

Rules and Regulations



Approved and Adopted July 20, 2021

**WIDEFIELD WATER AND SANITATION DISTRICT
RULES AND REGULATIONS
WATER AND SEWER SERVICE**

The Board of Directors of the Widefield Water and Sanitation District has adopted the following Rules and Regulations pursuant to § 32-1-1001(1)(m), C.R.S. to provide for the orderly and efficient conduct of the business and affairs of the Widefield Water and Sanitation District. These Rules and Regulations are supplementary to and are not to be construed as any abridgement of, the lawful rights of the Board to manage the District as outlined in the Colorado Revised Statutes governing Special Districts. These Rules and Regulations specifically supersede in their entirety and all prior rules and regulations issued by the District. The Board of Directors expressly reserves the right to make revisions to these Rules and Regulations from time to time in order to properly manage the District and to promote the health, safety and welfare of the residents and property owners in the District. Specific questions as to the applicable provisions of these Rules and Regulations to any given factual situation or circumstance should be submitted to the District in writing. Reliance on these Rules and Regulations absent consultation with the District shall be at the individual or other entity's sole risk and such person or entity shall have no cause of action against the District for reliance on such unconfirmed provisions of these Rules and Regulations and all provisions adopted by the District subsequent to the effective date thereof.

Amended July 20, 2021

Prior Versions:

July 15, 2020

July 19, 2016

December 20, 2011

November 10, 2009

October 2, 2007

**WIDEFIELD WATER AND SANITATION DISTRICT
RULES AND REGULATIONS**

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SECTION 1

GENERAL

1.1 Definitions. Unless the context specifically indicates otherwise the meaning of terms used herein shall be as follows:

1.1.1 The phrase "accept service" or "acceptance of service," as used anywhere in these Rules and Regulations or any document incorporated herein or issued in the implementation hereof shall mean the time at which water is delivered to, or sewage is discharged by, any Customer.

1.1.2 "Act" shall mean the Federal Water Pollution Control Act Amendments of 1972, P.L. 92-500, subsequent amendments (Clean Water Act of 1977) and subsequent adoption of similar standards by the State of Colorado in §§ 25-8-101, *et seq.*, C.R.S. (Colorado Water Quality Control Act).

1.1.3 "Actual Cost" shall mean all direct costs applicable to the construction of a given transmission line, including construction, engineering, inspection, easement, legal, plan approval fees, etc., which have been paid by the line Constructor.

1.1.4 "Authorized Representative of Industrial User" means:

1.1.4.1 A principal executive officer of at least the level of vice president, if the Industrial User is a corporation.

1.1.4.2 A general partner or proprietor if the Industrial User is a partnership or proprietorship, respectively.

1.1.4.3 A duly authorized representative of the individual designated above if such representative is responsible for the overall operation of the facility from which the indirect discharge originates.

1.1.5 "Availability of Service Charge" shall mean a charge assessed where water, sewer, or both water and sewer lines are installed and ready for connection within 100 feet of any property line of the residential lot or residential lot equivalent to be assessed, but to one or both of which line or lines the particular lot or lot equivalent to be assessed is not connected, pursuant to Sec. 32-1-1006(1)(h), C.R.S.

1.1.6 "Board" and "Board of Directors" shall mean the governing body of the District.

1.1.7 "BOD or Biochemical Oxygen Demand" means the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory methods for five (5) days at twenty degrees (20°) C, expressed in terms of and concentration (milligrams per liter), as adopted in the latest edition of Standard Methods for the Examination of Water and Wastewater published by

the American Public Health Association, the American Waterworks Association and the Water pollution Control Federation.

1.1.8 "Bonded Plumber" shall mean the Person who has been bonded for the benefit of the District and has a Colorado State Plumber's License.

1.1.9 "Collection Line" means that portion of the wastewater treatment system which collects and transmits wastewater from users to the wastewater treatment plant, excluding Service Lines.

1.1.10 "Compliance Schedule" means a schedule containing increments of progress in the form of dates for the commencement and/or completion of major events leading to the construction and operation of additional pretreatment required for the user to meet the applicable pretreatment standards.

1.1.11 "Composite Sample" means a series of Grab Samples taken over a predetermined time period flow proportional and which are combined into one sample.

1.1.12 "Constructor" or "Line Constructor" shall mean the land owner(s), Developer(s), subdivision(s) or agency(ies) actually paying for the construction of the lines.

1.1.13 "Contractor" shall mean any Person, firm, agency or corporation authorized by the District to perform work and to furnish materials to or for the District, directly or indirectly.

1.1.14 "Conventional Pollutant" means BOD, suspended solids, pH, and fecal coliform bacteria, and such additional pollutants as are now or may be in the future specified and controlled in this District's NPDES Permit for its Wastewater treatment works where said works have been designed and used to reduce, monitor or remove such pollutants.

1.1.15 "Cooling Water" means the water discharged from uses such as air conditioning or refrigeration or to which the only pollutant added is heat.

1.1.16 "Cost Recovery Fee" shall mean a fee collected by the District through agreement on behalf of and to facilitate reimbursement to Developers for the cost of installing water system facilities, including but not limited to Water or Wastewater Mains and pumping stations that provide benefit to subsequent Developers.

1.1.17 "Customer" shall mean any Person, company, corporation, public entity or authority, developer, Property Owner, lessee, tenant or occupant of such property owner, who is supplied with service or authorized by the District to use water provided by the District.

1.1.18 "Department of Health" or "Health Department" shall mean the Department of Health of El Paso County.

1.1.19 "Developer" shall mean any Person, corporation, partnership, joint venture, local

governmental entity or other entity preparing land within the District for the construction of buildings or facilities and who will be constructing, rebuilding, remodeling, financing or otherwise changing the demand for services within or outside the boundaries of the District.

1.1.20 "District" shall mean the Widefield Water and Sanitation District.

1.1.21 "District Engineer" shall mean the Person or firm that has contracted to provide engineering services to the District.

1.1.22 "Domestic Wastes" or "Sanitary Wastes" means liquid wastes:

1.1.22.1 From the noncommercial preparation, cooking and handling of food or,

1.1.22.2 Containing human excrement and similar matter from the sanitary conveniences of dwellings, commercial buildings, industrial facilities and institutions.

1.1.23 "Employee" shall have the same meaning as "public employee" in Section 24-10-104 (4), C.R.S. as it may be amended from time to time.

1.1.24 "Fixture Unit Equivalent" means the unit value prescribed for plumbing fixtures as set out in the Uniform Plumbing Code computed on the basis of the design capability of such fixture to permit the flow of water or Wastewater.

1.1.25 "Garbage" means solid wastes from the domestic and commercial preparation, cooking and dispensing of food, and from the handling, storage and sale of food.

1.1.26 "Grab Sample" means a singular sample of a user's effluent which is taken during the user's normal operating day without regard for variations in daily operational characteristics, flow, or concentration of pollutants.

1.1.27 "Health Officer" shall mean the Health Officer of the Department of Health of El Paso County, or his designated representative.

1.1.28 "Incompatible Pollutant" means any pollutant which is not a "Conventional Pollutant" as defined in Section 1.1.13.

1.1.29 "Individual Wastewater Disposal System" means a septic tank, cesspool or similar self-contained receptacle or facility which collects and/or treats or otherwise disposes of Wastewater and which is not connected to the Wastewater Treatment System.

1.1.30 "Industrial User" means all categorical industrial users as listed in the Colorado Department of Health Pretreatment Regulations, or any industrial user that discharges 25,000 gallons per day or more of process wastewater ("process wastewater" excludes sanitary, noncontact cooling and boiler blowdown wastewater), or contributes a process waste stream which makes up 5 percent

or more of the average dry weather hydraulic or organic (BOD, TSS, etc.) capacity of the POTW, or has a reasonable potential, in the opinion of the District or other entity providing sewage treatment of effluent from the District, to adversely affect the POTW or any portion thereof (inhibition, pass-through of pollutants, sludge contamination, or endangerment of POTW workers).

1.1.31 "Industrial Waste" means any non-domestic liquid, solid or gaseous waste or form of energy or combination thereof resulting from any process or operational procedures of an Industrial User.

1.1.32 "Inspection Fees" shall mean fees imposed for the inspection of construction of new elements of the District's water system or water Service Lines.

1.1.33 "Interference" means inhibition or disruption of the POTW'S sewer system, treatment processes or operations or which contributes to a violation of any requirement of the NPDES Permit. The term includes prevention of sewage sludge use or disposal by the POTW in accordance with Section 405 of the Act (33 U.S.C. 1345) or any criteria, guidelines or regulations developed pursuant to the Solid Waste Disposal Act (SWDA), the Resource Conservation and Recovery Act, the Clean Air Act, or more stringent State criteria (including those contained in any state sludge management plan prepared pursuant to Title IV of SWDA) applicable to the method of disposal or use employed by the POTW.

1.1.34 "Manager" or "District Manager" is the Manager of the Widefield Water and Sanitation District or his designated representative.

1.1.35 "Master Plumber" means a master plumber as defined in and licensed pursuant to the Wastewater Treatment Code, as the same may be now or hereafter amended, and registered with the Regional Building Department.

1.1.36 "NPDES" or "National Pollutant Discharge Elimination System" means the program for issuing, conditioning and denying Permits for the discharge of pollutants from point sources into the navigable waters, the contiguous zone and the oceans pursuant to Section 402 of the Act.

1.1.37 "New Source" means any Industrial User, the construction of which is commenced after the effective date of regulations prescribing a Section 307(c), (33 U.S.C. 1317) categorical pretreatment standard which will be applicable to such Industrial User.

1.1.38 "Normal Domestic Strength Wastewater" means Wastewater that when analyzed by standard methods contains no more than one hundred seventy eight (178) milligrams per liter of suspended solids (TSS) and two hundred eighty-two (282) milligrams per liter of BOD.

1.1.39 "Operating Day" means that portion of a twenty-four (24) hour day during which industrial wastes are discharged or generated.

1.1.40 "Person" shall mean any individual, entity, firm, company, association, society, corporation or group.

1.1.41 "pH" means the logarithm of the reciprocal of the concentration of hydrogen ions in moles per liter of solution.

1.1.42 "Plan Review Fees" shall mean fees assessed Developers for time expended by the District Engineer for review of plans to insure compliance with the District's standards.

1.1.43 "POTW" shall mean Publicly Owned Treatment Works as defined by Section 212 of the Act. This includes any sewers that convey wastewater to a POTW treatment plant, but does not include pipes, sewers or other conveyances not connected to a facility providing treatment.

1.1.44 "Pretreatment" means application of physical, chemical and/or biological processes to reduce the amount of pollutants in or to alter the nature of the pollutant properties in Wastewater prior to discharging such Wastewater into the Wastewater Treatment System.

1.1.45 "Pretreatment Standards" means all applicable Federal rules and regulations implementing Section 307 of the Act, as well as any nonconflicting State or local standards. In cases of conflicting standards or regulations, the more stringent thereof shall be applied.

1.1.45.5 "Property Owner or Owner" means the Person(s) who hold title to a parcel of land as shown on the property tax assessment roll in the office of the El Paso County Assessor.

1.1.46 "Receiving Water" means lakes, rivers, streams or other watercourses which receive treated or untreated Wastewater.

1.1.47 "Regional Building Official" means the Director of the Regional Building Department of El Paso County, Colorado, or his designated representative.

1.1.48 "Rules and Regulations" shall mean the Rules and Regulations of the District, including this document and the Water and Wastewater Specifications, which are also incorporated into these Rules and Regulations.

1.1.49 "Service Area" or "District Service Area" shall mean the area to which the District is authorized to provide water and wastewater services pursuant to its Service Plan.

1.1.50 "Service Line" shall mean the pipe, line, conduit and appurtenances from the Water or Wastewater Main to an individual house or other structure including the connection to the Collection Line or Water Main.

1.1.51 "Service Plan" shall mean the enabling document, pursuant to which the District was organized, dated April 4, 1996.

1.1.52 "Shall" is mandatory; "May" is permissive.

1.1.53 "Significant Violation" means a violation, which remains uncorrected forty-five (45) days after notification of noncompliance, or which is a pattern of noncompliance over a twelve (12) month period, or which involves a failure to accurately report noncompliance, or which resulted in the POTW exercising its emergency authority under Section 403.8 (F)(1)(IV)(B) of the Act.

1.1.54 "Single Family Equivalent" or "SFE" is a term used to describe the basic unit of measurement which equates the demand of metered water connections larger than 3/4 inches to that of a single family 3/4 inch metered connection. The following table relates the number of SFE's to the sizes of commonly used water Service Line sizes to the number of SFE basic units:

<u>Service Line Size</u>	<u>Single Family Equivalent</u>
5/8" x 3/4"	1
1"	2.5
1 1/2"	5
2"	8
3"	16
4"	25
6"	50
8"	80

1.1.55 "Slug Discharge" means any discharge of water, sewage or industrial waste which:

1.1.55.1 Contains any substances regulated by Section 12 regarding Wastewater discharge in concentrations which exceed for any period longer than ten (10) minutes more than five (5) times the average daily concentration of that substance during normal operations and exceeds the limitations contained in Section 12 or:

1.1.55.2 Causes a twofold or more increase in discharge rate for a period longer than twenty (20) minutes or:

1.1.55.3 Causes the user's effluent to violate the pH limitations provided in Section 12 regarding Wastewater discharge for a period longer than twenty (20) minutes.

1.1.56 "Storm Water" means any water flow on the surface of the ground or structures of any type occurring during any form of natural precipitation or resulting therefrom.

1.1.57 "Stub-In" shall mean the connection to the Water Main which extends to the property line prior to extending the Service Line from the property line to the individual house or other structure.

1.1.58 "Suspended Solids" means the total suspended matter that floats on the surface of

or is suspended in water, Wastewater or other liquids and which is removable by laboratory filtering by standard methods, as adopted in the latest edition of Standard Methods for the Examination of Water and Wastewater, published by the American Public Health Association, the American Waterworks Association and the Water Pollution Control Federation.

1.1.59 "System Development Charge" or "System Development Fee" means that charge assessed against new Users of the Wastewater Treatment System to finance capital improvement of the Wastewater Treatment System.

1.1.60 "System Tap Fee" shall mean the fee that shall be set aside for system improvements and is further defined in Section 8 of these Rules and Regulations.

1.1.61 "Tap Fee" means a connection charge assessed against new Users of the water or Wastewater Treatment System and includes system development fees established for the purpose of reimbursing the capital costs related to the construction, expansion or equipping of the District's systems, and costs necessary to defray increased operational costs to the systems.

1.1.62 "Unpolluted Water" is water not containing any substances limited or prohibited by the effluent standards in effect or water whose discharge will not cause any violation of receiving water quality standards.

1.1.63 "User" shall mean any Person to whom water service is provided, be it renter, record owner, corporation, company, individual, etc. or any Person who discharges, or causes or permits the discharge of Wastewater into the Wastewater Treatment System.

1.1.64 "User Classification" means a classification of Users based on the 1972 (or subsequent) edition of the Standard Industrial Classification (SIC) Manual prepared by the Federal Office of Management and Budget.

1.1.65 "Wastewater" means the liquid and water-carried industrial or domestic wastes from dwellings, commercial buildings, industrial facilities and institutions, together with any groundwater, surface water and storm water that may be present, whether treated or untreated, which is discharged into or permitted to enter the Wastewater Treatment System.

1.1.66 "Wastewater Main" shall mean any Wastewater pipe, line or portion thereof, owned or to be transferred for ownership by the District.

1.1.67 "Wastewater Treatment System" or "Wastewater System" means:

1.1.67.1 Any devices, facilities, structures, equipment or works owned or used by the District for the purpose of the transmission, storage, treatment, recycling and reclamation of industrial and domestic wastes, or necessary to recycle or reuse water at the most economical cost over the estimated life of the system, including, but not limited to, intercepting sewers, outfall sewers, Collection Line, pumping power and other equipment, and appurtenances and excluding Service Lines.

1.1.67.2 Extensions, improvements, additions, alterations or any remodeling thereof.

1.1.67.3 Elements essential to provide a reliable recycled supply such as standby treatment units and clear well facilities.

1.1.67.4 Any works, including the land and sites that may be acquired, that will be an integral part of the treatment process or are used for ultimate disposal of residues resulting from such treatment.

1.1.68 "Water Main" shall mean any water pipe, line or portion thereof, owned or to be transferred for ownership by the District.

1.1.69 "Water Policy" shall refer to the District's Water Policy adopted by resolution of the Board of Directors effective April 20, 2004, and as amended by Resolution dated November 9, 2005, and as may be amended thereafter from time to time, relating to the conveyance of water rights and/or payment of water fees to the District in connection with receipt of District water and wastewater services.

1.1.70 "Water Resource Acquisition Fee" shall mean a fee adopted by the Board, as may be amended from time to time, for water resources acquisition, roughly equivalent to the market value of water acquisition costs, imposed upon all new water and wastewater Customers on a per tap basis in order to recoup costs to meet expenses related to the acquisition and enhancement of water supplies necessary to satisfy new or additional demand for District water services requiring additional District water supply.

1.1.71 "Water System" shall mean:

1.1.71.1 Any devices, facilities, structures, equipment or works owned or used by the District for the purpose of the acquisition, transmission, distribution, storage and treatment necessary for the use of water over the estimated life of the system, including, but not limited to, pumps, lines, treatment facilities, tanks and other equipment and appurtenances excluding Service Lines.

1.1.71.2 Extensions, improvements, additions alterations or any remodeling

thereof.

1.1.71.3 All elements necessary for provision of a reliable water supply including wells, reservoirs or any land interests acquired for water acquisition, distribution, transmission or treatment purposes.

Terms not otherwise defined herein shall have the meanings adopted in the latest edition of Standard Methods for the Examination of Water and Wastewater, published by the American Public Health Association, the American Water Works Association and the Water Pollution Control Federation and in the "Glossary - Water and Sewage Control Engineering," A.P.H.A., A.W.W.A., A.S.C.E., and F.S.W.A., latest editions.

1.2 Policy and Purpose. The District is a governmental entity and political subdivision of the State of Colorado and a body corporate with all powers of a public or quasi-municipal corporation which are specifically granted or implied for carrying out the objectives and purposes of the District.

It is hereby declared that the Rules and Regulations hereinafter set forth will serve a public use and are necessary to insure and protect the health, safety, security and general welfare of the users of the water and wastewater facilities of the District. The purpose of these Rules and Regulations is to provide for the control, management, and operation of the District's water and sewer systems and facilities serving the District Service Area including any additions, extensions, and connections thereto.

These Rules and Regulations are promulgated and adopted pursuant to the provisions of § 32-1-1001(1)(m), C.R.S., as amended from time to time. The Board of Directors of the District has promulgated these Rules and Regulations in the exercise of the Board's discretion to provide a tool for management of the District and for the orderly provision of essential services. It is intended that any Person desiring to transact business with the District as a Customer or Developer of property or as a resident or property owner of the Service Area, shall comply with these Rules and Regulations. It is further intended that the District's consultants shall utilize these Rules and Regulations as a tool for assuring proper treatment of Persons served by the District and fair responses to issues which confront the District. No Person shall be entitled to any exemption from the applicability of these Rules and Regulations due to the failure of that Person to become familiar with policies and standards of the District contained herein, and in supplements hereto. The Rules and Regulations may be inspected by any Person at the District offices during regular business hours. Copies may be purchased by any Person upon payment of the cost of reproduction.

1.3 Rules of Construction. It is intended that these Rules and Regulations shall be liberally construed to affect the general purposes set forth herein, and that each and every part hereof is separate and distinct from all other parts. Nothing contained herein shall be so construed as to prejudice or affect the right of the District to secure the full benefit and protection of any law now in effect or any law which may subsequently be enacted by the Colorado General Assembly pertaining to the affairs of the District. Any dispute as to the interpretation of these Rules and Regulations or as to their application in any given case shall be submitted to the Board of Directors and their decision shall be

final. The Board reserves the right to construe any provision hereof in its sole discretion in order to effectuate lawful purposes of the District and to attempt to ensure orderly and non-discriminatory treatment of all Persons or entities subject to these Rules and Regulations now or in the future.

1.4 Amendment/Modification/Waivers. The Board shall retain the power to amend these Rules and Regulations as it deems appropriate. Neither notice of such amendments nor public hearing shall be required to be provided by the District prior to exercising its amendment, modification, or waiver powers. The District has the power to revise its Rules and Regulations from time to time by formal action of the Board and has authority to waive the application of its Rules and Regulations to its own activities, or to the activities of others. Supplemental policies of the District may be adopted from time to time in order to assist the Board and its consultants in managing the affairs of the District. The Board shall have the sole authority to waive, suspend, or modify these Rules and Regulations. No refusal, failure or omission of the Board or its agents to apply or enforce these Rules and Regulations shall be construed as an alteration, waiver, or deviation herefrom or from any grant of power, duty or responsibility, or any limitation or restriction upon the Board of Directors or the District by virtue of statutes now existing or subsequently amended, or under any contract or agreement existing between the District and any other Person or entity. Any express waiver shall not be deemed an amendment of the Rules and Regulations. No waiver shall be deemed a continuing waiver.

1.5 Purpose of the District. The Widefield Water and Sanitation District was organized with authority to provide water and/or wastewater services and facilities to Persons within the Service Area of the District, including the operation, maintenance, repair and replacement of facilities, mains, hydrants, valves, meters, and service facilities owned or operated by the District. The District is a quasi-municipal corporation and political subdivision of the State of Colorado, and as such, exercises certain governmental powers for the benefit of its constituents.

The District derives its power from Colorado statutes and pursuant to its Service Plan. The Service Plan contains general information about the facilities, services, and powers of the District and may be amended from time to time to deal with the evolving needs of the District. The District has the authority to construct District improvements as it deems necessary in accordance with the authority granted to the District in its Service Plan and by law. The District's Service Plan is an "enabling document" granting to the District certain powers and authorities.

1.6 District Board Meetings. Meetings of the Board of Directors are open to the public. At certain times time the Board may meet in executive session to receive legal advice or to discuss ongoing contract negotiations, litigation matters, or other legally privileged matters. Minutes of meetings are prepared for each meeting and, after approval by the Board, are available for public inspection.

1.7 District Manager: Implementation. The District Manager may adopt administrative rules and regulations for water and wastewater services consistent with these Rules and Regulations for the administration thereof. It shall be the duty of each Customer to comply with all of the Rules and Regulations of the District, and any policies or resolutions adopted pursuant to same. Administrative rules and regulations adopted by the Manager for administration of the Wastewater System shall pertain to, but shall not be limited to, discharge limitations, pretreatment requirements, standards for installation of wastewater lines and services and implementation of standards promulgated pursuant to the Act. In establishing such administrative rules and regulations, the Manager shall seek to establish standards that will assure safe, efficient operation of the Wastewater System, that will limit wastewater discharges to the system in concentrations and quantities which will not harm either the Wastewater System, wastewater treatment process or equipment, that will not have an adverse effect on the receiving water, or will not otherwise endanger Persons or property or constitute a nuisance.

1.8 Acceptance of Service. Acceptance of service from the District shall constitute acceptance by the Customer of all of the terms and conditions of such service as set forth in these Rules and Regulations, as they may be amended from time to time in accordance with the law.

1.9 Service Conditions. Water and wastewater service provided by the District is expressly conditioned upon the payment of all fees, rates, penalties and charges imposed in accordance with law, and is otherwise subject to the Rules and Regulations of the District. Any request for service outside of the District's service area will be subject to payment of the District's fees, rates, and charges at the rate of 1 ½ times the District's fees, rates and charges.

1.10 Establishment of Rates, Fees and Charges. Rates and charges to be collected and the terms, provisions and conditions to be effective with respect to rates and charges for water and wastewater service provided by the District to Customers of the District shall be as fixed and established by the Board from time to time. This provision is in addition to and not by way of derogation of any other remedies or procedures available to the District pursuant to any applicable law or regulation or by any of the provisions of these Rules and Regulations. The Board reserves the right to change the schedule of water and/or wastewater service rates and charges and other fees at any time.

1.10.1 Perpetual Lien. Until paid, all fees, rates, penalties, or charges due in accordance with these Rules and Regulations, and as set by the District, shall constitute a perpetual lien on and against the property served. Such perpetual lien may be foreclosed as provided by law, and shall take superior priority status as against any and all other liens which may have attached and have been perfected against the property in accordance with law.

1.10.2 Payment for Service/Delinquencies/Service Shut-Off. Bills for water and wastewater service shall be payable upon the due date of the statement and shall be considered delinquent if not received on or before the due date noted on the statement. Failure to pay any bill issued by the District shall be subject to assessment of late charges and interest. The Board shall adopt a schedule of late charges for non-payment of District rates and charges. In addition, interest may be assessed on all past-due amounts at the maximum rate allowed by law. The District may either certify the delinquency to the County Treasurer or initiate lien foreclosure proceedings.

The Customer is responsible for all delinquent charges, plus all costs and attorney fees incurred by the District associated with the collection of delinquent charges. In addition to enforcement by any other means legally available, the District shall be entitled to shut off service to any Customer who fails to pay water or wastewater bills when due. All service addresses within the District connected to the Water Distribution System, or the Wastewater Collection System, shall be billed a base rate each month without regard to the status of the property; i.e.; for sale, vacant, foreclosed, or temporarily uninhabited. **Prior to service being started, or restored, any outstanding balances of the service address must be paid in full.**

1.10.3 Reserved.

1.10.4 Liability for Payment. Property Owners and Developers seeking to acquire water and / or wastewater service from the District, or seeking changes to existing service, shall be responsible for all applicable District fees, rates and service charges. Accounts shall only be established in the name of the Property Owner. **The District assumes no responsibility for any agreements between landlords and tenants, owners and occupants, vendors and vendees, or any other types of agreements regardless of how made, or whether the District is or is not notified of such agreements.** The owner of the property remains ultimately liable for all charges.

1.10.5 Charge for Re-establishment of Service. For any request to reestablish service subsequent to any suspension or shutoff, there shall be a charge for disconnection and reinstatement. In addition to any other remedies available, the District shall be authorized to shut off service to any property for which District charges remain unpaid and past due.

1.10.6 Disconnection Fee/Ongoing Acceptance of Service. In order to provide service to Customers, the District has and will in the future assume and incur certain financial obligations necessary to provide water and wastewater service to the District's Customers. Accordingly, provision of water and wastewater service shall be on a perpetual basis until the time at which the District terminates or discontinues service to its Customers. Voluntary disconnection by a Customer from the District's water or wastewater facilities, except in the circumstances set forth in Sections 3.6 or 10.14, will result in adverse economic impacts upon the other Customers receiving service from the District. Therefore, any such voluntary disconnection shall result in the imposition of a disconnection fee to be paid to the District within fourteen (14) days thereof. The disconnection fee shall equal an amount necessary to compensate the District for expenditures made to provide the infrastructure and capacity required to serve the disconnecting Customer's property, and future revenues lost from such property as a result of the disconnection which were projected to be received and applied to debt and operations expenses.

1.11 Liability. Except as provided by the Colorado Government Immunity Act, §§ 24-10-101, *et seq.*, C.R.S. (the "GIA"), it is expressly stipulated that no claim for damage shall be made against the District by reason of any of the circumstances governed by the GIA, including but not limited to the following: blockage in the system causing the backup of effluent; damage caused by smoke testing of lines; breakage of any Water or Wastewater Main by District personnel; interruption of water or wastewater service and the conditions resulting therefrom; breaking of any main line or service line,

pipe, valve, or meter by any personnel of the District; failure of the water supply; shutting off or turning on of water; making of connections or extensions; damage caused by water running or escaping from open or defective faucets; burst service lines and other facilities not owned by the District; damage to water heaters, boilers, or other appliances resulting from shutting water off, or from turning it on, or from inadequate or sporadic pressures; or from inadequate water delivery, or interruption of any services brought about by circumstances beyond its control; the making of connections or extensions; damage from inadequate sewage treatment or interruption of any services brought about by circumstances beyond its control; or for doing anything to the system of the District deemed necessary by the Board or its agents. Except if required and as provided by the GIA, the District shall have no responsibility for notification to any Customer or Owner of any of the foregoing conditions. The District reserves the right to temporarily discontinue service to any property at any time for any reason deemed necessary or appropriate by the Board. The District shall have the right to revoke service to any property for violations of these Rules and Regulations in accordance with the procedures set forth in these Rules and Regulations.

It is expressly stipulated that no claim for damage shall be made against the District by reason of the District or its agents or consultants performing plan check, construction observation, administration and management, accounting and auditing or legal evaluation and representation nor shall the District be liable in any way by reason of performing such activities.

1.12 Resolutions. The Board of Directors may from time to time adopt resolutions embodying policies and directives with respect to the operation of the Water System and/or the Wastewater System whether or not such resolutions are made a permanent part of these Rules and Regulations.

1.13 Severability. If any term, condition or provision of these Rules and Regulations shall be declared invalid or unenforceable, the remainder of these Rules and Regulations shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

1.14 Incorporation of "Terms and Conditions of Service". The terms and conditions of service set forth in that certain document entitled, "Terms and Conditions of Service" dated December 19, 1996 and issued by the District to existing Customers of the Widefield Homes Water Company, a copy of which is attached hereto as Exhibit A, are incorporated by this reference.

1.15 Peaceful Valley: Incorporation of "Terms and Conditions of Service". The terms and conditions of service set forth in that certain document entitled, "Terms and Conditions of Service," and issued by the District to residents of Peaceful Valley, a copy of which is attached hereto as Exhibit B, are incorporated herein by this reference.

1.16 Citizens Advisory Council. When the District was formed in 1996, a Citizens Advisory Council was created which is comprised of citizens living in the District's service area who are appointed by the El Paso County Commissioners. The Citizens Advisory Council is not governed or directed by the District's Board of Directors. Due to recent pronouncements by the Internal Revenue Service, the Citizens Advisory Council's role is being expanded to require that approval by a majority of the members of each of the District Board of Directors and of the Citizens Advisory Council shall

be required prior to the District's issuance of tax-exempt multiple-fiscal year debt. If the Citizens Advisory Council does not approve the issuance of such tax-exempt debt, the District may nevertheless issue taxable debt approved by a majority of the District's Board.

SECTION 2

USE OF PUBLIC WATER SYSTEM

2.1 Water Use. The privilege to take and use water from any source supplied by the District is only by permission and the District reserves the full privilege to determine all matters in connection with the control and use of water. No water User in or upon any premises to which water is supplied shall supply water to any other Person or premises receiving water within District Service Area or to any other Person within or outside the District without the approval of the District. Nothing herein shall operate to create any vested or proprietary privilege whatsoever, but shall give Persons the privilege to the water service for the purposes specified in these Rules and Regulations. The privilege to use water service shall be subject to suspension or revocation and shut-off. Any Person violating any provision of these Rules and Regulations shall be subject to the penalties set forth herein and under applicable law.

2.2 Requirement for Permit. No unauthorized Person shall uncover, make any connection with, use, alter, or disturb any portion of the Water System without first obtaining approval from the District. No connection to the Water System of the District shall be made without first obtaining a tap issued by the District.

2.3 Responsibilities of the Customer.

2.3.1 Each Customer shall be responsible for maintaining that portion of the water Service Line that extends from the point at which the Service Line ends at the property line. Leaks or breaks in the Service Lines shall be repaired by the Customer within 72 hours from the time of notification of such condition by the District. If satisfactory progress toward repairing the said leak has not been accomplished within said time period, the service may be shut off until the leak or break has been repaired.

2.3.2 It shall be the duty of all those connected to the Water System to keep advised of varying pressures and conditions of service so as to properly protect their persons and property from injury by water furnished through the District's facilities. They shall also take note that there is no wasteway in the shut-off at the curb box or at the main and that any water standing in the pipes when water is turned off at the meter shut-off or main will remain there unless drained out by the User by means of a stop and waste valve. Employees of the District are forbidden to manipulate the stop and waste valve or do any other plumbing work whatsoever on a Service Line. It is expressly stipulated that the District will assume that every water Service Line of every property is equipped with a stop and waste valve, and failure of any Customer to so equip his water Service Line will under no circumstances alter the liability of the District. All Persons having boilers or other appliances on their premises depending on pressure or water in pipes or on continual supply of water, shall provide, at their own expense, suitable safety appliances, including pressure regulating valves to protect themselves and their property against a stoppage of water supply, or increase, or loss of pressure. All Customers should be responsible for protecting their plumbing via a pressure regulating device and it is the Customers' responsibility to have a plumber properly install and set the device to the appropriate

regulation of pressure.

2.3.3 No portion of the building electrical system and/or ground may be attached to the service line or internal plumbing such that an electrical current may be induced into or from the piping system.

2.4 Water Rights. Pursuant to Rule 5.3.10 of the *Rules and Regulations for the Management and Control of Designated Ground Water*, the District is authorized to enact a resolution by which consent of landowners within the District is deemed to be given to allow the District to withdraw and use groundwater from the aquifers beneath the District. The District may enact said resolution and all properties within the District shall be subject thereto and to all other laws, rules, regulations or policies through which the District shall have the right to withdraw and make use of groundwater beneath property in the District. No Person shall drill, apply for or otherwise make use of the groundwater resources beneath any property within the District, regardless of ownership. The District hereby declares that it currently is and/or has the intention to make full beneficial use of all groundwater resources beneath property within the District.

SECTION 3

APPLICATION FOR WATER SERVICE

3.1 Request for Service. Individuals desiring water service from the District shall make a request for a water tap with the District's Manager. The request shall comply with all resolutions, regulations or rules concerning the Water System of the District. The request to the District shall be supplemented by any plans, specifications or other information deemed necessary by the District Manager to determine compliance with all resolutions, regulations or rules concerning the water system. No water tap shall be issued nor will any work related thereto be commenced in the absence of payment of the current applicable Tap Fee, together with applicable Water Resource Acquisition Fee(s), and any associated administrative or Inspection Fees authorized pursuant to these Rules and Regulations as determined by the District's Board.

3.2 Cancellation of Application by District and Refund of Fees. The District reserves the right to deny, cancel or revoke any application previously granted, before service has been provided, in which case any fees paid by the applicant shall be refunded. The District shall not be liable for any other costs incurred by the Person or Developer.

3.3 Tap Fees and System Development Fees Non-Refundable. Unless the District cancels or revokes an application for service under Section 3.2 hereof, all Tap Fees, Water Resource Acquisition Fees, and any associated administrative, Inspection Fees or other application fees as authorized pursuant to these Rules and Regulations, shall be non-refundable.

3.4 Taps Limited to Addressee. Taps shall be used only for the address specified with the tap connection, and may not be transferred to another address or property without the express prior written consent of the District.

3.5 Change in Service. An amended application for service shall be filed by the Customer, prior to making any change in service; such as expansion of buildings with additional water outlets, or toilets, which increase system capacity without plans being submitted to the District. Any additional Tap Fees, Water Resource Acquisition Fees, Inspection Fees administrative fees and any other applicable fees which may be due as a result of the change in service, shall be paid before the change in service shall be permitted.

3.6 Discontinuation of Service. Except as otherwise provided herein, once service is commenced to any Customer, such service may be discontinued subject to the payment of a disconnection fee as set forth in Section 8.21 hereof. A disconnection fee shall not be due where service to a Customer is discontinued in connection with the sale or other disposition of the property at the Customer's service address to another Person who establishes new service at such service address, or where water service is permanently discontinued, and is no longer to be provided by any other entity or through any other means, including through wells, to the property at the Customer's service address. Discontinuation of service for any reason shall be subject to inspection by the District Engineer, and the Customer will be assessed an Inspection Fee therefor. Any Customer desiring to have water service discontinued

shall notify the District Engineer's office a minimum of 48 hours (excluding weekends) in advance of the desired date of discontinuance. Water service fees shall be assessed until inspection of the disconnection is approved by the District's Engineer. Reactivation of service shall be treated as a new application for service under these Rules and Regulations. Once a service connection to the Water Main, or Sewer Collection Main, is physically disconnected and inspection has occurred, the service address will no longer be subject to monthly base charge assessments.

3.7 Temporary Water Service through Fire Hydrants. Special permission from the District is required for temporary water service supplied through fire hydrants and shall be allowed only pursuant to the provisions of Section 4.3.

3.8 Penalty for "Unauthorized Turn-On". No person other than employees or officials of the District shall have authority to turn on water service. The District may pursue legal action against violators of this section 3.8 and all costs relating thereto shall be paid by the violator.

3.9 Vendor's and Vendee's Responsibility. The District assumes no responsibility for agreements between vendors and vendees. It shall be the responsibility of both to notify the District for beginning and ending meter readings and completion bills. It shall be the responsibility of the vendee to ascertain whether the Tap Fees and Water Resource Acquisition Fees (as applicable) have been paid by the vendor. Regardless of ownership or of the failure of the District to collect Tap Fees and applicable Water Resource Acquisition Fees at the time of the issuance of taps or any other act or omission of the District, unpaid Tap Fees and applicable Water Resource Acquisition Fees shall constitute a perpetual lien on and against the property. Such perpetual lien shall take superior priority status as against any and all other liens which may have attached and have been perfected against the property in accordance with law.

3.10 Unused or Unutilized Taps. Taps that are unused or unutilized for more than one-year but less than ten-years from the installation date must be inspected by District Staff. A new tap saddle and corporation cock may be required for installation at the expense of the property owner. If the corporation cock is in the off position, then the property owner will be required to replace the tap saddle, corporation cock, and service line for those taps that are older than one year from the installation date. If a tap is unused or unutilized for more than 10-years from the installation date, then the main will need to be tapped again and the old tap abandoned at the expense of the property owner. The District may require other items to be updated, changed, or replaced by the property owner to ensure public health. Additionally, the property owner will be required to pay the difference in tap fees, if any, for unused or unutilized taps that are older than one year. An unused or unutilized tap is defined as a tap that either has not had a meter installed, has not had continual, normal usage, or a home has not been constructed and services connected, received final inspection, or received a certification of occupancy from Pikes Peak Regional Building Department.

SECTION 4

WATER METERS AND SERVICE LINES

4.1 Meters Required. Each structurally independent residential, commercial, or industrial building requiring water service shall be individually metered whether or not under common ownership. For the purpose of this Section, buildings shall be considered to be structurally independent if they do not have a common foundation, walls and roof.

4.1.1 General. All meters shall be approved by the District and furnished at the expense of the Customer. The location of all meters shall be approved by the District prior to installation. Residential meters shall be located within the residential structure at a readily accessible location approved by the District unless an alternate location is approved. All residential meters shall incorporate a remote transmitting device placed in a location specified by the District. Non-residential and larger-sized meters shall be at an approved location and shall incorporate remote display or transmitting units approved by the District. The Customer shall be responsible for providing the meter setter or vault and associated plumbing. When used, the meter pit or vault shall be maintained by the Customer such that at all times it will be conveniently accessible and in good order for maintaining meters and for turning water on and off. Any required adjustments of the pit or vault to grade once the meter has been installed shall be the responsibility of the Customer. The standard residential meter shall be 3/4 inch in size.

All residential lots where the residence is 100 – 150 linear feet from the water main, shall require a minimum of a 1-inch meter. Any residential lot that is more than 150 linear feet from the water main, shall require a letter from a Colorado registered engineer or a Colorado licensed master plumber depicting the calculations used to derive the size of meter being requested. All requests for meters larger than 1 inch shall be reviewed by the District and shall require District approval.

Any residential lot that zoning permits two residences on a single lot, may be served by one 3/4" meter, using a split service, as long as the further residence from the water main line is not farther than 100 feet. If the furthest residence is greater than 100 feet from the water main line, then a 1-inch service line and meter shall be required. If the second residence is more than 100 feet from the water main line and the service is being split between two residences, then a letter from a Colorado registered engineer or a Colorado licensed master plumber depicting the calculations used to derive the size of the meter being requested must be provided to the District. All requests for meters larger than 1 inch shall be reviewed by the District and shall require District approval prior to installation.

Any residential lot that zoning permits three buildings on the lot being served by water, shall be required to install a minimum of a 1 inch meter and may split the service three ways, using one meter, if all three residences are less than 100 feet from the water main line. If any of the three residences are more than 100 feet from the water main line, then a letter from a Colorado registered engineer or a Colorado licensed master plumber depicting the calculations used to derive the size of meter being requested must be provided to the District. All requests for meters larger than 1 inch shall be reviewed by the District and shall require District approval prior to installation.

All commercial and industrial lots that have more than one building being served water shall require a letter from a Colorado registered engineer or a Colorado licensed master plumber depicting the calculations used to derive the size of meter being requested, type of backflow devices and locations. All requests for meters larger than 1 inch shall be reviewed by the District and shall require District approval prior to installation.

Meters for irrigation systems larger in size than 1 and 1/2 inches shall be of the turbine type. Meters larger than one inch shall be installed by the Customer at the Customer's expense and inspected by the District prior to water turn on. The request for meters larger than 1 inch shall require a letter from a registered engineer or master plumber depicting the calculations used to derive the size of meter being requested. All requests for meters larger than 1 inch shall be reviewed by the District and shall require District approval. The District reserves the right to require compound meters be purchased and used in installations where both low and high water flow may exist to ensure that low usage periods are recorded by the meter. The District requires that multi-family complexes such as apartments be master metered. Meters shall become the property of the District upon inspection and acceptance thereof by the District. Under no circumstances shall anyone other than District personnel remove, repair or alter a water meter without the approval of the District. Tampering with a meter, meter pit, yoke, meter pit lids, stop boxes, remotes and other District-owned property may result in the imposition of a charge by the District.

4.1.2 Meter Testing. The District may at any time test, repair or replace a Customer's water meter to insure that the meter is recording within the accuracy limits recognized by the American Water Works Association (AWWA). If the District, in its sole discretion, determines that the Customer's meter has failed to register accurately during a given billing cycle, appropriate adjustments to the Customer's current bill will be made as follows:

- (a) If the meter has registered over 2% more water than actually passed through it, the current bill will be adjusted proportionately as a credit.
- (b) If the meter has registered less than the actual amount of water which passed through it (by greater than 2%), the District may elect to adjust the current bill proportionately as a debit.
- (c) Should the meter completely fail to register, the bill will be adjusted as determined by the District on a fair and equitable basis.

Any Customer may request that the meter through which water is being furnished be examined and tested by the District. The request shall be accompanied by a deposit equal to the charge for testing such meter as determined by the District. Upon receipt of such request and deposit, the District will examine and test the meter. If the meter registers over 2% more water than actually passes through it, the meter shall be properly adjusted or replaced by the District, the deposit returned and the current water bill adjusted. If the meter shall be found to register not more than 2% over, the deposit shall be retained by the District as the expense of making the test.

Should a meter which has been tested at a Customer's request be found to register less water than actually passes through it, the District, at its discretion, may elect to replace or repair said meter. In such instances, the deposit will be retained by the District as the expense of making the test; however the Customer will not be charged any additional amount as a result of the meter registering less than the actual amount of water passing through it.

4.1.3 Maintenance Responsibilities. Upon approval and acceptance by the District, all water meters, remote registers and transmitters shall be owned and maintained by the District and shall be tested as the District deems necessary. The cost of repairs resulting from abuse or negligence by the Customer shall be paid by the Customer and added to and considered a part of the charge for water service.

4.2 Pressure Reducing Valves. Any pressure reducing valve required to be installed by the District shall be adjusted by District personnel at such time as water service is initiated. Only authorized personnel shall adjust such valves. The District should not adjust customer's pressure regulating valves (PRV). The District is responsible for the adjustment of PRVs that are installed within the District's distribution system.

4.3 Fire Hydrants. Any fire hydrant within the District's Service Area shall be owned and maintained by the District, whether in public rights-of-way or on private property, except where master meters are installed between the District mains and any one or group of fire hydrants. All hydrants shall conform to the District's Standard Specifications. Fire hydrants connected to the mains of the District are provided for the primary purpose of furnishing water for fire suppression and shall be opened and used only by Persons authorized to do so by the District.

Any other use of fire hydrants shall be allowed only by permit issued by the District and shall require the use of a hydrant meter and regulating valve for the monitoring of water use. Connections and disconnections shall be made by authorized personnel only. Unauthorized use of a fire hydrant shall be subject to legal action against the violator for damage to the hydrant, loss of water and all related damages. Rates to be charged for water extracted from each hydrant shall be established from time to time by the District in its discretion.

Use of hydrant water for temporary water service shall immediately cease for the duration of any fire within the District Service Area or for any other reason upon notice by the District. All hoses and connections to hydrants shall be water tight to a point at least ten feet (10') from the hydrant. Location of the hydrant to be used for temporary water service shall be subject to approval by the District. Any damage to the hydrant, hydrant meter or other property of the District resulting from temporary water service shall be paid for by the Customer.

4.4 Service Lines: General. A separate and independent Service Line shall be provided for every building. Where one building stands at the rear of another on an interior lot which cannot be subdivided, and where no Service Line is available nor can be constructed to the rear building through an adjoining alley, court, yard or driveway, the Service Line of the front building may be extended to

the rear building and the whole considered as one water service. Multi-family, commercial, industrial complexes, or recreational vehicle parks having more than one building on a single platted lot owned by one person may have the individual buildings connected to a single common master service line with a shut-off valve for each building unless and until such lot is resubdivided or the buildings otherwise become separately owned in which case independent connections shall be made. The District does not assume any obligation nor acquire any liability for damage to the connecting property or any portion thereof caused by or resulting from any such connection to the water supply system as aforementioned.

4.5 Service Lines: Conformance to Rules and Regulations. The size, slope, alignment and materials of construction of a Service Line, and the methods to be used in excavating, placing of the pipe, jointing, testing, backfilling and inspection of a trench shall all conform to the requirements of the Building and Plumbing Codes of El Paso County and other applicable rules and regulations of the District. All existing and new Service Lines shall conform to the requirements of the water service quality control regulations. No portion of the building electrical system and/or ground may be attached to the service line or internal plumbing such that an electrical current may be induced into or from the piping system.

4.6 Service Lines: Standards. All Service Lines for connection to the water supply system of the District shall be installed in accordance with the provisions of this section and of the Widefield Water and Sanitation District's Standard Specifications. All Service Lines shall be laid at such depth that the top of any such line throughout its length is not less than five feet (5') nor more than six feet (6') below the finished surface of the length ground. All Service Lines shall be connected to a curb stop so that water may be shut off from the Service Line at any time. Such curb stop shall be level with the adjacent ground surface and shall be protected by an adjustable iron box or cylinder not less than five feet (5') in length. Curb stop boxes shall not be located in concrete areas, driveways, sidewalks, curb or gutter. All curb stop valves and boxes shall be installed at the property line unless an alternative location is reviewed and approved by the District prior to installation.

4.7 Service Lines: Maintenance. The Customer shall keep the Service Line and all pipes and fixtures on his premises in good repair. The Customer must secure all required permits for construction purposes and shall be responsible for restoring the public right-of-way and the street to acceptable District or other jurisdictional standards. Where more than one premises is connected to a single Service Line, the Customers of the respective premises shall be jointly and severally responsible for maintenance and repair of the Service Line. The Customer shall be responsible for the repair and maintenance of the water Service Line from the property line to the premises. In case of an emergency or failure of the Customer to abide by the provisions of this Section, the District may repair this portion of the Service Line for which the Customer is responsible and bill the Customer for such costs of repair. The District shall be responsible for the maintenance and repair of the water Service Line from the distribution Main to the property line. Repair and maintenance of this portion of the Service Line shall be performed by the District at no cost to the Customer. Leaks occurring on a water Service Line between the property line and the house or building shall be repaired as necessary to include backfilling and restoration of property at the Customer's expense. However, the District will, if requested to do so, shut off the water Service Line at the curb stop. To preclude unnecessary

waste of water, if repairs are not initiated within a seventy-two (72) hour period of time, the District may, in its discretion, shut off water service until repairs have been affected. The Customer shall be responsible for all damages that may occur to other property, real or personal, including property of the District, that were a result of a failure to repair and maintain the Service Line, including, but not limited to, leaks occurring in a Service Line, bursting or other failure of the Service Line. When doubt exists concerning the responsibility for repairing a leak, the District will determine the origin of the leak, and the responsibility for repair by turning off the service at the curb stop. When this action causes the leak to stop flowing, the Customer will be responsible for repair. When the leak continues to flow after turn off, the District assumes responsibility and will affect repair of the leak at no expense to the Customer.

4.8 Cross Connection/Dual Supply. Water from the District's potable system and any other source shall be distributed through systems entirely independent of each other and cross-connection between such supplies are prohibited. A cross-connection is defined as any physical arrangement whereby the District's water supply is connected, directly or indirectly, with Widefield Water and Sanitation District or any other nonpotable or unapproved water supply system, sewer drain, well, conduit, pool, reservoir, plumbing fixture or other device that contains or may contain any contaminated water, liquid or other waste of unknown, nonpotable or unsafe quality that could impart a contaminant to the District's water supply as a result of backflow. If a District approved connection has a potential for backflow, then a protective device or system acceptable to the District shall be installed to prevent its occurrence. All such facilities shall be maintained in accordance with the District's standards and these Rules and Regulations.

SECTION 5

GENERAL CONSTRUCTION REQUIREMENTS FOR WATER AND WASTEWATER FACILITIES

5.1 General. All contractors, plumbers and others doing work on the Water System, Wastewater System, Service Line, or any part of the District's systems shall comply with all of the following:

5.1.1 Before commencing work under the contract, the Contractor shall furnish the District with certificates of insurance, showing the type, cost, class of operation coverage, effective dates, and date of expiration of policies. The Contractor shall not commence work until he has obtained insurance as required by the District, nor shall the Contractor allow any subcontractor to commence work on his subcontract until all similar insurance required for that portion of the work has been so obtained and reviewed.

The Contractor, and any subcontractors it may hire, shall be required to have worker compensation in accordance with Colorado law, comprehensive general liability insurance in the amount of \$1,000,000.00 combined single limit bodily injury and property damage, each occurrence and \$2,000,000 general aggregate; automobile liability insurance in the amount of \$1,000,000 combined single limit bodily injury and property damage each accident; underground utility insurance, and any insurance coverage for special conditions such as blasting.

5.1.2 The Contractor hereby agrees to indemnify and hold harmless the District and each of its directors, employees, agents, and consultants, from and against any and all claims, demands, losses, liabilities, actions, lawsuits, and expenses (including reasonable attorneys' fees), arising, or alleged to arise, directly or indirectly, in whole or in part, out of the negligence or omission of the Contractor or any of its subcontractors, agents or employees, in connection with this Agreement and/or the Contractor's Services or work hereunder whether within or beyond the scope of its duties or authority hereunder.

5.1.3 All permits, fees and charges shall be paid for by the Contractor, plumber or others doing work in the District, prior to the start of construction.

5.1.4 All Inspection Fees or other charges for work on Water System, Wastewater System, Water or Wastewater Service Line construction required by the District, El Paso County or the Colorado State Highway Department or any other entity with jurisdiction, shall be paid for by the plumber, Contractor, or others doing work in the District. The owner of the property on whose behalf any work is being performed shall be joint and severally liable for such charges and fees.

SECTION 6

WATER AND WASTEWATER LINE EXTENSIONS/CONSTRUCTION

6.1 Construction Options. Construction of Water or Wastewater Mains or extensions thereof which are to be owned and operated by the District shall conform to the provisions of this Section 6. At the option of the Developer, construction may be performed either by the District, with funding provided by the Developer, or directly by the Developer, in accordance with the provisions of this Section 6.

6.2 District-Built Facilities: Funded by Developer. In cases where the Developer desires to furnish funds for the purpose of allowing the District to contract for the construction of facilities, the following shall apply:

6.2.1 Application for Approval. No Person shall construct a Water Main, Wastewater Main or extension thereof within the Service Area of the District without first having written approval of a formal application to the District and having complied with the Rules and Regulations, policies and resolutions of the District.

6.2.2 Responsibility for Providing Facilities. The cost for the Water or Wastewater Main to serve a development or service expansion, including design and construction costs, shall be the sole responsibility of the Developer. Any Water and Wastewater Mains including all sites, rights-of-way and easements required to serve development of the property, as determined by the District, shall be provided by the Developer at his or her expense.

6.2.3 Plan Submittal. Plans for all Water Mains and Wastewater Mains within the Service Area of the District or that contemplate connection to the District's facilities shall be submitted to the District's Engineer together with any other pertinent documents. All of the Water and Wastewater Mains shall be designed and installed so as to provide an acceptable level of service to the specific parcel as well as to all existing and potential Customers of the District. All Water and Wastewater Mains shall be constructed according to the District's standards and specifications. All costs of plan review shall be an expense of the applicant.

6.3 Location of Extensions and Mains. Water and Wastewater Mains shall be installed in roads or streets which the County, Colorado Department of Transportation, or other public agency has accepted for maintenance as public rights-of-way or, when approved by the District, in easements granted to the District in a form acceptable to the District. All line installations shall conform to the requirements of the entity maintaining the right-of-way. If the Water and/or Wastewater Mains are to be installed within an easement to be granted to the District, Developer shall comply with the procedures outlined in Section 6.9. below.

6.3.1 Service; Excavations. All excavations for installation or repair of Water Mains or Service Lines shall be adequately guarded with barricades and lights and meet all applicable safety standards so as to protect the public from hazard. Streets, sidewalks, parkways, and other private

and/or public property disturbed in the course of work shall be restored in a manner satisfactory to the Department of Public Works of El Paso County or any other entity with jurisdiction.

6.4 Inspection Fees. All Inspection Fees on Water and Wastewater Main facilities required by the District, El Paso County, the Colorado Department of Transportation, or any other entity with jurisdiction shall be paid for by the Developer, or other Person performing the work in the District.

6.5 Performance and Payment Bonds. A performance and payment bond shall be furnished to the District which is equal to 100% of the construction cost and contingencies on all Water and Wastewater Main construction contracted for by the District.

6.6 Developer-Built Facilities: Dedication To and Acceptance by the District. In cases where the Developer desires to install facilities by private contract for dedication to and acceptance by the District, the following shall apply:

6.6.1 Application for Approval. No Person shall construct a Water or Wastewater Main or extension thereof within the Service Area without first having obtained formal approval of an application to the District and having complied with the Rules and Regulations, policies and resolutions of the District.

6.6.2 Responsibility for Providing Facilities. The cost for the Water or Wastewater Main and appurtenances thereto, including, but not limited to, design, material and construction costs, shall be the sole responsibility of the Developer. Any Water and Wastewater Mains including all sites, rights-of-way and easements required to serve development of the property, as determined by the District, shall be provided by the Developer at his or her expense.

6.6.3 Plan Submittal. Plans for all Water Mains and Wastewater Mains within the Service Area of the District shall be submitted to the District's Engineer together with any other pertinent documents. All of the Water and Wastewater Mains shall be designed and installed so as to provide an acceptable level of service to the specific parcel as well as to all existing and potential Customers of the District. All Water and Wastewater Mains shall be constructed according to the District's standards and specifications. All costs of plan review shall be an expense of the applicant.

6.7 Construction of Facilities. After the District has approved the proposed engineering layout or design, the Developer shall install the facility extension by private contract upon approval of the plans, specifications and contractor by the District and subject to District field inspection and approval of actual construction.

6.8 Easements. In the event the Water or Wastewater Mains are to be located within an easement to be granted to the District, Developer shall comply with the following:

6.8.1 Developer shall submit to the District Engineer for review and approval the legal description and a drawing clearly depicting each interest proposed to be granted to the District.

6.8.2 Developer shall deliver to the District, or, at the discretion of the District the District shall cause to be prepared, a commitment for title insurance, prepared by a title company approved by the District, on the proposed easement interest, subject to the following requirements:

6.8.3 The title commitment shall be effective within 30 days of the submittal date;

6.8.4 The title commitment shall show the proposed insured as "Widefield Water and Sanitation District, a quasi-municipal corporation and political subdivision of the State of Colorado"; and

6.8.5 The title commitment shall reflect the amount of insurance on the proposed easement interest to be a minimum of \$5,000.

6.8.6 The proposed easement shall be free and clear of all encumbrances, except such encumbrances agreeable to the District. Any deeds of trust or mortgages shall be subordinated to the District's easement interest by a subordination agreement duly authorized and signed by the deed of trust and/or mortgage holder.

6.8.7 All costs incurred in providing the title commitment, easement and subordination agreement(s) to the District shall be borne by the Developer. Such costs include, but are not limited to, the costs of the preparation of the title commitment, the title insurance policy insuring the District's easement interest, recording fees, legal fees involved in the review of the title work and legal fees for document preparation in connection with the granting of the easements.

6.9 Subordination Agreements. Upon receipt of the title commitment, the District shall prepare and provide to Developer for execution an easement agreement in a form acceptable to the District for the conveyance of the proposed easement to the District from the Developer, and accompanying subordination agreements acceptable to the District, where appropriate. If necessary, in the discretion of the District, the District may request an update of the title commitment from the title company.

6.10 Right of Inspection. During the construction of facilities to be dedicated to or otherwise connected to District facilities, the District Engineer or other District representatives shall have a continuing and ongoing right of inspection and approval.

6.11 Preliminary Inspection. Following completion of the Developer's construction activities, and upon payment of all fees and charges, the District Engineer shall conduct a preliminary inspection and if satisfactory, certify the line or other facility as conditionally acceptable. The Developer or Contractor shall be given notice of any deficiencies in the construction that require correction prior to final acceptance of the facilities being constructed.

6.12 Warranty. The Developer shall provide an executed warranty for the benefit of the District for a period of not less than 24 months from the date of conditional acceptance or until all deficiencies have been corrected to the satisfaction of the District, whichever date is later, in a form substantially similar to the following language:

WARRANTY

("Developer") for itself, its successors and assigns, hereby warrants that for a period of two years or such additional time as may be required to correct all deficiencies to the satisfaction of the District beginning on _____ ("Warranty Period") the facilities described on Exhibit A ("Facilities"), attached hereto, shall be free from defects in materials or workmanship and hereby agrees that during the Warranty Period, Developer, at its sole cost, shall repair or cause to be repaired any defects in the Facilities required by or resulting from, (a) defects in workmanship or materials, (b) the construction of streets or utilities within the area, or failure to follow the standards for construction as adopted by the District from time to time ("Defects"). Developer, for itself, its successors and assigns, further warrants that if any of the Facilities are located within any streets, and at the end of the Warranty Period the construction, installation and paving of these streets, including installation of all curbing, gutters, drains and other street improvements, has not been completed then, as to the repair of valve boxes and manholes, the Warranty Period shall be extended until the date that such street construction has been completed.

During the Warranty Period the District shall be responsible for notifying Developer of any Defects and Developer shall repair or cause to be repaired any such Defects within 48 hours after receipt of the District's notification. In the event Developer fails to make such repairs within such 48 hour period or, if such repairs cannot reasonably be accomplished within such 48 hour period and Developer has not begun diligent efforts to make such repairs within such 48 hour period, the District may, at its option, proceed to repair or cause the repair of the Defects at Developer's cost and expense. In the event of emergency repairs which, in the opinion of the District, must be made immediately in order to maintain a reasonable level of water or sanitary sewer service the District may make such emergency repairs without prior notice to Developer and at Developer's cost and expense, but the District shall give Developer notice thereof as soon as reasonably possible. If the District deems it necessary to flush Water Mains to maintain water quality control in a portion of the platted area in which any of the streets have not been constructed the District may flush the lines using a construction meter and charge the Developer for the water used and personnel costs associated to the flushing of the lines. In addition, the District may limit how large of a distribution system the Developer may construct prior to building homes or buildings that become active water accounts and begin using water.

6.13 Warranty Bond. Prior to conditional acceptance of Water or Wastewater Mains or other District facilities, the District shall make a determination whether the Developer will be required to provide to the District a warranty bond as security for any corrections or maintenance required on said facilities, to be executed in the District's favor in the minimum amount of ten percent (10%) of all construction costs, effective upon commencement of conditional acceptance. The District, in its sole discretion, shall make such determination based upon the following criteria:

1. Total cost of the facilities (projects under \$1 million are presumed to not require a warranty bond unless the District determines that additional security is required based upon evaluation of the criteria listed below);
2. Complexity of the project, including road crossings, ditch or drainage crossings, or

- other non-standard construction methods, means, or delivery;
3. Developer's history of successful construction and conveyance of Water or Wastewater Mains or other District facilities without or with successful resolution of any warranty issues (including cumulative total cost of facilities previously constructed and conveyed by Developer);
 4. Developer's expected future development within the District's service area (for example, if the current project is Developer's only or last remaining project, a warranty bond requirement is more likely to occur due to the District's decreased ability to recover or enforce a contractual warranty directly against Developer); and
 5. Developer's general contractor or contractor(s) expected to construction the Water or Wastewater Mains or other District facilities and said contractor's history of successful completion and construction of District facilities.

6.14 Certification of Costs. Prior to conditional acceptance of Water or Wastewater Mains or other Developer-built District facilities, the Developer shall provide the District with a certification of costs in a form satisfactory to the District to establish the cost of the facilities.

6.15 As-Builts. Prior to conditional acceptance of Water or Wastewater Mains, or other Developer-built District facilities, the Developer shall provide the District with "as-builts" or equivalent executed by a licensed professional engineer, certifying the accurate size and location of the Public Infrastructure, together with supporting maps and other documentation, in the form, format and detail required by the District.

6.16 Conditional Acceptance. Upon recommendation by the District Engineer for conditional acceptance of the Water or Wastewater Mains or other Developer-built District facilities, and upon provision to the District of all appropriate easements for the maintenance and operation of such facilities, payment of all fees and charges due hereunder, completion of an appropriate bill of sale dated subsequent to the expiration of the 24 month warranty period, and compliance with any other applicable requirements contained herein, the District shall conditionally accept the facilities.

6.17 Final Inspection. Following expiration of the 24 month warranty period, and upon request of the Developer, the District Engineer shall then make a final inspection and upon correction of any defects or deficiencies, at the expense of the Developer, and satisfactory evidence of an executed bill of sale transferring ownership of the constructed facilities to the District, the District Engineer may recommend final acceptance of the Water or Wastewater Mains or other facilities.

6.18 Oversizing. If, in the opinion of the District, an increase in line size is necessary in order to provide an acceptable level of service to the Developer parcel or other Customers within the District, the Developer may be required to provide oversized pipelines and/or facilities. The cost for the "oversizing" of such pipelines and/or facilities shall be borne by the Developer. The basis for such costs shall be the difference in unit prices between the maximum line size which is the Developer's responsibility and the actual size to be constructed. The cost for the design and preparation of contract documents for these "oversized" pipelines shall be the sole responsibility of the Developer. If the District determines that it will construct the facilities, the Developer shall submit payment for the cost

thereof. The District will not issue a notice of award until such payment has been made. The District may collect fees or charges as determined by the Board from other Customers served by the "oversized" facilities and may, as determined by the Board, reimburse the Developer for all or a portion of the oversizing costs incurred by the Developer.

6.19 Inspection. The District shall have a right to inspect at all times all facilities connected to, or to become connected to, the District's Water or Wastewater Systems. Authorized employees and representatives of the District shall be allowed free access at all reasonable hours to any building, premises or property receiving water or wastewater service to ensure compliance with the Rules and Regulations, policies and resolutions of the District.

SECTION 7

WATER CONSERVATION

7.1 General. The District requires the conservation of water within its Service Area. No Person shall use any water provided by the District other than for uses permitted by the District. Developers or other Persons wishing to have water service to their property provided by the District and connect to the District's Water System shall be subject to the District's Water Policy.

7.2 Determination of Available Water Supply. The District shall, from time to time, determine the amount of available potable water supply for use within the District and shall determine the expected demands for said water by all Customers of the District's water system for any given period of time. In the event the Board shall determine at any given time that there are insufficient potable water supplies to meet all of the present and anticipated needs, the Board may order restrictions, curtailments or prohibitions upon the use of water.

7.2.1 Any restrictions, curtailments or prohibitions contemplated will be uniformly applied to all similarly situated water Users within the District's Service Area. Nothing herein shall be construed to prevent the District from treating different categories of water Users and/or Customers in different geographical areas of the District in a different fashion.

7.2.2 Except in cases of emergency, the Board shall cause written notice by publication in a paper of general circulation within the District prior to imposing any curtailments, restrictions or prohibitions upon the use of water as herein provided. The notice shall include a statement as to said restrictions, curtailments or prohibitions, together with a statement of the penalties for violation thereof and the time period for which such restriction shall be in effect.

7.2.3 Any Person, Customer or User of the District violating any provision of this section shall be subject to penalties as may be hereafter set by the Board.

7.3 Required Water Conservation Devices. Water service shall not be furnished to any Customer unless the Customer has fully complied with the water conservation standards set forth by the District.

SECTION 8

FEES AND CHARGES

8.1 Fee Schedule. All fees and charges provided for in these Rules and Regulations shall be in the amounts detailed in Exhibit C of these Rules and Regulations; as such schedule may be amended by the Board from time to time.

8.2 Tap Fees. Tap Fees shall be collected with respect to property requiring service pursuant to these Rules and Regulations. The amount of such fees and the timing of the collection thereof shall be established from time to time by resolution of the Board.

8.3 Water Resource Acquisition Fee. Water Resource Acquisition Fee shall be collected with respect to property requiring service pursuant to these Rules and Regulations. The amount of such fees and the timing of the collection thereof shall be established from time to time by resolution of the Board.

8.4 Water Meter Fee. A Water Meter Fee (in-house and pit) shall be collected at the time of tap purchase. The amount of the Water Meter Fee shall be set by the Board from time to time and shall include the cost of the meter, the cost of setting the meter, construction water and administrative costs.

8.5 Plan Review Fee. A Plan Review Fee shall be collected with the submittal of plans. The Customer shall be responsible for costs of the District that exceed the Plan Review Fee.

8.6 Inspection Fees. Inspections for approval, for release and for use of water facilities are performed by the District. The Customer shall be required to pay an Inspection Fee at the time such inspection is requested. Customer shall be responsible for costs of the District that exceed the Inspection Fee. There will be a supplemental fee for each additional inspection required due to failure of the Customer to have the facilities ready for the requested inspection.

8.7 Hydrant Permit Deposit/Fee. Temporary construction water may be obtained pursuant to Section 4.3 by submitting the appropriate deposit to the District and paying the fees required by the District. Service shall be metered and provided at locations selected by the District.

8.8 Temporary Service Connections. A temporary service connection may be installed for use over a period of time not exceeding twelve (12) months. For each such connection, an application must be submitted and approved by the District and a temporary service connection charge shall be paid. Renewal of the annual application may be granted by the District upon showing of good cause.

8.9 Fire Sprinkler Systems. Internal fire sprinkler systems shall be owned, operated and maintained by the Customer. These systems shall be metered to ensure that the fire sprinkler water supply line is not tapped into resulting in water theft. The District shall charge 25% of the normal monthly base charge for fire sprinkler meters which will be calculated based on the size of the meter.

8.10 Special Situations. Wherever an installation is required to accommodate a special or unusual situation which is not covered by the schedule of charges established from time to time by the Board, the Board shall establish a charge for such an installation. Charges in such situations shall be determined considering relevant factors including:

8.10.1 The established charges of the District.

8.10.2 Charges imposed by the District for similar installation, if any.

8.10.3 The cost to the District (including reasonable administration costs) in providing the requested service.

8.11 Security Deposit for Residential Customers. The District no longer requires a deposit from residential customers requesting new or continued water and wastewater services, to be paid prior to the provision of service.

8.11.1 Security Deposit for Commercial Customers. The District requires a deposit of \$150 for commercial customers requesting new or continued water and wastewater services, to be paid prior to the provision of service.

8.12 Metering. For the purpose of computing User charges, each meter on the owner's or Customer's premises will be considered separately and readings of two or more meters will not be combined as equivalent to measurement through one meter.

8.13 Meter Readers. Meter readers shall have the right to enter public and private property for the purpose of meter reading. All meters shall be free and accessible for said purpose of meter reading.

8.14 Unmetered Service Fee. The District shall have the right to impose a fee to any owner, Customer, or Developer who fails to install a water meter at the time of connection of a property. The water service shall be terminated until the meter is installed.

8.15 Late Payment Fees. The District shall have the right to impose a late payment fee on any water or wastewater account that is past due. The amount of the late payment fee shall be set by the Board.

8.16 Returned Check Fees. The District shall have the right to impose a returned check fee for payments made on checks which are returned for insufficient funds. The amount of the returned check fee shall be set by the Board.

8.17 Disconnection/Reconnection Fees. In the event service is discontinued in connection with the sale or other disposition of the property at the Customer's address to another Person who established new service at such address, the District shall have the right to impose a disconnection and reconnection fee to any owner, Customer or Developer for discontinuation and recommencement of

water and/or sewer service, subject to Sections 3.6 and 10.14, to cover the expense of the District for administering and inspecting physical connections to the District's Systems. The amount of the disconnection and reconnection fees shall be set by the Board.

8.18 Telecommunication Lease Application Administrative Fee. Any person or company ("applicant") interested in leasing space from the District for the installation and placement of private telecommunication facilities on the District's public facilities shall first make application for such purpose with the District's Manager. Prior to reviewing any request for leasing space from the District for the installation and/or placement of telecommunications facilities on District property, the applicant shall pay an administrative fee in the amount of Three Thousand Dollars (\$3,000). The administrative fee shall be used to cover legal, engineering and accounting costs incurred in connection with tasks associated with the lease, including a feasibility analysis and preparation of an appropriate lease for the facilities. Any unused portion of the administrative fee shall be returned to the applicant. At the District's discretion, should the legal, engineering and accounting costs exceed the application fee, the applicant shall be responsible for payment of the excess amount.

8.19 Tampering Penalty. The District may impose a penalty established by the Board, to be charged to any Owner, Customer or Developer who tampers with, in any manner, District-owned property, including without limitation, meter pits, meters, yokes, meter pit lids, stop boxes, remotes and other District-owned property. The District may disconnect service to any property benefited by such District-owned property for failure to pay the penalty.

8.20 Grease Trap Clean-Up Charge. The District shall have the right to impose a charge for failure to clean up the grease interceptor in accordance with the District's Standard Specifications. The amount of the grease trap clean-up charges shall be set by the Board.

8.21

- A. Disconnection Fee. In the event service is discontinued for any reason other than the sale of the Customer's property to another Person who continues to accept service from the District, the District shall have the right to impose a disconnection fee to any Owner, Customer or Developer in the amount necessary to compensate the District for expenditures made on capital infrastructure and capacity required, in reliance on the District's provision of water and/or sewer service to the subject property. The amount of the disconnection fee shall be set by the Board.
- B. After Hours Fee. The District shall have the right to impose an "After Hours Fee" for non-emergency inspections and reconnections of water service performed outside of the District's regular business hours at the request of the customer. The amount of the After Hours Fee shall be set by the Board.

8.22 Wholesale Water Charge. The District shall have the right to impose a charge for the provision of treated water on a wholesale basis. The amount of the wholesale water charge shall be set by the Board.

SECTION 9

WASTEWATER SERVICE

9.1 Responsibility of Manager: The Wastewater Manager under the direction of the District Manager shall be responsible for the management of the Wastewater System and all of the property appertaining thereto. The Manager shall see that such system is kept properly cleaned and in good working order and repair. The Manager shall ensure proper compliance with all local, State and Federal regulations for collection, treatment and discharge of Wastewater and shall perform all other duties in connection with Wastewater System as may be required of the Manager by the District.

9.2 Service; Application for: Any Person desiring to connect a Service Line to the Wastewater Treatment System, or to add fixtures to an existing connection, shall make application to the District for Wastewater service. The application for service shall be supplemented by any plans, specifications or other information deemed necessary by the Manager. Manager shall endorse his or her approval or disapproval of the application as complying or failing to comply with all ordinances, regulations or rules concerning the Wastewater System. Upon approval by the Manager of such application, such User receiving Wastewater service shall pay for such connection and service in accordance with the applicable rates and fees pursuant to the Rules and Regulations, policies and resolutions of the District.

9.3 Service; Excavations for: All excavations for installation or repair of Wastewater lines shall be adequately guarded with barricades and lights and meet all applicable safety standards so as to protect the public from hazard. Streets, sidewalks, parkways, and other private and/or public property disturbed in the course of work shall be restored in a manner satisfactory to the Department of Public Works of El Paso County or any other entity with jurisdiction.

9.4 Unused or Unutilized Taps. Taps that are unused or unutilized for more than one-year but less than ten-years from the installation date must be inspected by District Staff. A new tap saddle and corporation cock may be required for installation at the expense of the property owner. If the corporation cock is in the off position, then the property owner will be required to replace the tap saddle, corporation cock, and service line for those taps that are older than one year from the installation date. If a tap is unused or unutilized for more than 10-years from the installation date, then the main will need to be tapped again and the old tap abandoned at the expense of the property owner. The District may require other items to be updated, changed, or replaced by the property owner to ensure public health. Additionally, the property owner will be required to pay the difference in tap fees, if any, for unused or unutilized taps that are older than one year. An unused or unutilized tap is defined as a tap that either has not had a meter installed, has not had continual, normal usage, or a home has not been constructed and services connected, received final inspection, or received a certification of occupancy from Pikes Peak Regional Building Department.

SECTION 10

CONNECTION AND INSTALLATION OF WASTEWATER SYSTEM

10.1 Connection Required: Where required in accordance with applicable State or local law, the owner of any house, building or property used for human occupancy, employment, recreation or other purposes, situated within the District's Service Area and abutting on any street, alley or right-of-way in which there is now located or may in the future be located a Collection Line, is hereby required at such owner's expense to install suitable toilet facilities therein, and to connect such facilities directly with the proper Collection Line in accordance with these Rules and Regulations within ninety (90) days after official notice to do so, provided that said Collection Line is within four hundred (400) feet (122 meters) of a Wastewater Main. Health Department approval may waive the connection requirement herein stipulated.

10.2 Connection or Disconnection; Permits: The District shall issue a permit for each connection or disconnection made to or from the Wastewater Treatment System. Such permit will be required for all new connections, existing connections where additional fixtures are to be installed, and for disconnections. Permits for connection or disconnection shall be issued only to Master Plumbers. Discharge permits for significant Industrial Users shall be required as provided in Section 15 of these Rules and Regulations in addition to the tap connection.

10.3 Unauthorized Connections Prohibited: It shall be a violation of these Rules and Regulations, subject to penalty and/or prosecution, for any unauthorized Person to uncover, make any connections with or openings into, use, alter or disturb any Collection Line or appurtenance thereof, without first obtaining written permission from the Manager. Any such connections shall be made in compliance with Building and Plumbing Codes, rules or regulations promulgated by the District Manager for installation of sewer Mains and services and all other applicable Rules and Regulations of the District.

10.4 Connection to System; Inspection: Upon approval of a tap connection, the applicant for the Wastewater service shall notify the Manager when the Service Line is ready for inspection and connection to the Collection Line. The connection and testing required shall be made under the supervision of the Manager. The District shall not be subjected to any liability for any deficiency or defect which is not discovered by inspection nor shall the owner or developer of such premises be absolved from liability for such deficiency or defect and any resulting damage or from responsibility to correct such deficiency or defect.

10.5 Collection Lines; Manner of Extension: Collection Lines to collect and intercept Wastewater from and throughout areas or additions shall be extended by the owner and/or Developer of premises to be served by such lines from the existing Collection Line to the farthest point or points upgrade of such premises. If the Manager determines that extension of Collection Lines to the farthest point or points upgrade is not necessary for efficient expansion of the Wastewater Treatment System, the Manager may waive the requirement of such extension. In any event, Collection Lines shall be extended by, and at the sole cost of, the owner and/or Developer of premises to be served by such lines from the existing Collection Line to a point which permits the shortest possible Service Line

between the Collection Line and the property line of the premises served thereby. Thereafter said Collection Lines shall be extended to adjoining premises in compliance with Rules and Regulations of the District. Extensions shall not be made for remote or isolated services unless the applicant requesting such service shall provide for the cost of such extension to the point of service and such extension is approved by the Manager.

10.6 Wastewater Lines; Compliance with Subdivision Requirements: No Wastewater lines shall be laid or placed in any proposed addition or subdivision until said proposed addition or subdivision is platted and approved by the El Paso County Planning Department or other entity with jurisdiction.

10.7 Service Lines; Separate for each Building; Exceptions: A separate and independent Service Line shall be provided for every building. However, where one building stands at the rear of another on an interior lot which cannot be subdivided, and no Service Line is available nor can be constructed to the rear building though an adjoining alley, court, yard or driveway, the Service Line of the front building may be extended to the rear building and the whole considered as one service. Multi-family, commercial, industrial complexes, or recreational vehicle parks having more than one building on a single platted lot may have the individual buildings connected to a single common service line, unless and until such lot is re-subdivided or the buildings otherwise become separately owned in which case independent connections shall be made. The District does not assume any obligation nor acquire any liability for damage to the connecting property or any portion thereof caused by or resulting from any such connection to the Wastewater System as aforementioned.

10.8 Service Line; Construction to Conform to Rules and Regulations: The size, slope, alignment and materials of construction of a Service Line, and the methods to be used in excavating, placing of the pipe, jointing, testing and backfilling the trench, shall all conform to the requirements of the Building and Plumbing Codes of El Paso County for installation of sewer Mains and services and other applicable Rules and Regulations of the District.

10.9 Service Line; Use of Gravity Flow: Whenever possible, the Service Line shall be brought from the building at an elevation below the basement floor. In all buildings in which any guiding drain is too low to permit gravity flow to the Collection Line, Wastewater carried by such building drain shall be lifted by means approved by the Regional Building Official or other entity with jurisdiction and discharged to the Wastewater System. Repair and maintenance of any such pump or lift facility and all costs thereof shall be the responsibility of the User.

10.10 Service Line; Maintenance of:

10.10.1 The owner of any premises connected to the District's Wastewater Treatment System shall be responsible for the maintenance of the Service Line and appurtenances thereto, from and including the connection of the Collection Line to the premises served. The owner shall keep such line in good condition and shall replace, at his expense, any portions thereof which, at the discretion of the Manager, are determined to have become so damaged or disintegrated as to be unfit for further use. The owner must secure all required permits for construction purposes and shall be responsible for returning the public right of way and the street to acceptable District or other governmental entity with jurisdiction standards.

10.10.2 In the event that more than one premises is connected to a single Service Line, the owners of the respective premises shall be jointly and severally responsible for the maintenance and repair requirements imposed by this Section and all associated costs.

10.10.3 Prior to repair or alteration of the Service Line, a permit must be obtained. This inspection shall assure that ordinances and rules applying to the Wastewater System are met. The District shall not be subjected to any liability for any deficiency in the repair or alteration of such premises and shall be absolved from liability for such deficiency or defect and any resulting damage or from responsibility to correct such deficiency or defect.

10.11 Existing Lines; Conditions for Use:

Old Wastewater lines may be used in connection with new buildings only when they are found, upon examination by the District, to meet all requirements of these Rules and Regulations and to be compatible with the proposed use.

10.12 Construction; Requirements for Commencement and Completion:

Construction of a building or facility to be served by a Wastewater connection shall be commenced within three hundred sixty-five (365) days from the date of payment of connection charges and issuance of a tap, and such construction shall be pursued to completion without suspension or abandonment, as set out in the Uniform Building Code under Building Permits, Section 302(d) as amended from time to time.

10.13 Fixture Unit Equivalents:

Fixture unit equivalents shall be calculated using the following schedule and shall apply to "stubbed in" or "roughed in" fixture traps as well as those fixtures being installed.

<u>Trap Arm Kind of Fixture</u>	<u>Size</u>	<u>Equivalents</u>
Bathtubs	1 1/2"	2
Bidets	1 1/2"	2
Dental units cuspidors	1 1/4"	1
Drinking fountains	1 1/4"	1
Floor drains	2"	2
Interceptors for grease, oil, solids, etc.	2"	3
Interceptors for sand, Auto wash, etc.	3"	6
Laundry tubs	1/2"	2
Clothes washers	1 1/2"	2
Receptors (floor sinks)		
Waste receptors for commercial sinks, dishwashers, air washers, etc.	2"	3
Showers, single stall	2"	2
Showers, gang (per shower head)	2"	1
Sinks, bar, private	1 1/2"	1
Sinks, bar, commercial	1 1/2"	2
Sinks, commercial or Industrial schools etc., Including dishwashers Wash-up sinks and Wash fountains	1 1/2"	3
Sinks, flushing rim clinic	3"	6
Sinks, double (residential kitchen)	1 1/2"	2
Dishwashers (residential)	1 1/2"	2
Sinks, service	2"	3
Urinals, pedestal	3"	6
Urinals, stall	2"	2
Urinals, trough	1 1/2"	3
Wash basins (lavatories) single	1 1/4"	1
Wash basins in sets	1 1/2"	2
Water closet tank type	3"	4
Water closet flush valve type	3"	6

The unit equivalents of plumbing fixtures not listed above shall be based on the following schedule:

<u>Trap or Trap Arm Size</u>	<u>Unit Equivalent</u>
1 1/2"	1
1 1/2"	3
2"	4
3"	6
4"	8
5"	10
6"	12

10.14 Discontinuation of Service:

Except as otherwise provided herein, once service is commenced to any Customer, such service may be discontinued subject to the payment of a disconnection fee as set forth in Section 8.21 hereof. A disconnection fee shall not be due where service to a Customer is discontinued in connection with the sale or other disposition of the property at the Customer's service address to another Person who establishes new service at such service address, or where water or sewer service is permanently discontinued, and is no longer to be provided by any entity to the property at the Customer's service address. Sewer service fees shall be assessed until inspection of the disconnection is approved by the District's Engineer. Reactivation of service shall be treated as a new application for service under these Rules and Regulations.

10.15 Disconnection:

In the event that a User desires to disconnect his premises from the Wastewater System, he shall not be permitted to take up that portion of the Service Line between the Collection Line and the property line of the premises, but at the User's expense the Service Line shall be capped at said property line and the Service Line shall be removed from the property line to the structure. New Service Lines to replace existing Service Lines shall not be approved by the District until old Service Lines are dug up and properly capped. Such cap shall be sufficiently tight to prevent the escape of Wastewater gas or the infiltration of water.

SECTION 11

FEES AND CHARGES FOR WASTEWATER SERVICE

11.1 Fee Schedule. All fees and charges provided for in these Rules and Regulations shall be in the amounts detailed in Exhibit C of these Rules and Regulations; as such schedule may be amended from time to time.

11.2 Wastewater Facilities; Allocation of Cost:

11.2.1 Except as otherwise provided herein, a property owner or Developer shall be responsible for the costs and construction of all Wastewater facilities and the appurtenances thereto in and through his property or development upon approval of the plans and specifications.

11.2.2 The District may require the property owner or Developer to construct a Collection Line larger than that required for his needs for the service of lands adjacent to his property or development. When an owner or Developer finds it necessary to construct Wastewater facilities through or adjacent to unserved or undeveloped lands, the owner or Developer shall pay the entire cost of such facilities.

11.2.3 In the event that pump stations and force Mains are required, the cost of constructing said stations and Mains and the maintenance thereof shall be the responsibility of the owner of property served thereby.

11.2.4 In those instances where pump stations and force Mains are required, the Wastewater System shall be designed where possible so as to permit an eventual connection into a gravity system with a minimum of expense. Where practicable, easements shall be provided and lines constructed to tie into the gravity system.

11.2.5 All costs incidental to or resulting from the procurement of any required easement or right of way whether obtained by dedication, contract, condemnation or otherwise, shall be borne by the owner or Developer.

11.2.6 Any system requiring additional power or maintenance cost shall be assessed a surcharge.

11.3 Installation Cost: All costs and expenses incidental to the installation and connection of Service Lines from the Collection Line to the premises shall be borne by the owner of such premises. The owner shall indemnify the District for any loss or damage that may directly or indirectly be occasioned by the installation of such Service Line.

11.4 Connection Charge: In each lot, area, territory, subdivision or addition, within the District's Service Area, for which a request for Wastewater connection or addition to the Wastewater Treatment System shall be made, there is and shall be a connection charge for each Service Line in said areas.

Said connection charge shall consist of a Tap Fee, applicable Water Resource Acquisition Fee, and may also include cost recovery and other applicable fees and charges.

11.5 Tap Fees:

11.5.1 A Tap Fee charge shall be assessed for each new connection to the Wastewater System of the District. Such charge shall be collected prior to issuance of a building permit, in amounts as established by the District from time to time.

11.5.2 Cancellation of Application by District and Refund Fees. The District reserves the right to deny, cancel or revoke any application previously granted, before service has been provided, in which case any fees paid by the applicant shall be refunded.

11.5.3 Tap Fees Non-Refundable. Unless the District cancels an application for service, all Tap Fees, Water Resource Acquisition Fees, and any other associated fees or charges authorized pursuant to these Rules and Regulations, shall be non-refundable.

11.5.4 Tap Connections Limited to Addressee. Taps shall be used only for the address specified and approved by the District, and may not be transferred to another address or property without express prior written consent of the District.

11.5.5 Change in Service. An amended application for service shall be filed by Customer, prior to making a change in service. Any additional Tap Fees, Water Resource Acquisition Fees or other associated fees or charges which may be due as a result of the change in service, shall be paid before the change in service shall be permitted.

11.6 Cost Recovery Agreement Charge: A cost recovery agreement charge may be imposed for each connection to a Collection or Main Line, or use of pumping facility, where such line or facility is the subject of a cost recovery agreement between the District and the Person or Developer who constructed such line or facility. Consistent with such agreements, such charge shall be in an amount which represents a pro-rata share of the cost of construction of the line or facility as determined by the District's Engineer and shall be collected prior to issuance of a building permit.

11.7 Rates and Charges; Special:

11.7.1 Discounts. The District shall permit no discounts for rates and charges, except according to official action by the Board of Directors.

11.7.2 Surcharges. For premises being served by the District whose discharge Wastewater is difficult to treat or exceeds normal domestic strength Wastewater, a surcharge may be imposed by the District in an amount not to exceed fifty percent (50%) of the monthly charge.

11.7.3 Contract rates. In the case of institutions, plants, organized sewer districts, municipal corporations or other similar Users of the Wastewater Treatment System and which are

furnished Wastewater treatment service pursuant to contract, the rates and charges for the use of the Wastewater Treatment System shall be as specified in said contracts so long as said contracts or renewals thereof remain in force and effect.

SECTION 12

PROHIBITIONS AND LIMITATIONS ON WASTEWATER DISCHARGE

12.1 Wastewater Discharge; Treatment Required: It shall be a violation of these Rules and Regulations, subject to penalty and or prosecution, for any Person to discharge into any natural waterway or any surface drainage within the District, or in any area under the jurisdiction of the District, any wastewater unless suitable treatment of such wastewater has been provided in accordance with the provisions of these Rules and Regulations. This prohibition is in addition to any requirements, prohibitions or penalties provided for by the Act. The District shall not be responsible for enforcement, clean-up or remediation of any such discharge by Persons not authorized to do so by the District. By setting the standards in this Section 12, the District does not insure or otherwise assume responsibility for detection, remediation, clean-up or any other costs or penalties associated with a User's discharge in violation of the Act or any other applicable law, regulation or standard.

12.2 Wastewater Discharge; Prohibitions: It shall be a violation of these Rules and Regulations, subject to penalty and/or prosecution, for any Person to discharge or deposit or cause or allow to be discharged or deposited into the Wastewater Treatment System any wastewater which contains the following:

12.2.1 Storm Water Drainage from ground, surface, roof headers, catch basins, unroofed area drains (e.g. commercial car washing facilities) or any other source. Also specifically prohibited is water from underground drains, sump pump discharges, natural springs and seeps, water accumulated in excavation or grading or any other water associated with construction.

12.2.2 Inert Suspended Solids or other inert particulate matter such as but not limited to, fullers earth, lime slurries and paint residues, resulting in Wastewater with a settleable solids concentration greater than twenty (20) milliliters per liter.

12.2.3 Unusual Concentrations of Dissolved Solids such as but not limited to chloride greater than five thousand (5000) Mg/L and sulfate greater than five hundred (500) Mg/L. The Manager may reject other unusually high concentrations upon determination that they are incompatible pollutants. The District in the future may also adopt a TDS (Total Dissolved Solids) limit.

12.2.4 Oil and Grease of the following concentrations, sources of nature:

12.2.4.1 Wastewater containing total grease and oil in excess of one hundred (100) Mg/L concentration as measured by Soxhlet extraction set forth in the most recent edition of Standard Methods for the Examination of Water and Wastewater or U.S. EPA Manual of Methods for Chemical Analysis of Water and Wastes.

12.2.4.2 Wastewater containing more than twenty (20) Mg/l petroleum measured as hydrocarbons by Soxhlet extraction, or other approved method set out in Standard Methods for the

Examination Water and Wastewater. Evidence of oil or grease in Wastewater shall be based upon instantaneous or Grab Samples.

12.2.5 Explosive Mixtures consisting of liquids, solids or gases which by reason of their nature or quantity are, or may be, sufficient either alone or by interaction with other substances to cause fire or explosion or be injurious in any other way to the Wastewater Treatment System or to the operation of the system. At no time shall two (2) successive readings on an explosion hazard meter at the point of discharge into the Wastewater system be more than five per cent (5%), nor may any single reading be over ten per cent (10%) of the lower explosive limit (L.E.L.) of the meter. Prohibited materials include, but are not limited to: gasoline, kerosene, naphtha, benzene, toluene, xylene, ethers, alcohols, ketones, aldehydes, peroxides, chlorates, perchlorates, bromates, carbides, hydrides and sulfides.

12.2.6 Noxious Material consisting of noxious or malodorous solids, liquids or gases, which, either singly or by interaction with other wastes, are capable of creating a public nuisance or hazard to life, or are or may be sufficient to prevent entry into any portion of the Wastewater system for its maintenance and repair.

12.2.7 Improperly Shredded Garbage that has not been ground or comminuted to such a degree that all particles will be carried freely in suspension under flow conditions normally prevailing in the Wastewater system, with no particle greater than one-half inch (1/2") in any dimension.

12.2.8 Radioactive Wastes or Isotopes of such a half-life or concentration that they do not meet regulations set forth by the Colorado Department of Health, State of Colorado, in the latest edition of Rules and Regulations Pertaining to Radiological Control.

12.2.9 Solid or Viscous Wastes which will or may cause obstruction to the flow in a Collection Line or otherwise interfere with the proper operation of the Wastewater Treatment System. Prohibited materials include, but are not limited to: grease, uncomminuted garbage, animal guts or tissues, paunch manure, bones, hair, hides or fleshings, entrails, whole blood, feathers, ashes, cinders, sand, spent lime, stone or marble dust, metal, glass, straw, shavings, grass clippings, rags, spent grains, spent hops, waste paper, wood, plastic, tar, asphalt residues, residues from refining or processing fuel or lubrication oil and similar substances.

12.2.10 Toxic Substances in amounts exceeding standards promulgated by the Administrator of the United States Environmental Protection Agency pursuant to section 307(a) of the Act, and chemical elements or compounds, phenols or other taste or odor-producing substances, or any other substances which are not susceptible to treatment or which may interfere with the biological processes or efficiency of the treatment system or which will be transmitted through the system to Receiving Water.

12.2.11 Substances which are not amenable to treatment or prescribed reduction by the treatment process employed by the Division, or are amenable to such a limited degree of reduction that a discharge of such wastewater would result in effluent discharge from the treatment works that

does not meet requirements of State, Federal and other agencies having jurisdiction over discharge or application to Receiving Waters and/or lands.

12.2.12 Wastes with color not removable by the treatment process.

12.2.13 Corrosive Wastes which will cause corrosion or other deterioration of the Wastewater Treatment System. All Wastewater discharged into the Wastewater system must have an instantaneous pH value in the range of five and one-half (5.5) to ten (10) standard units inclusive and must have temperature not exceeding one hundred fifty degrees (150°) Fahrenheit.

12.3 Wastewater Discharge; Limitations:

12.3.1 It shall be a violation of these Rules and Regulations, subject to penalty and/or prosecution, for any Person to discharge or deposit or cause or allow to be discharged or deposited, any waste or Wastewater which fails to comply with the limitations imposed by this section.

12.3.2 No discharger into the Wastewater Treatment System shall augment his use of process water or otherwise dilute his discharge as a partial or complete substitute for adequate treatment to achieve compliance with these standards.

12.3.3 As used in this Section, the following terms shall have the meanings designated herein:

12.3.3.1 Total Metals shall mean the sum of the concentrations of copper (Cu), nickel (Ni), total chromium (Cr) and zinc (Zn).

12.3.3.2 Discharge Rate shall mean that volume of effluent from the User which has been determined by the Manager to be representative of process effluent from that User.

12.3.4 For Users with a discharge rate of less than ten thousand (10,000) gallons per average operating day, the following limitations shall apply, except that at no time shall the maximum concentration exceed two (2) times the maximum average concentration per operating day:

<u>Pollutant or Pollutant Property</u>	<u>Maximum Average Concentration Operating Day (Mg/L)</u>
Cn (Cyanide) amenable to chlorination	1.0
Cr (+6) (Hexavalent Chromium)	0.005
Pb (Lead)	0.1
Cd (Cadmium)	0.005

12.3.5 For Users with a discharge rate of greater than ten thousand (10,000) gallons per average operating day, the following limitations shall apply except that at no time shall the maximum average concentration exceed two (2) times the maximum average concentration per operating day:

Maximum Average Concentration

<u>Pollutant or Pollutant Property</u>	<u>Operating Day (Mg/L)</u>
Cn (Cyanide) amenable to chlorination	1.0
Cn (Cyanide) total	0.64
Cr (+6) (Hexavalent Chromium)	0.005
Cu (Copper)	0.1
Ni (Nickel)	0.05
Cr (Chromate) total	1.5
Zn (Zinc)	1.0
Pb (Lead)	0.1
Cd (Cadmium)	0.05
Total Metal	2.0

12.3.6 For all Users the following maximum concentrations shall apply:

<u>Toxicant</u>	<u>Maximum Concentration At Any Time (Mg/L)</u>
Arsenic	0.1
Barium	5.0
Beryllium	1.0
Boron	1.0
Chlorinated Hydrocarbons including, but not limited to pesticides, herbicides and algeacides	0.02
Cresols	2.0
Fluorides	25.0
Formaldehyde	5.0

<u>Toxicant</u>	<u>Maximum Concentration At Any Time (Mg/L)</u>
Manganese	1.0
Mercury	0.0002
Organic Solvents	10.0
Phenols	0.5
Selenium	0.002

12.3.7 Effluent limitations and pretreatment standards promulgated pursuant to the Act shall apply in any instance where they are more stringent than those in this Section. Subsequent limitations shall apply as promulgated in accordance with the Act. The District shall endeavor to give reasonable notice of the applicability of such standards and limitations to Users potentially affected thereby.

12.3.8 It shall be a violation of these Rules and Regulations to knowingly and deliberately discharge any expired or non-expired drugs, medicines, prescriptions, or other pharmaceutical products into the sanitary sewer system or Wastewater Treatment System. This includes all medications for animals and veterinary prescriptions, herbal and other supplements, illicit and/or illegal drugs and narcotics, methamphetamines, and all drug paraphernalia. Discharge of any substance that may cause interference or pass through the Wastewater Treatment System is prohibited.

12.4 Point of Discharge; Limitations:

12.4.1 It shall be a violation of these Rules and Regulations, subject to penalty and/or prosecution, for any Person to discharge any substance directly into a manhole or other opening in the Wastewater Treatment System other than through an approved Service Line.

12.4.2 Liquid wastes from septic tanks, chemical toilets, and trailers, campers or other recreational vehicles which have been collected and/or held in tanks or other containers shall not be discharged into the Wastewater system except at locations authorized by the Manager.

12.4.3 It shall be a violation of these Rules and Regulations, subject to penalty and/or prosecution, for any Person to discharge cooling waters or process waters to a storm sewer or natural outlet.

12.4.4 Swimming Pools (Indoors and Outdoors) All non-residential swimming pools shall discharge directly into a Wastewater Service Line. Swimming pools shall be discharged at a rate that does not exceed 100 gallons per minute or at a rate that does not cause the downstream system, or any appurtenance, to surcharge, whichever is less. A swimming pool may not discharge through a Grease Interceptor. A detailed drawing of the proposed outlet/drainage design shall be shown on the Approved Wastewater Construction Plan as well as the location of the connection to the Wastewater Main or Wastewater Service Line.

12.4.5 Swimming Pools (Indoors and Outdoors) on residential properties will not be allowed to discharge or drain to the wastewater system.

12.5 Disposal; Limitations:

12.5.1 It shall be a violation of these Rules and Regulations, subject to penalty and/or prosecution, for any Person to dispose of wastes at the disposal facilities where such wastes have been collected and/or held in a tank or other container and where such wastes fail to comply with any limitation set out in this Section 12.

12.5.2 The District shall endeavor to identify and compile a record of those sources which produce or may produce wastes which are or may be in violation of the limitations imposed by this Section and any such record shall be available to any Person during normal business hours. However, the limitations imposed by this Section shall apply without regard to the existence, substance or

availability of any such record.

SECTION 13

CONTROL OF PROHIBITED WASTES

13.1 Regulatory Actions; Specific Powers of Manager: If wastewater containing any substance prohibited or exceeding the limitations described in Section 12 discharged or proposed to be discharged into the Wastewater System or to any wastewater system tributary thereto, the Manager may take any action necessary to:

13.1.1 Prohibit the discharge of such wastewater.

13.1.2 Require a discharger to demonstrate that in plant modifications will reduce or eliminate the discharge of such substances in conformity with the District's Rules and Regulations.

13.1.3 Require treatment, including storage facilities of flow equalization necessary to reduce or eliminate the objectionable characteristics or substance so that the discharge will not violate the District's Rules and Regulations.

13.1.4 Require the Person making, causing or allowing the discharge to pay any additional cost or expense incurred by the District for handling and treating excess loads imposed on the Wastewater Treatment System; or

13.1.5 Take such other or further remedial action as may be deemed to be desirable or necessary to achieve the purposes of the District's Rules and Regulations.

13.2 Regulatory Actions; General Powers of Manager: Any actual or threatened discharge of wastewater containing substances limited or prohibited by these Rules and Regulations into the Wastewater Treatment System which, by the determination of the Manager, presents an imminent or substantial endangerment to the health or welfare of Persons or to the environment or which causes interference with the normal operation of the Wastewater Treatment System, may be immediately halted or eliminated by the Manager. The Manager may halt or eliminate such discharges by means of any procedure or measure authorized by the District's Rules and Regulations and other applicable law for enforcement of discharge limitations and prohibitions, or by means of physical disconnection from the Wastewater Treatment System or other discontinuance of Wastewater treatment service. Such discharges may be halted or eliminated without regard to the compliance of the discharge with other provisions of the District's Rules and Regulations.

13.3 Pretreatment Facilities; Submission of Plans: Where pretreatment or equalization of wastewater flows prior to discharge into any part of the Wastewater Treatment System is required, plans, specifications and other pertinent data or information relating to such pretreatment or flow-control facilities shall first be submitted to the Manager for review and approval. Such approval shall not exempt the discharge of such facilities from compliance with any applicable code, ordinance, rule, regulation or order of any governmental authority. Such approval shall not be construed as or act as a guaranty or assurance that any discharge is or will be in compliance with any applicable code,

ordinance, rule, regulation or order of any governmental authority. Any subsequent alterations or additions to such pretreatment or flow-control facilities shall not be made without due notice to and prior approval of the Manager.

13.4 Pretreatment Facilities; Operations: If pretreatment or control of wastewater waste flow is required, such facilities shall be maintained in good working order and operated as efficiently as possible by the owner or operator at his own cost and expense, subject to the requirements of these Rules and Regulations and all other applicable codes, ordinances, laws, rules and regulations.

13.5 Admission to Property: Whenever it shall be necessary for the purposes of these Rules and Regulations, the Manager, upon the presentation of credentials, may enter upon any property or premises at reasonable times, including at any time during the operating day of the User for the purposes of:

13.5.1 Copying any records required to be kept under the provisions of the District's Rules and Regulations;

13.5.2 Inspecting any monitoring equipment or method; and/or sampling any discharge of wastewater into the Wastewater Treatment System. The occupant of such property or premises shall render all proper assistance in such activities.

13.6 Accidental Discharge; Protection from: Each Industrial User shall provide adequate protection as approved by the Manager from accidental discharge of prohibited materials or other wastes regulated by these Rules and Regulations. Facilities and procedures to prevent accidental discharge of prohibited materials shall be provided and maintained at the owner or operator's own cost and expense. Detailed plans showing facilities and operating procedures to provide this protection shall be submitted to the Manager for review, and shall be approved by him before installation of the accidental discharge protection. Review and approval of such plans and operating procedures shall not relieve the Industrial User from the responsibility to modify its facility as necessary to meet the requirements of the District's Rules and Regulations as amended from time to time.

13.7 Accidental Discharge; Report Required: If a facility has an accidental Slug Discharge, the owner or User of the facility responsible for such discharge shall immediately notify the Manager so that corrective action may be taken to protect the Wastewater Treatment System. In addition, a written report addressed to the Manager detailing the date, time and cause of the accidental discharge, the quantity and characteristics of the discharge and corrective action taken to prevent future discharges, shall be filed by the responsible Person within twenty-four (24) hours of the occurrence of the noncomplying discharge.

13.8 Accidental Discharge; Failure to Report: It shall be a violation of these Rules and Regulations, subject to penalty and/or prosecution, for any Person to fail to report any accidental discharge which violates the prohibitions and limitations of these Rules and Regulations.

SECTION 14

INDUSTRIAL WASTEWATER MONITORING AND REPORTING

14.1 Discharge Reports:

14.1.1 Every Industrial User shall file an annual discharge report. Unless otherwise required by the Manager, discharge reports shall be filed not later than January 31. The Manager may require any other Industrial User discharging or proposing to discharge into the Wastewater Treatment System to file such periodic reports.

14.1.2 The discharge report shall indicate the current status of the User and shall include, but, in the discretion of the Manager, shall not be limited to, nature or process, volume, rates of flow, mass emission rate, production quantities, hours of operation, concentrations of controlled substances or other information which relates to the generation of waste. Such reports may also include the chemical constituents and quantity of liquid materials stored on site even though they are normally discharged. In addition to discharge reports, the Manager may require information in the form of self-monitoring reports of which the format, frequency and contents shall be specified by the Manager.

14.1.3 Every Industrial User shall file an amended discharge report two (2) weeks prior to any planned significant change in operations, wastewater constituents or wastewater characteristics. If such change occurs unknowingly or is unplanned, an amended discharge report shall be filed within five (5) days after such change becomes known. A significant change shall mean a change which will be in effect for a period of thirty (30) days or more and shall include but is not limited to:

14.1.3.1 Change in number of shifts, any additional processing operation, any new regulated substances used which may be discharged.

14.1.3.2 A twenty-five percent (25%) increase or decrease in the wastewater flow or production volume.

14.1.3.3 Any other change which may alter the average normal wastewater characteristics by a factor of 1.5 or more.

14.2 Records and Monitoring:

14.2.1 All Industrial Users who discharge or propose to discharge wastewaters to the Wastewater Treatment System shall maintain such records of production and related factors, effluent flows and amounts or concentrations of controlled substances as are necessary to demonstrate compliance with the requirements of these Rules and Regulations and any applicable State or Federal pretreatment standards or requirements.

14.2.2 Such records shall be made available upon request of the Manager. In addition, all Industrial Users who discharge or propose to discharge wastewaters to the Wastewater Treatment

System shall provide the information requested by the Manager on a wastewater discharge questionnaire, which questionnaire shall be established and revised by the Manager from time to time as the Manager deems necessary.

14.2.3 Should the Manager deem it necessary to fulfill the purposes of these Rules and Regulations, the owner or operator of any premises or facility discharging industrial Wastewater into the Wastewater System shall install at his own expense suitable monitoring equipment which isolates appropriate wastewater discharges into the Wastewater System and facilitates accurate observation, sampling and measurement of appropriate discharges. Owner or operator shall maintain such equipment in proper working order and assure such equipment is kept safe and accessible to the District at all times. Acceptance of service by a User is a waiver of any requirements for the District to enter the premises being served at any time for administrative inspection and/or sampling. Failure of the User to allow the District to enter the premises being served for such purposes may result in immediate disconnection from the Wastewater System by whatever means deemed appropriate by the District Manager.

14.2.4 Where practical, the monitoring equipment shall be located and maintained on the Industrial User's premises outside of the building. When such a location would be impractical or cause undue hardship to the User, the Manager may allow such facility to be constructed in the public street or easement area, with the approval of the agency having jurisdiction over such street or easement, and located so that it will not be obstructed by public utilities, landscaping, or parked vehicles.

14.2.5 When more than one User is able to discharge into a common Service Line, the Manager may require installation of separate monitoring equipment for each User. When there is a significant difference in wastewater constituents and characteristics produced by different operations of a single User, the Manager may require that separate monitoring facilities be installed for each separate discharge.

14.2.6 Whether constructed on public or private property, the monitoring facilities shall be constructed in accordance with the Manager's requirements and all applicable construction standards and specifications.

14.3 Inspection, Sampling and Analysis:

14.3.1 Compliance determinations may be made on the basis of either instantaneous "Grab" Samples or Composite Samples of Wastewater. Such samples shall be taken at a point or points which the Manager determines to be suitable for obtaining a representative sample of the discharge. Composite Samples may be taken over a twenty-four (24) hour period, or over a longer or shorter time span, as determined by the Manager to meet specific circumstances.

14.3.2 Laboratory analysis of industrial Wastewater samples shall be performed in accordance with the current edition of Standard Methods for Chemical Analysis of Water and Wastewater published by the U.S. Environmental Protection Agency or the Annual Book of

Standards, Part 23, Water, Atmospheric Analysis, published by the American Society for Testing and Materials. Analysis of those pollutants not covered by these publications shall be performed in accordance with procedures approved by the Manager. The test results of laboratory analysis performed in accordance with this Section shall be presumed to be correct unless shown otherwise by competent evidence.

14.3.3 Sampling of industrial wastewater for the purpose of determining compliance will be performed at such intervals as the Manager may designate. However, it is the goal of this Section that the Manager conducts sampling or causes such sampling to be conducted for all Industrial Users at least four (4) times per year.

SECTION 15

INDUSTRIAL DISCHARGE PERMIT SYSTEM

15.1 Wastewater Discharge Permits Required: All Industrial Users proposing to connect to or discharge into any part of the Wastewater Treatment System shall obtain a discharge permit therefor. All existing Industrial Users connected to or discharging into any part of the Wastewater System shall obtain a wastewater discharge permit within ninety (90) days from and after the effective date of these Rules and Regulations. A separate permit is required for each facility on a separate platted lot with a separate service connection.

15.2 Discharge Permit; Application for:

15.2.1 Industrial Users seeking a wastewater discharge permit shall complete and file with the Manager an application on the form prescribed by the Manager. In support of this application, the Industrial User shall be required to submit the following information:

15.2.1.1 Name, address and User classification number of the applicant.

15.2.1.2 Average daily discharge rate of Wastewater.

15.2.1.3 Wastewater constituents and characteristics, including but not limited to those set forth in Section 12 as determined by an analytical laboratory approved by the Manager.

15.2.1.4 Time and duration of discharge.

15.2.1.5 Average and thirty (30) minute peak wastewater flow rates, including daily, monthly and seasonal variations if any.

15.2.1.6 Site plans, floor plans, mechanical and plumbing plans and details to show all Service Lines and appurtenances by size, location and elevation.

15.2.1.7 Description of activities, facilities and plant processes on the premises, including all materials and types of materials which are, or could be, discharged into the Wastewater System.

15.2.1.8 Each product produced by type, amount and rate of production.

15.2.1.9 Number and type of employees, and hours of work, and

15.2.1.10 Any other information deemed by the Manager to be necessary to evaluate the permit application.

15.2.2 There shall be and there is hereby established a wastewater discharge permit

application charge of one hundred dollars (\$100.00) for each permit application. Such charge shall be payable by the applicant at the time the application is submitted.

15.2.3 The Manager shall evaluate the data furnished by the Industrial User and may require additional information. After evaluation and acceptance of the data furnished, the Manager may issue a wastewater discharge permit subject to the terms and conditions provided herein.

15.3 Discharge Permit; Issuance of:

15.3.1 The Manager may issue a wastewater discharge permit to the applicant if the Manager finds that all of the following conditions are met:

15.3.1.1 The proposed discharge of the applicant is in compliance with the prohibitions and limitations of Section 12.

15.3.1.2 The proposed discharge of the applicant would permit the normal and efficient operation of the Wastewater Treatment System and;

15.3.1.3 The proposed discharge of the applicant would not result in a violation of the terms and conditions of its NPDES Permit or any local, state or federal requirements.

15.3.2 If the Manager finds that the condition set out in subsection 15.3.1.1 of this Section is not met, the Manager may issue a wastewater discharge permit to the applicant if the conditions set out in subsections 15.3.1.2 and 15.3.1.3 of this Section are met and if the applicant submits, and the Manager approves, a schedule setting out the measures to be taken by the applicant and the dates that such measures will be implemented to insure compliance with the provisions of these Rules and Regulations.

15.4 Discharge Permit; Denial of; Hearing:

15.4.1 In the event an application for a wastewater discharge permit is denied, the Manager shall notify the applicant in writing of such denial. Such notification shall state the grounds for such denial with that degree of specificity which will inform the applicant of the measures or actions which must be taken by the applicant prior to issuance of a permit.

15.4.2 Upon receipt of notification of denial of a permit application, the applicant may request and shall be granted a hearing. At such hearing the applicant shall have the burden of establishing that the conditions set out in Section 15.3 have been met and that a permit should be issued.

15.4.3 The District may conduct the hearing and take the evidence or may designate a representative to:

15.4.3.1 Issue in the name of the District notices of hearings requesting the attendance and testimony of witnesses and the production of evidence relevant to any matter involved

in such hearings.

15.4.3.2 Take the evidence.

15.4.3.3 Transmit a report of the evidence and hearing, including transcripts and other evidence, to the District, together with recommendations for action thereon.

15.4.4 Testimony taken at any public hearing shall be under oath and recorded stenographically. The transcript as recorded shall be made available to any member of the public or any party to the hearing upon payment of the usual charges therefor.

15.4.5 Upon review of the evidence by the Board, the Board shall make written findings of fact. Thereupon the Board may issue an order directing the Manager to issue a wastewater discharge permit, or direct that such a permit shall not be issued, or give such other or further orders and directives as are necessary and appropriate.

15.4.6 Any party to the hearing aggrieved or adversely affected by an order of the Board may appeal such order to the District Court in and for the County of El Paso, pursuant to Rule 106(a)(4) of the Colorado Rules of Civil Procedure.

15.5 Discharge Permit; Conditions: Wastewater discharge permits shall be expressly subject to all provisions of these Rules and Regulations and all other regulations, User charges and fees as established by the District from time to time. The conditions of Wastewater discharge permits shall be uniformly enforced in accordance with these Rules and Regulations and applicable State and Federal regulations. Permit conditions may include the following:

15.5.1 The unit charge or schedule of User charges and fees for the Wastewater to be discharged to the system.

15.5.2 Reporting requirements to indicate chemicals purchased, used, disposed, and method of disposal, including a description of and limitations placed upon the discharge point.

15.5.3 Limits on rate, time and characteristics, including average and maximum Wastewater constituents and characteristics, of discharge or requirements for flow regulations and equalization.

15.5.4 Requirements for installation of inspection and sampling facilities and specifications for monitoring programs.

15.5.5 Requirements for maintaining and submitting technical reports and plant records relating to Wastewater discharges, and quantities or general characteristics of Wastewater tank contents.

15.5.6 Daily average and daily maximum discharge rates or other appropriate conditions,

when substances subject to limitation and prohibition are proposed or present in the User's Wastewater discharge.

15.5.7 Compliance schedules and/or;

15.5.8 Other conditions to ensure compliance with these Rules and Regulations.

15.5.9 Upon request by the Manager, all records kept pursuant to this Section shall be submitted to the Manager for review within 10 days of such request.

15.6 Discharge Permit; Duration: Permits shall be issued for a specified time period, not to exceed three (3) years. A permit may be issued for a period of less than one year, or may be stated to expire on a specific date. If the User is not notified by the Manager thirty (30) days prior to the expiration of the permit, the permit shall automatically be extended for one year only. The terms and conditions of the permit may be subject to modification and change by the Manager during the life of the permit, as limitations or requirements as identified in Section 12 and 13 are modified and changed. The User shall be informed of any proposed changes in his permit at least sixty (60) days prior to the effective date of change or to the application of change(s) to the User. Any such change or new condition in the permit shall include a reasonable time schedule for compliance.

15.7 Discharge Permit; Transfer: Wastewater permits are issued to a specific User for a specific operation. A wastewater discharge permit shall not be reassigned or transferred or sold to a new owner, new User, different premises or a new or changed operation.

15.8 Discharge Permit; Revocation: Any violation of the conditions of a permit or of these Wastewater provisions or of applicable State and Federal regulations shall be reason for revocation of such permit. Grounds for revocation of a permit include, but are not limited to the following:

15.8.1 Failure of the User to report significant changes in operations or wastewater constituents and characteristics.

15.8.2 Failure of a User to accurately report the wastewater constituents and characteristics of his discharge.

15.8.3 Refusal of reasonable access to the User's premises for the purpose of inspection or monitoring or;

15.8.4 Violation of conditions of the permit.

SECTION 16

ENFORCEMENT

16.1 Notification of Violation: Whenever the Manager finds that any Person has violated or is violating the provisions of Sections 9 through 16 herein, or any prohibition, limitation or requirement contained therein, he may serve upon such Person a written notice stating the nature of the violation and providing a reasonable time, not to exceed thirty (30) days, for the satisfactory correction thereof. A meeting with the Manager may be scheduled at the request of the violating Person or Manager to discuss the violation and/or satisfactory correction schedule. Such meeting shall not serve as an extension of the thirty day time limit for correction of a violation.

16.2 Show-Cause Hearing:

16.2.1 Upon a finding by the Manager that a Person has caused or permitted an unauthorized discharge or that any such unauthorized discharge has been corrected by timely compliance with a correction schedule, whether with or without a meeting with the Manager, the Manager may order any Person who causes or allows such unauthorized discharge to show cause to the District why service should not be terminated. A notice shall be served on the offending party, specifying the time and place of a hearing to be held regarding the violation, and directing the offending party to show cause why an order should not be made directing the termination of service. The notice of the hearing shall be served personally or by certified mail at least ten (10) days before the hearing. Service may be made on any agent or officer of a corporation.

16.2.2 The District may conduct the hearing and take the evidence, or may designate a representative to:

16.2.2.1 Issue in the name of the District notices of hearings requesting the attendance and testimony of witnesses and the production of evidence relevant to any matter involved in any such hearings.

16.2.2.2 Take the evidence.

16.2.2.3 Transmit a report of the evidence and hearing to the District, including transcripts and other evidence, together with recommendations for action thereon.

16.2.3 At any public hearing, testimony taken before the hearing authority or any Person designated by it, shall be under oath and recorded stenographically. The transcript so recorded will be made available to any member of the public or any party to the hearing upon payment of the usual charges therefor.

16.2.4 Upon review of the evidence by the District, the District shall make written findings of fact. Thereupon the District may:

16.2.4.1 Issue an order stating that no unauthorized discharge has occurred and directing that service shall not be terminated therefor.

16.2.4.2 Issue an order stating that an unauthorized discharge has occurred and directing that following a specified time period, the Wastewater Treatment Service of the offending party be discontinued unless:

16.2.4.2.1 Adequate treatment facilities, devices or other appurtenances have been installed, or

16.2.4.2.2 Existing treatment facilities, devices or other appurtenances are properly operated, upgraded or maintained, or

16.2.4.2.3 Issue such other or further orders and directives as are necessary and appropriate.

16.2.5 Any party to the hearing aggrieved or adversely affected by an order of the District may appeal such order to the District Court in and for the County of El Paso, pursuant to Rule 106(a)(4) of the Colorado Rules of Civil Procedure.

16.3 Disclosure; Availability to Public: Except as otherwise provided in Section 16.4, all records, reports, data or other information supplied by any Person as a result of any disclosure required by this Section shall be available for public inspection.

16.4 Trade Secrets; Confidentiality of:

16.4.1 The provisions of Section 16.3 shall not be applicable to any information designated as a trade secret by the Person supplying such information. Material designated as a trade secret may include but shall not be limited to processes, operations, style of work or apparatus or confidential commercial or statistical data.

16.4.2 Information designated as a trade secret pursuant to Section 16.4.1 shall remain confidential and shall not be subject to public inspection. Such information shall be available only to officers, employees or authorized representatives of the District charged with enforcing the provisions of this Section.

16.4.3 It shall be a violation of these Rules and Regulations, subject to penalty and/or prosecution, for any officer, employee or authorized representative of the District to divulge in any manner or to any extent not authorized by judicial order or other provision of law information supplied pursuant to any requirement of this Section, when such information has been designated as a trade secret pursuant to Section 16.4.1. In addition to any other penalties that may be imposed, any officer, employee or authorized representative of the District who violates the provisions of this Section shall be subject to discharge from the employ of the District.

16.5 Public Notice of Significant Violations: On or before the first day of June of each year, the Manager shall cause to be published one time in at least one daily newspaper of general circulation, a notice of all significant violations which occurred subsequent to the proceeding annual notice. The annual notice shall include, but not be limited to, the name of the violator, date of violation, and the general nature of the violation.

EXHIBIT A

WIDEFIELD WATER AND SANITATION DISTRICT

TERMS AND CONDITIONS OF SERVICE

January 1997

You are hereby notified that the Widefield Water and Sanitation District (the "District") is acquiring all of the improvements and facilities of the Widefield Homes Water Company, Inc. (the "Water Company"). It is presently anticipated that the acquisition will be complete on or about January 15, 1996. Upon the acquisition of the water and sewer facilities, the Water Company will no longer be permitted to furnish water and sewer service to you. Upon the termination of service by the Water Company, the District will be providing water and sewer service and treatment pursuant to the Terms and Conditions stated herein, and otherwise as provided in the District's Rules and Regulations:

1. Billing will be on a monthly basis. Rates for water and sewer services will be established from time to time by the Board of Directors in its reasonable discretion and as permitted by law. Rates will be fixed at levels necessary to generate sufficient revenues to pay the costs of operating and maintaining the water and sewer system, the costs of general District operations, and the costs of debt service on outstanding obligations of the District, including compliance with rates covenants contained in any documents by which the District is bound in connection with the issuance of bonds or other obligations.
2. Normal reading dates are approximately seven (7) days prior to billing dates.
3. The District will hold all prior security deposits for service originally made with the Water Company. The District will also honor all existing tap permits.
4. Payment for water and sewer services is due and payable within fourteen (14) days of the billing date and will be considered past due if not paid within thirty days of the billing date. Amounts due for water and sewer services shall, until paid, be a lien on your property in accordance with section 32-1-1001(1)(j&k), C.R.S. You also agree that such amounts shall constitute a lien by consent. The statutory consensual liens may be foreclosed upon in accordance with law. In addition, in the case of past due payments, the District may assess a late fee, interest on unpaid amounts, and/or unilaterally discontinue the customer's water and sewer service. Disconnected service may be re-connected upon payment to the District of the amount owing under the past due bill and a reconnection fee as established by the District Board of Directors from time to time.
5. Should you need to call a private sewer service company for any reason, you must also contact our Sanitation Plant so our personnel can be standing by in order to trap any material discharging from your service line into the main. Failure to contact the Sanitation

Plant may result in costly damages which you and the private sewer service may be required to pay. The Sanitation Plant's number is (719) 392-8848.

6. There will be a fee for returned checks in the amount established by the Board, in addition to any charges which may be assessed by the banks involved. The returned check fee may be amended from time to time by the District Board of Directors in its discretion and as permitted by law.

7. The District has assumed certain financial obligations in order to provide service to its customers. These include, but are not necessarily limited to, the purchase and updating of the current treatment and delivery system to meet state, local and federal pollution control standards, as well as expansions or additions to existing facilities. In order to provide water and sanitation service to you, the District has entered into bonded debt, and is expected to enter into additional bonded debt in the future. Therefore, it is important that the District be able to count on the stream of payments for service from you and other customers within the District. For this reason, acceptance of service provided by the District under these Terms and Conditions will be on a perpetual basis until the time at which the District terminates or discontinues service to its customers.

8. Also, should you discontinue service with the District for any reason other than the sale of your property to another individual who continues to accept service from the District, a lump sum Disconnection Fee shall be paid to the District within fourteen (14) days of the service termination. The Disconnection Fee shall be in an amount necessary to compensate this District for the expenditure that it made to provide the infrastructure and capacity required to serve your property, future revenues lost from your property as a result of the disconnection and to satisfy District operating and debt service commitments. The Disconnection Fee shall be established and may be modified from time to time by the Board of Directors in their reasonable discretion and as permitted by law. The Disconnection Fee will be a lien against your property to the same extent as are the liens for other District rates and charges, until paid in full, and may be foreclosed upon by the District with the right to have the property sold and the proceeds applied to the lien. The unpaid Disconnection Fee may also be collected from you personally, together with attorney's fees and costs of suit.

9. The Terms and Conditions set forth herein may be amended by the Board of Directors of the Widefield Water and Sanitation District at a public meeting held in accordance with and as permitted by law. Customers of the Widefield Water and Sanitation District will be notified of any such amendments by mail.

10. Acceptance of water and/or sanitation service from the District will constitute your agreement to the Terms and Conditions as stated herein.

Copies of the full text of the District's Rules and Regulations, which contain additional terms and

conditions upon which service is offered by the District, are available by request from the District at the following address: 3 Widefield Boulevard, Colorado Springs, Colorado 80911.

WIDEFIELD WATER AND SANITATION DISTRICT
BY THE BOARD OF DIRECTORS
Dated: December 19, 1996

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EXHIBIT B

WIDEFIELD WATER AND SANITATION DISTRICT

TERMS AND CONDITIONS OF SERVICE

Widefield Water and Sanitation District (the "District") will be assuming the provision of water service to landowners of Peaceful Valley who are signatories to that certain Agreement for Construction of Improvements (the "Agreement").

Landowners of Peaceful Valley who are not signatories to the Agreement shall not receive Service from the District, except on a temporary basis for a period not to exceed six (6) months from the date of notice from the District that such temporary service has commenced. At the time at which any such landowner desires to receive Service from the District he or she must become a signatory to the Agreement and payment of a fee for initiation of Service shall be required (the "Initiation Fee"). The Initiation Fee shall be determined at the discretion of the board of Directors of the District from time to time and shall, at a minimum consist of, payment of the District's tap fee pursuant to the District's Rules and Regulations and payment of all costs allocable to such property for the construction of Improvements as if such landowner was originally a signatory to this Agreement on or before March 1, 1997, plus 10% interest per annum to the date at which the landowner actually becomes a signatory to the Agreement. Such landowner shall thereafter be subject to the terms of the Agreement and the Monthly Payment due thereunder.

Persons who take title to property which then receives Service under the terms of this Agreement shall be required to become signatories to this Agreement on or prior to the date of closing for the transfer of such property (the "Transferee). Subject to becoming a signatory to this Agreement on or prior to closing, such Transferee shall receive Service under the terms of this Agreement, as if an original signatory to the Agreement. In the event such Transferee does not become a signatory to this Agreement on or before closing, such Transferee shall not receive Service from the District and Service shall subsequently be initiated only pursuant to the provisions set forth in Section 4(c) above.

Service shall be provided by the District pursuant to the Terms and Conditions stated herein, and otherwise as provided in the District's Rules and Regulations.

1. Billing will be on a monthly basis. Rates for water services, including special rates for temporary service provided on a limited basis hereunder, will be established from time to time by the Board of Directors in its reasonable discretion and as permitted by law. Rates will be fixed at levels necessary to generate sufficient revenues to pay the costs of operating and maintaining the water system, the costs of general District operations, the costs of debt service on outstanding obligations of the District, including compliance with rates covenants contained in any documents by which the District is bound in connection with the issuance of bonds or other obligations.
2. Normal reading dates are approximately seven (7) days prior to billing dates.
3. The District will hold all prior security deposits for service originally made with the Water Company. The District will also honor all existing tap permits.
4. Payment for water service is due and payable within fourteen (14) days of the

billing date and will be considered past due if not paid within thirty days of the billing date. Amounts due for water service shall, until paid, be a lien on your property in accordance with section 32-1-1001(1)(j&k), C.R.S. You also agree that such amounts shall constitute a lien by consent, which statutory consensual liens may be foreclosed upon in accordance with law. In addition, in the case of past due payments, the District may assess a late fee, interest on unpaid amounts, and/or unilaterally discontinue the customer's water service. Disconnected service may be re-connected upon payment to the District of the amount owing under the past due bill and a Re-connection Fee as established by the District Board of Directors from time to time.

5. There will be a fee for returned checks in the amount established by the Board, in addition to any charges which may be assessed by the banks involved. The returned check fee may be amended from time to time by the District Board of Directors in its discretion and as permitted by law.

6. The District has assumed certain financial obligations in order to provide service to its customers. These include, but are not necessarily limited to, the purchase and updating of the current treatment and delivery system to meet state, local and federal pollution control standards, as well as expansions or additions to existing facilities. In order to provide water service to you, the District has entered into bonded debt, and is expected to enter into additional bonded debt in the future. Therefore, it is important that the District be able to count on the stream of payments for service from you and other customers within the District. For this reason, acceptance of service provided by the District under these Terms and Conditions will be on a perpetual basis until the time at which the District terminates or discontinues service to its customers.

7. Also, should you discontinue service with the District for any reason other than the sale of your property to another individual who continues to accept service from the District, a lump sum Disconnection Fee shall be paid to the District within fourteen (14) days of the service termination. The Disconnection Fee shall be in an amount necessary to compensate for the infrastructure and capacity provided to serve your property, future revenues lost from your property as a result of the disconnection and to satisfy District operating and debt service commitments. The Disconnection Fee shall be established and may be modified from time to time by the Board of Directors in their reasonable discretion and as permitted by law. The Disconnection Fee will be a lien against your property until paid in full, and may be foreclosed upon by the District with the right to have the property sold and the proceeds applied to the lien. The unpaid Disconnection Fee may also be collected from you personally, together with attorney's fees and costs of suit.

8. The Terms and Conditions set forth herein may be amended by the Board of Directors of the Widefield Water and Sanitation District at a public meeting held in accordance with and as permitted by law. Customers of the Widefield Water and Sanitation District will be notified of any such amendments by mail.

9. Acceptance of water service from the District will constitute your agreement to the Terms and Conditions as stated herein.

Copies of the full text of the District's Rules and Regulations, which contain additional terms and conditions upon which service is offered by the District, are available by request from the District at the following address: 8495 Fontaine Boulevard, Colorado Springs, Colorado 80925, 719/390-7111.

EXHIBIT C

Water and Wastewater Fees, Rates and Charges
(Effective January 1, 2021)

Widefield Water and Sanitation District - 2021 Rates and Fees

Water Rates & Base Charge

1 Water Base Charge		
Meter Size		\$ Per Month
Up to 3/4"		\$21.50
1 "		\$51.35
1 1/2 "		\$101.11
2 "		\$160.84
3 "		\$320.11
4 "		\$499.27
6 "		\$996.92
8 "		\$1,594.23

2 Water Volume Charge		\$ per 1,000 Gal
Residential;		
1st 5,000 Gallons		\$4.35
Over 5,000 Gallons		\$5.21
Commercial;		
Uniform Rate		\$4.81
Wholesale/Bulk Rate;		
Per 1,000 gallons		\$4.81

Wastewater Rates & Base Charge

3 Wastewater Base Charge		
Meter Size		\$ Per Month
Up to 3/4"		\$16.50
1 "		\$36.79
1 1/2 "		\$70.82
2 "		\$111.61
3 "		\$220.39
4 "		\$342.77
6 "		\$683.36
8 "		\$1,090.71

4 Wastewater Volume Charge		\$ Per 1,000 Gal
Residential Rate		\$5.78
Residential Winter Use Average (Bill periods of Dec, Jan, & Feb)		
Whatever is greater;		
Minimum 1,500 gallons or actual winter usage;		
Or New Residential Customers set to 3,500 gallons until actual winter usage can be determined;		
Or New Accounts for Developer Owned Unoccupied residences set to 1,500 gallons		
Commercial:		
Actual Monthly Usage		\$5.78

Tap Fees & Water Acquisition Fee

5 Water Tap Fees		
Tap Size		Tap Fee \$
3/4 " = 1.0 SFE		\$5,750
1 " = 2.5 SFE		\$14,375
1 1/2 " = 5.0 SFE		\$28,750
2 " = 8.0 SFE		\$46,000
3 " = 16.0 SFE		\$92,000
4 " = 25.0 SFE		\$143,750
6 " = 50.0 SFE		\$287,500
8 " = 80.0 SFE		\$460,000

6 Water Acquisition Fee		
Tap Size		Tap Fee \$
3/4 " = 1.0 SFE		\$7,000
1 " = 2.5 SFE		\$17,500
1 1/2 " = 5.0 SFE		\$35,000
2 " = 8.0 SFE		\$56,000
3 " = 16.0 SFE		\$112,000
4 " = 25.0 SFE		\$175,000
6 " = 50.0 SFE		\$350,000
8 " = 80.0 SFE		\$560,000

7 Wastewater Tap Fees		
Tap Size		Tap Fee \$
3/4 " = 1.0 SFE		\$5,750
1 " = 2.5 SFE		\$14,375
1 1/2 " = 5.0 SFE		\$28,750
2 " = 8.0 SFE		\$46,000
3 " = 16.0 SFE		\$92,000
4 " = 25.0 SFE		\$143,750
6 " = 50.0 SFE		\$287,500
8 " = 80.0 SFE		\$460,000

Fees and Charges

R & R	Service Description	Fee / Charge
8. 4	Meter and Installation, In-house 3/4"	\$ 361
8. 6	Inspection Fee, Water - New Construction	\$ 50
8. 6	Inspection Fee, Wastewater - New Construction	\$ 50
8. 7	Hydrant Meter Deposit	\$ 1,000
8. 11	New Service Deposit, Commercial	\$ 150
8. 15	Late Payment, Water and/or Wastewater	\$ 25
8. 16	Returned Check Fee	\$ 25
8. 16	Returned Check, Bank Fee	\$ 10
8. 17	Service Charge, each (disconnection, reconnection, etc)	\$ 25
8. 19	Tampering Fee plus actual repair & Admin Charge	\$ 500
8. 20	Grease Trap Clean-up	\$ 500
8. 21	After Hours Fee	\$ 50