space Program"); and

(c) Release and indemnify the District in connection with the confined space access.

The District also requires that such Licensed Contractor provide the District with a copy of the Licensed Contractor's written Permit Space Program that complies with the OSHA regulations. In addition, as part of the District's confined space requirements, such Licensed Contractor shall consult with the District Engineer regarding any hazards confronted or created in permit-required confined spaces.

Section 3.08. Special Permits. A special permit must be obtained from the Board of Directors of the District for any use not specifically allowed defining the conditions, limitations and restrictions prescribed by the District therefor and the amount, category and classification of fees and charges, if any, as to each of the same determined by the Board to be for the best interest of the District and the inhabitants thereof.

Section 3.09. Permits by Others. No permit by the District shall be taken as authority for the making of any cut in a road or street, or in lieu of any permit required by any other regulatory body. (See Section 1.09, Joint Jurisdiction, above.)

ARTICLE 4 - CONTRACTOR'S LICENSE

Section 4.01. License Required. No person shall construct or repair a water or Sewer Service Line or construct or repair a public water or sanitary sewer mainline within the District without first obtaining a License to do so from the District.

Section 4.02. Application for License. Applications for Licenses under these Rules and Regulations shall be filed at the office of the District on forms provided by the District.

Section 4.03. Requirements for Issuance of License. No License shall be issued by the District to any person until such person has made application for such License; has demonstrated competency by showing proof of a State of Colorado Plumbers License in good standing; has met each of the requirements of this ARTICLE 4 - ; and has paid the fee set by the Board in the amount set forth in the Schedule of Fees and Charges set forth in Exhibit "B," which is attached hereto and incorporated herein by this reference.

Section 4.04. Certificate of Insurance. Before the issuance of any License, the applicant shall file with the District a Certificate of Insurance stating that applicant is covered by public liability insurance with limits of not less than \$100,000 per person, \$400,000 per occurrence for public liability and \$10,000 for property damage and having a deductible amount not to exceed \$10,000.

Section 4.05. Bond. Before the issuance of any License, the applicant shall furnish a good and sufficient bond in the amount of Ten Thousand Dollars (\$10,000.00) with a corporate surety approved by the Board of Directors. The bond shall be accompanied by the surety's power of attorney and shall be in a form to be approved by the Board of Directors. The bond shall remain valid for a minimum duration of a one-year term.

Section 4.06. Workmen's Compensation Insurance. Before the issuance of any License, the applicant shall file with the District a certificate certifying compliance with the provisions of the Worker's Compensation Act of the State of Colorado. If the company has no employees as defined by the State of Colorado Worker's Compensation Law, a copy of a Rejection of Coverage by Partners and Sole Proprietors Performing Construction Work on Construction Sites or Rejection of Coverage by Corporate Officers or Members of a Limited Liability Company, as applicable, may be filed with the District.

Section 4.07. Issuance of License. A License shall be granted by the action of the Board or its authorized representative and shall be valid for a period of one year, unless revoked as herein prescribed.

Section 4.08. Renewal of License. Licenses may be renewed by the District, upon application, if the work of the Licensed Contractor, under a valid license, has been satisfactory to the Board or to its duly authorized representative, and upon the furnishing of a surety bond, certificate of liability insurance, certificate of compliance with the Workmen's Compensation Act of Colorado, and upon payment of the proper fee set forth in the Schedule of Fees and Charges, attached as Exhibit "B."

Section 4.09. Licensed Contractor Not to Allow Others to Use Name. No Licensed Contractor shall allow his or her name to be used, directly or indirectly, by any other person to obtain a permit to do any work within the District.

Section 4.10. Revocation of License. The License of any Licensed Contractor may be revoked or suspended for such time as the Board shall determine for violation of these rules and regulations; for any lapse of any bond or insurance coverage required hereunder; or for the failure or refusal of the Licensed Contractor to pay any outstanding obligation owed by the Licensed Contractor to the District. The Board shall provide the Licensed Contractor written notice, at the address of the Licensed Contractor as shown on its license application, of the date, time, and place for hearing on the issue of the revocation of the Licensed Contractor's License not less than 5 days prior to the date of the hearing. The action of the Board at such hearing shall be final.

ARTICLE 5 - PUBLIC WATER AND SEWER SYSTEM EXTENSIONS

Section 5.01. Application for Extension. Any Person desiring extension of a Public Water Line or Public Sewer Line shall submit a written request for such extension to the District. The applicant shall make a commitment that rights-of-way or easements will be granted to the District without charge. Accompanying the application shall be an imprest account deposit in the amount set forth in the Schedule of Fees and Charges attached hereto as Exhibit "B" and incorporated herein.

Section 5.02. Possibility of Relocation. Upon receipt of a written request for extension of a Public Water Line or Public Sewer Line, the District Engineer shall make an assessment of the likelihood that any public right-of-way in which any part of the proposed extension may be located will be subject to realignment or regrading within the expected life-span of the facilities proposed for placement in such public right-of-way. In making such assessment, the District Engineer may use any resource available to him, including but not limited to, consultation with the appropriate officials of the State, Jefferson County and any municipality having jurisdiction; master plans, whether adopted or in some preliminary or planning stage; recommendations by any planning agency, by DRCOG, or RTD or any other source of information deemed useful by the District Engineer. If, in the exercise of his sole judgment the District Engineer determines that there is a significant possibility that a realignment or regrading of any public right-of-way in which any part of the proposed extension would be located would cause the District to incur costs and expenses for the relocation of the proposed extension, the proposed extension shall not be located in that public right-of-way but shall instead be installed in a separately granted easement located sufficiently distant from the public right-of-way so as to minimize the risk that the District will incur relocation costs.

Notwithstanding the District Engineer's determination that a significant possibility of realignment or regrading causing relocation expense exists, the proposed extension of the Public Water Line or Public Sewer Line may be installed in the public right-of-way if the applicant provides the District with:

(a) the applicant's bond with one or more corporate sureties approved by the Board of Directors in an amount sufficient to defray the expected costs and expenses of any relocation of the water or sewer line necessitated by such realignment or regrading; or

(b) the deposit by the applicant into an imprest account of an amount which, in the judgment of the Board of Directors, will represent the present value of the amount required to defray the expected costs and expenses of any relocation of the water or sewer line necessitated by such realignment or regrading; or

(c) the written representation of the State or County or municipal entity or entities having jurisdiction that no realignment or regrading of the public right-of-way is expected to occur within the life span of the facilities proposed to be installed in such right-of-way and that in the event that any such realignment or regrading does occur that the governmental agency will bear all costs of relocating that part of the proposed extension installed in the public right-of-way in reliance upon the representation.

Section 5.03. Construction Plans. All studies, construction drawings, plans, rights-of-way and easements for the system extension shall be submitted to the District Engineer for review and approval. No

construction of system extensions may commence until final approval by the District of all studies, construction drawings, plans, rights-of-way and easements. If construction of a system extension has not commenced within six months of the date of the District's final approval, such approval shall expire and the applicant must resubmit the construction plans for re-review and a new approval.

Section 5.04. Engineering and Observation of Construction. All system extensions constructed within the District which will connect into the Facilities shall conform to the standards and specifications of the District. The District incorporates by this reference the standards and specifications set out in the District's Engineering Construction Standards, Engineering Standards of the Denver Board of Water Commissioners and the City and County of Denver Department of Public Works Sanitary Sewer Design Technical Criteria Manual. All extensions constructed under this section shall be installed to the far side of the property and, where necessary, around corners, in order that the water and sewer systems may continue. The depth will be determined by the District Engineer. Additionally, all system extensions, line replacements and repairs shall be tested for leakage and infiltration under the procedures described in the District's Engineering Construction Standards. All construction and testing shall be under the general observation of and/or inspection by the District Engineer and at the expense of the applicant. The location, width, and extent of needed right-of-way not within the public streets shall be provided as specified by the District Engineer.

Section 5.05. Acceptance. Upon the completion and successful testing of the proposed extensions, all of the applicant's rights, title and interest in and to the extensions including but not limited to all mains, pipelines, valves, manholes, vaults and related parts and materials which comprise the extensions shall automatically pass to and be conveyed to the District without the necessity of transfer proceedings or documents of conveyance.

Section 5.06. Post Acceptance Procedures. Within thirty (30) days after acceptance, the applicant shall provide the District Engineer with a full set of as-built drawings for the extensions. After acceptance, the District Engineer will conduct a post-acceptance inspection of the extensions. A Punch List will be submitted to the applicant and the Licensed Contractor based upon the post-acceptance inspection. Applicant will perform all of the items on the post acceptance Punch List within thirty (30) days after receipt of the list from the District Engineer.

Section 5.07. Warranty. The applicant unconditionally warrants that the extensions shall be free from any defects in workmanship or material and guarantees the proper functioning of the extensions (the "Warranty") for the period as stated in the Engineering Standards from the date of acceptance (the "Warranty Period"). A malfunction or defect during the Warranty Period shall be remedied by the applicant or the Licensed Contractor to the satisfaction of the Board of Directors at no expense to the District within twenty (20) days after written notice of such malfunction or defect from the District. If the applicant fails to correct such malfunction or defect within twenty (20) days after written notice from the District, the District may correct such malfunction or defect and charge the cost thereof to the applicant. The applicant agrees to pay all such charges within fifteen (15) days of the District's invoice therefor, together with all costs of collection including reasonable attorney's fees and interest thereon at the rate of 1% per month on past due amounts.

Whenever in the District's determination an emergency exists and the public health or safety would be jeopardized or endangered by delaying the correction of malfunctions or defects to allow for notice to the Licensed Contractor and time for the Licensed Contractor to respond, the District shall have the right to perform whatever maintenance or repairs the District determines are necessary and to charge the cost thereof to the applicant.

No work performed on the extensions by the District whether under emergency circumstances or by reason of the applicant's delay shall void, impair or diminish the Warranty of the applicant under this section or any other obligation or liability the applicant imposed by law or these rules and regulations.

Section 5.08. Withholding of Tap Permits. No tap permits shall be issued for the connection of premises to any extension as to which

- (a) as built drawings have not been provided as required herein,
 - (b) payment of imprest account charges is past due,
 - (c) there is a default in the performance of Warranty work required hereunder,
 - (d) payment of charges by the applicant for Warranty work performed by the District is past due,
- or
- (e) Punch List items have not been performed to the satisfaction of the Board.

Section 5.09. Final Inspection. Not later than thirty days prior to the end of the warranty period the District Engineer shall conduct a walk-through and inspection of the extensions which inspection shall include the television inspection of all sewer main lines in the extension. A written Punch List t will be submitted to the applicant based upon the final inspection. If the items on the Punch List have been completed to the satisfaction of the District Engineer by the end of the Warranty Period, the Warranty Period shall expire and the applicant shall have no further warranty obligation to the District. If the Punch List items have not been performed to the satisfaction of the District Engineer by the end of the Warranty Period, the Warranty Period shall automatically be extended as to all malfunctions and defects in the extensions until the Punch List items have been completed. No taps will be issued if the Punch List items have not been completed within thirty (30) days after applicant's receipt of the Punch List. The District may complete the Punch List items and charge the cost thereof to the applicant. The applicant agrees to pay all such charges within fifteen (15) days after receipt of the District's invoice therefore, together with all costs of collection including reasonable attorney's fees and interest at the rate of 1% per month on past due amounts.

Section 5.10. Cost of Construction. The applicant shall pay all costs of the construction of the line extensions, including but not limited to such engineering fees as prescribed by the Board; and any costs or expenses of easements or rights-of-way as required by such line extensions.

Section 5.11. Contract. If requested by the applicant, the District may solicit bids for the construction of the line extensions to serve the applicant's property. Upon receipt of the funds necessary for the

construction cost, contingency costs, and other incidental costs, the District shall enter into a contract with the successful bidder for the construction of the water or sewer line extensions. The successful bidder will provide to the District a certificate of public liability and property damage insurance, a certificate showing compliance with the Workmen's Compensation Act of Colorado, and a performance payment and warranty bond equal to the contract price of the facility. The bond shall guarantee the faithful performance of the contract, the payment of all persons furnishing labor and materials under the contract, and the repair and/or replacement for the warranty period of any faulty work or materials.

Section 5.12. Sub-Area Designation and Charges. The Board may by resolution divide the District into areas in accordance with the water or sewer facilities furnished therein or to be furnished therein within a reasonable time. The sub-area designations may be made in conjunction with any area encompassed by a line extension agreement. Different fees or charges and different mill levies may be assessed in the sub-area by resolution of the Board and proceeds therefrom may be applied to reimbursements provided in recovery back and line extension agreements. Such fees or charges shall be known as "tap fee surcharges" or "special service charges" and shall be set in accordance with the provisions of Section 32-1-1006(1)(b)(II), C.R.S.

Section 5.13. Line Extension Agreements and Assessments. A line extension agreement may, at the option of the District, be entered into between a qualifying applicant and the District providing for reimbursement to the applicant of certain construction costs. Under such agreement, the District may undertake to collect from all persons desiring to connect to a water or sewer main line or facility installed by the applicant, or installed by the District, a fee based on the connector's proportionate share of the usage of the line as compared to the estimated usage of the line extension as a whole. The District Engineer shall determine both the proportionate share and the estimated usage in relation to the total cost of the water or sewer line. The assessments for line extensions against the benefited properties shall not exceed the cost of construction of the extension. Before charging any assessment, the District shall set a maximum charge per assessment and no assessment shall exceed the maximum figure. All assessments for line extensions shall be due and payable at the time the tap permit is issued. Until paid, all assessments shall constitute a perpetual lien on and against the property served.

Section 5.14. Reimbursements. If a line extension agreement between a qualifying applicant and the District provides for the reimbursement to the applicant of construction costs as stated above, the District shall reimburse the applicant of the water or sewer line or facility for assessments collected for a period to be determined in the line extension agreement not to exceed fifteen (15) years from the date of the execution of the line extension agreement. The applicant shall not be entitled to receive assessments for any portion of the total construction costs which were contributed by the District. The applicant's right to such charges shall cease at the end of the agreed period. In no case shall the reimbursement exceed the total construction cost of the line.

ARTICLE 6 - SERVICE CONNECTIONS

Section 6.01. Sewer Service Lines. After issuance by the District of a Permit for connection of an individual Sewer Service Line to the public sewer, the applicant shall, at his or her own expense, engage the services of a Licensed Contractor to construct a Sewer Service Line in accordance with these Rules and Regulations and the District's technical specifications. A schematic drawing of a proper Sewer Service Line installation is found in the District Engineering Construction Standards. A representative of the District shall inspect the completed service line installation before the sewer trench is backfilled to protect the District's system against any adverse consequences which may result from poor installation or workmanship.

Section 6.02. Water Service Lines. After issuance by the District of a Permit for connection of an individual Water Service Line to the Public Water System and compliance by the applicant with the requirements of the Denver Water Department regarding such connection, the applicant shall at his or her own expense engage the services of a Licensed Contractor to construct a Water Service Line in accordance with these Rules and Regulations and the technical specifications of this District, as well as those of the Denver Water Department. A schematic drawing of a proper Water Service Line installation is found in the District Engineering Standards. A representative of the District shall inspect that portion of the Water Service Line line from the corporation stop to the connection to the Public Water System before the trench is backfilled to protect the District's system against any adverse consequences which may result from poor installation or workmanship.

Section 6.03. Stub-In Connection. A Permit may be issued by the District in its discretion allowing the partial connection of a service line to the Facilities of the District so as to accommodate the installation of that service line within a public street, road or designated right-of-way without disturbing the future surfacing of same where a Separate Building has neither been, nor is in the process of being, constructed on that Parcel of Land. The Board may require maps, surveys or other documents fixing the location of such Stub-In in relation to the Public Sewer System or the Public Water System, inspection of the Stub-In connection, as well as any additional terms and conditions which it deems necessary. A Stub-In permit is not a guarantee of future service.

Section 6.04. Inspection. No part of the completed Sewer Service Line or of that portion of a Water Service Line to be inspected by the District or any Stub-In shall be backfilled, or otherwise covered, until final inspection and approval is made by the Inspector. Arrangements shall be made for the Inspector to make his inspection of the completed construction prior to the start of backfill operations. In any case when the Licensed Contractor and the Inspector cannot agree upon the acceptability of the installation, the matter shall be investigated by the District Engineer and his decision shall be final. Connections made without inspection by the District shall void the tap permit and no refund shall be made of the permit fee. The connection fee for a water or Sewer Service Line connection or a Stub-In permit shall be accompanied by the inspection fee for the connection. In the event a second or subsequent inspection is required, the applicant shall be billed at the Inspector's hourly rate.

ARTICLE 7 - INCLUSION OF PROPERTY

Section 7.01. General. Whenever owners of property outside the boundaries of the District desire water or sewer service, the Board may require that such property be included into the District before service will be provided. The costs of the inclusion will be paid by the Person making application for such inclusion as hereinafter provided.

Section 7.02. Procedure for Inclusion. The procedure for inclusion is provided by statute. That procedure is abstracted here in order that the Person seeking inclusion may be advised of the principal requirements:

(a) The Person making the application for inclusion (known as the petitioner) will provide a complete and accurate legal description of the property to be included to the Board on such forms as are prescribed by law. A sample form may be obtained from the attorney for the Board. The petition must be submitted by the fee owner or owners and acknowledged in the same manner as required for the conveyance of land. The petition shall be accompanied by an inclusion fee and an imprest account deposit in the amounts shown on the Schedule of Fees and Charges attached hereto as Exhibit "B" and incorporated herein.

(b) The Board's attorney will review the petition to be certain it meets all legal requirements. The petition will be presented to the Board at its regular meeting and the petitioner may attend such meeting if desired to formally present the petition. If accepted by the Board, the Chairman will cause the petition to be published in a newspaper of local circulation in the District, setting forth the time and place for a formal hearing on the petition. The newspaper publication requires about thirty days to complete.

(c) Upon completion of the publication and payment of the required fees, the Board will consider the petition at a public hearing and, if the inclusion is approved, will cause the District's attorney to seek a Court decree ordering the petitioned property into the District. A certified copy of the Court order is then recorded in the County Clerk and Recorder's Office, at which time the property becomes included within the District's boundaries. The entire process takes approximately forty to sixty days after the petition has been initially submitted to the Board.

ARTICLE 8 - EXCLUSION OF PROPERTY

Section 8.01. General. Where fee owners of one hundred percent (100%) of any described property desire to have that property excluded from the boundaries of the District, they may file a petition for exclusion as set forth in procedures below. All costs of the exclusion including, but not limited, to the costs of all engineering and studies and all legal fees, shall be paid by the Persons making application for exclusion as hereinafter provided.

Section 8.02. Procedure for Exclusion. The procedure for exclusion is provided by statute. That procedure is abstracted here in order that the Person seeking exclusion may be advised of the principal requirements:

(a) The Person or Persons desiring to exclude land shall file a petition for exclusion with the Board of Directors of the District setting forth a legal description of the property, acknowledged by the fee owner or owners of 100% of the property in the same manner as required for conveyance of land. The petition shall be in the form prescribed by the Board and shall contain the information necessary to permit the Board to make an informed evaluation of the petition in accordance with the requirements of Part 5 of Article 1, Title 32 C.R.S. The petition shall be accompanied by an exclusion fee and an imprest account deposit in the amounts shown in the Schedule of Fees and Charges attached as Exhibit "B" and incorporated herein.

(b) When the Board has determined that the petition as submitted by the applicant is complete and that the appropriate fees and deposits have been paid, the Board shall schedule a public hearing on the petition and cause notice of the hearing to be published.

(c) The publication shall give the place, time, and date of the public hearing, the names and addresses of the petitioners, and notice that all persons interested shall appear at that time and place to show cause in writing why the petition should not be granted. There shall be no withdrawal from a petition after publication of notice by the Board without the consent of the Board. The failure of any person in the District to file a written objection shall be taken as an assent on his part to the exclusion of the property described in the notice.

(d) The Board, after the close of evidence and comments at the public hearing shall consider and make its findings regarding:

- (i) the best interests of the property to be excluded;
- (ii) the best interests of the District;
- (iii) the best interests of Jefferson County;
- (iv) the relative cost and benefit to the property to be excluded of the provision of the District's services;

(v) the ability of the District to provide economical and sufficient service to both the property to be excluded and all of the properties within the District's boundaries.

(vi) whether the District is able to provide services at a reasonable cost compared with the cost which would be imposed by other entities in the surrounding area to provide similar services in the surrounding area;

(vii) the effect of denying the petition on employment and other economic conditions in the District and surrounding area;

(viii) the economic impact on the region and on the District, surrounding area, and state as a whole if the petition is denied or the resolution is finally adopted;

(ix) whether an economically feasible alternative service may be available; and

(x) the additional cost to be levied on other property within the District if the exclusion is granted.

The Board shall then either grant or deny the petition in whole or in part.

(e) Upon granting of a petition for exclusion, the Board shall file a certified copy of the order of the Board making such alteration of District boundaries with the Clerk of the Court and request that the Court order the property excluded from the District.

(f) Upon denial of the petition, petitioners may appeal such determination to the Board of County Commissioners of Jefferson County, Colorado under the provisions of § 32-1-501(5) C.R.S.

ARTICLE 9 - FEES, RATES & CHARGES

Section 9.01. Connection Fees.

(a) Every application for a Permit to connect to the District's Public Water System or Public Sewer System shall be accompanied by payment of the applicable connection fee as set forth in the Schedule of Fees and Charges attached hereto as Exhibit "B" and incorporated herein.

(b) Commercial, industrial and all connections to the District's public water Facilities, other than residential structures, shall be sized and charged in accordance with The American Waterworks Association publication M-22 "Sizing Water Service Lines and Meters."

(c) Commercial, industrial and all connections to the District's public sewer Facilities, other than residential structures, shall be sized and charged on the basis of Single Family Residential Equivalents determined through the size of the water service tap to the building or structure. The Metro Wastewater Reclamation District Rules and Regulations shall determine the SFREs for each water tap size for property other than single family residential property.

(d) Non-residential connections to the District's public sewer Facilities where there is no connection to the public water Facilities shall also be based upon the equivalent water meter size as provided above in subsection (c). The water meter size shall be sized in accordance with the American Water Works Association publication M-22 "Sizing Water Service Lines and Meters."

Section 9.02. Sewer Service Charges. A sewer service charge will be assessed to all connectors to the public sewer Facilities of the District. Such charges will be determined by a 4-month total water usage between November and February based on Denver Water's most recent meter readings during this period. The exception is car wash businesses where charges are determined by a 12-month total water usage. Billings to each connector will reflect the District's determination of any excess strength of effluent or intensity of use for such connector and will be based upon a connector's proportionate share of the total annual sewage flows and loadings of the District as determined by the Board.

Section 9.03. Tax Exempt Contributors. All tax-exempt organizations which are not subject to mill levies of the District shall pay unto the District such additional water and/or sewer service charges as the Board may from time to time impose in order that tax exempt contributors may bear an appropriate level of the costs involved in the provision of service to them.

Section 9.04. System Enlargement Fees. New development in the District will have an appropriate share of the costs involved in the expansion of the public water and sewer Facilities and such development shall be subject to System Enlargement Fees ("SEF") as follows:

(a) in all instances, when a development is submitted and includes more than three (3) units per acre, the District Engineer will review the plans, densities, District Master Plans, flow reports, and other supporting documents and will determine the contributing flow from the development. The District Engineer will verify that all existing downstream water and sanitary sewer mains have the required capacity to accommodate the proposed flow. The District Engineer will determine the pipe with least capacity downstream of the development and will determine the replacement cost of the pipe(s) and then, by proportion, determine the cost associated with the proposed development over the three (3) units per acre. The cost determined will be the fee the developer will need to pay as the SEF. The calculated SEF amount shall be paid at the time the tap permits for the development are issued.

Section 9.05. Right to Lien. Until paid, all rates, tolls, fees or charges shall constitute a first and perpetual lien on and against the property served and any such lien may be foreclosed in the manner provided by the laws of the State of Colorado pertaining to special districts. When a lien has been recorded, payment of an administrative charge and release fee in the amount set forth in the Schedule of Fees and Charges attached hereto as Exhibit "B" and incorporated herein shall be required in addition to all other outstanding charges for the release of the lien.

Section 9.06. Special Connection Fee. Wherever under these Rules and Regulations a special permit is required for a connection, before issuance of such a permit the Board shall prescribe whatever terms, restrictions, conditions, charges and costs as are considered necessary by the Board and the District Engineer. In no event, however, shall the charge for such permit be less than the basic permit fee.

Hydrant Charges. There shall be imposed a fee for the use of any fire hydrant in the District other than for fire fighter purposes. The fee shall be in the amount set forth in the Schedule of Fees and Charges attached as Exhibit "B" and incorporated herein by this reference and shall be payable upon application by the person desiring the use of hydrant and a grant by the District of the right to use such hydrant. All use is limited to the hydrant(s) designated on each permit and for the time stated in the permit.

Section 9.07. Interest Charges. Any charge, fee or other amount due to the District which remains unpaid for 30 days after the date of the statement or invoice for such charge, fee or other amount shall thereafter bear interest at the rate of one percent (1%) per month until paid. In the event that the District is required to initiate measures or proceedings in Court or otherwise for the collection of sums due to the District, there shall be added to the original sum due all costs of such measures or proceedings including reasonable attorneys' fees.

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