

**BLUE VALLEY METROPOLITAN DISTRICT**

**AMENDED  
RULES AND REGULATIONS**

**APRIL 2004**

**BLUE VALLEY METROPOLITAN DISTRICT**

**RULES AND REGULATIONS  
TABLE OF CONTENTS**

<b><u>SECTION</u></b>	<b><u>SUBJECT</u></b>	<b><u>PAGE</u></b>
<b><u>ARTICLE I</u></b>		
<b><u>GENERAL</u></b>		
1.1	Purpose-----	1
1.2	Authority -----	1
1.3	Policy -----	1
1.4	Scope -----	1
1.5	Intent of Rules and Regulations -----	1
1.6	Amendment -----	1
1.7	Waiver, Suspension or Modification of Rules -----	1
1.8	Inclusion in Contract -----	2
1.9	Rights and Authority -----	2
1.10	Authority to Inspect -----	2
1.11	Violators Fined -----	2

**ARTICLE II**  
**DEFINITIONS**

2.1	Applicant -----	3
2.2	Board -----	3
2.3	Commercial and/or Industrial Unit -----	3
2.4	Common Space -----	3
2.5	Contractor -----	3
2.6	Cooking Facility -----	3
2.7	Customer -----	3
2.8	District -----	3
2.9	District Engineer -----	3
2.10	Dwelling Unit -----	3
2.11	Efficiency or Studio Unit -----	4
2.12	Equivalent Dwelling Unit -----	4
2.13	Inspector -----	4
2.14	General Manager -----	4
2.15	Permit -----	4
2.16	Private Main -----	4
2.17	Residential Floor Area -----	4
2.18	Rules and Regulations -----	4
2.19	Service Line -----	5
2.20	Shall or May -----	5
2.21	Stub Out -----	5
2.22	Tap -----	5
2.23	Tap Fee -----	5
2.24	Variance -----	5
2.25	Water Main -----	5

## BLUE VALLEY METROPOLITAN DISTRICT

2.26	Water System .....	5
2.27	Any Other Term .....	5

### ARTICLE III LIABILITY AND OWNERSHIP

3.1	Liability of District .....	6
3.2	Condition not Actionable .....	6
3.3	Responsibility for Notification .....	6
3.4	Ownership of Facilities .....	6
3.4.1	Ownership of Water Facilities .....	6
3.4.2	Ownership of Water Meters .....	6
3.4.3	Ownership of Lift Stations .....	7
3.4.4	Conditions of Ownership .....	7

### ARTICLE IV OPERATION AND MAINTENANCE OF WATER SYSTEM

4.1	Responsibility of District .....	8
4.2	Use of System .....	8
4.2.1	Unauthorized Connection and Fees .....	8
4.2.2	Redetermination of Tap Fees .....	8
4.2.3	Revocation of Service .....	8
4.2.4	Suspended Service .....	9
4.3	Tampering with System .....	9
4.3.1	Unauthorized Use .....	9
4.3.2	Malicious Damage to System .....	9
4.3.3	Penalties .....	9
4.3.4	Violators Prosecuted .....	10
4.4	Use of Water System .....	10
4.4.1	Owner Responsibility .....	10
4.4.2	Water Usage .....	10
4.4.3	Turn-on/Turn-off of Service .....	10
4.4.4	Water Meters .....	10
4.4.5	Pressure Reducing Valve .....	11
4.4.6	Stop and Waste Type Valve .....	11
4.4.7	Repair of Service Line .....	11
4.4.8	Cross Connection Control .....	11
4.4.9	Safety Devices .....	11
4.4.10	Fire Hydrants .....	11
4.4.11	Clearances around Hydrants .....	11
4.4.12	Fire Hydrant Meter .....	12
4.5	Water Use Restrictions .....	12
4.5.1	Waste .....	12
4.5.2	Restrictions of Use .....	12
4.5.3	Remedies for Unauthorized Use .....	13
4.5.4	Seals and Detection Devices .....	13

**BLUE VALLEY METROPOLITAN DISTRICT**

4.5.5 Violations ----- 13

**ARTICLE V**  
**APPLICATION FOR SERVICE**

5.1 Service Areas ----- 14  
5.1.1 Service Within District Boundary ----- 14  
5.1.2 Inclusions ----- 14  
5.1.3 Service Outside District Boundary ----- 14  
5.2 Application for Service ----- 14  
5.2.1 Forms and Fees ----- 14  
5.2.2 Tap Information Required ----- 14  
5.2.3 Winter Taps ----- 14  
5.3 Special Conditions ----- 14  
5.3.1 Fire Sprinkler System ----- 15  
5.4 Conditional Permit ----- 15  
5.5 Denial of Permit ----- 15  
5.6 Revocation of Tap Rights ----- 15  
5.6.1 Revocation of Tap Rights ----- 15

**ARTICLE VI**  
**MAIN LINE EXTENSIONS**

6.1 Main Line Extension by the District ----- 16  
6.1.1 Performance Payment and Warranty Bonds ----- 16  
6.1.2 Acceptance Procedures ----- 16  
6.2 Main Line Extensions by Developers ----- 16  
6.2.1 Location of Main Line Extensions ----- 16  
6.3 Main Line Project Procedures by Developers ----- 17  
6.3.1 Letter of Intent ----- 17  
6.3.2 Oversizing Main Lines ----- 17  
6.3.3 Application for Approval ----- 17  
6.3.4 Deposits with the District ----- 17  
6.3.5 Acceptance of Main Lines ----- 17  
6.4 Cost Recovery ----- 18

**ARTICLE VII**  
**RATES AND CHARGES**

7.1 General ----- 19  
7.2 Application of This Article ----- 19  
7.3 Standards of Consumption ----- 19  
7.4 Classification of Customers ----- 19  
7.4.1 Prepaid Tap Fees ----- 19  
7.4.2 Factors and Usage ----- 19  
7.4.3 Disputed Tap Application ----- 19  
7.5 Transfer of Tap Fees ----- 19

**BLUE VALLEY METROPOLITAN DISTRICT**

7.6	Service Charge -----	20
7.7	Amended Tap Fees -----	20
7.8	Amended Service Charges -----	20
7.9	Payment of Service Charges -----	20
7.10	Penalty for Late Payment -----	20
7.11	Foreclosure Proceedings/Attorney's Fees -----	21
7.12	Certification of Amounts to County Treasurer -----	21

**ARTICLE VIII**

**HEARING AND APPEAL PROCEDURES**

8.1	Application -----	22
8.2	Initial Complaint Resolution -----	22
8.3	Hearing -----	22
8.4	Conduct of Hearing -----	22
8.5	Findings -----	23
8.6	Appeals to the Board of Directors -----	23
8.7	Board's Findings -----	23
8.8	Notice -----	23

**APPENDICES**

- A. Schedule of Fees and Charges

# BLUE VALLEY METROPOLITAN DISTRICT

## ARTICLE I GENERAL

### 1.1 PURPOSE

The purpose of these consolidated Rules and Regulations is to ensure an orderly and uniform administration of water in Grand County, Colorado. These administrative responsibilities are performed by a single organization of management, administrative and operations personnel who implement the policy and guidance of each District.

### 1.2 AUTHORITY

The District is a governmental subdivision of the State of Colorado and a corporate body with the powers of a quasi-municipal corporation. These powers are specifically granted for carrying out the objectives and purposes of the District as stated in the respective by-laws.

### 1.3 POLICY

The Board of Directors of the District hereby declares that the rules and regulations hereinafter set forth will serve a public use and are necessary to promote the health, safety, prosperity, security, and general welfare of the inhabitants of the District.

All customers/users of the District are bound by these Rules and Regulations as a matter of contract for which there is good and valuable consideration.

### 1.4 SCOPE

These Rules and Regulations shall be effective for District when approved by the Board of Directors, are the comprehensive regulations which govern the operations and functions of the District, and supercede all prior publications of the Rules and Regulations of the District.

### 1.5 INTENT OF RULES AND REGULATIONS

These Rules and Regulations shall be liberally construed to effect the general purpose set forth herein, and each and every part is separate and distinct from all other parts. No omission or additional material in these Rules and Regulations shall be construed as an alteration; waiver; deviation; limitation or restriction from any grant of power, duty or responsibility imposed or conferred upon the Board of Directors by virtue of statutes now existing. Nothing contained herein shall be construed to prejudice or affect the right of the District to secure the full benefit and protection of any law which is now enacted or may subsequently be enacted by the Colorado General Assembly pertaining to the governmental or proprietary affairs of the District.

### 1.6 AMENDMENT

The District through the Board of Directors shall retain the power to amend these Rules and Regulations, with respect to the District, to reflect those changes determined to be necessary by the Board of Directors of the District. Prior public notice of these amendments shall not be required to be provided by the District when exercising its amendment powers pursuant to this Section.

### 1.7 WAIVER, SUSPENSION OR MODIFICATION OF RULES

The Board of Directors, or the General Manager acting on instructions of the Board, shall have the sole authority to waive, suspend, or modify these Rules and Regulations. Any such waiver, suspension or modification must be in writing, signed by the Board or the General Manager. Such waiver, suspension or modification is an exception to the Rules and Regulations for the specific instance and shall not be construed as continuing for future instances. Waivers, suspensions or

## **BLUE VALLEY METROPOLITAN DISTRICT**

modifications are not deemed an amendment of the Rules and Regulations.

### **1.8 INCLUSION IN CONTRACT**

These Rules and Regulations are automatically incorporated into every contract, written or oral, for service with the District whether expressly referenced or not, to the extent they are not inconsistent with the contract for service.

### **1.9 RIGHTS AND AUTHORITY**

The District reserves the right to discontinue, temporarily, service to any property, at any time, for any reason deemed necessary or appropriate. 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.

### **1.10 AUTHORITY TO INSPECT**

Authorized employees of the District, upon presentation of a work order and identification, shall be permitted to enter upon all properties at all reasonable times for the purpose of inspection, observation, measurement, sampling, testing and inspection of records of the water system, in accordance with the provisions of these Rules and Regulations. Failure to permit such inspections, observations, measurements, samplings, testings and/or inspection of records upon the request, in writing, of the General Manager may result in a finding that permission is being denied to avoid discovery of a violation. Such finding may result in the disconnection of service to the property occupied by the party failing to permit the desired access, subject to the hearing and appeal procedures set forth in Article VIII, Hearing and Appeal Procedures.

### **1.11 VIOLATORS FINED**

Any person violating any of the provisions of these Rules and Regulations shall become liable to the District for payment of a penalty of up to \$1,000.00 and \$500.00 per SFE plus expense, loss or damage including attorney fees for enforcement action, occasioned by reason of such violation. If a customer causes damage to the District system by misuse, negligence or other action on his part, the District shall hold the customer or owner liable for the cost of repair including any study, investigation or consultant fees incurred. Such costs shall constitute a perpetual lien upon the violator's property as allowed by Section 32-1-1001, C.R.S., as amended, or a perpetual lien upon the property to which the District was providing services at the time of the violation, whichever the General Manager deems appropriate.

# BLUE VALLEY METROPOLITAN DISTRICT

## ARTICLE II DEFINITIONS

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

### 2.1 APPLICANT

"Applicant" is any person who applies to the District for a service connection, service disconnection, main line extension or other service agreement, or who attempts to have real property included within, or excluded from the District, as the case may be.

### 2.2 BOARD

"Board" and "Board of Directors" are the elected or appointed Board of Directors of the District who have responsibility for policy and management oversight of the water systems.

### 2.3 COMMERCIAL AND/OR INDUSTRIAL UNIT

"Commercial and/or Industrial Unit" is any structure or facility that is used to engage in a business, commerce, manufacturing, marketing, and/or sale of products and services of any kind.

### 2.4 COMMON SPACE

"Common Space", as it applies to multi-unit facilities, includes areas which have insignificant water consumption and are accessible and available to all residents and guests dwelling units, including but not limited to: hallways, lobbies, atriums, stairways, dining areas, lounge areas, and recreations rooms. Areas which would be otherwise common space except they contain an on-going use of water shall not be classified as common space for the purpose of these Rules and Regulations, e.g., lobby containing a bar, recreation room with a bar, etc. These excepted common areas shall be accommodated by an adjustment to the total SFE of the facility.

### 2.5 CONTRACTOR

"Contractor" is any person, firm or corporation licensed or permitted to perform work and to furnish materials within the District.

### 2.6 COOKING FACILITY

A "cooking facility" is an arrangement within a dwelling unit which provides, but is not limited to, the following features: refrigeration capability; hot plate, electrical frying pan, toaster oven, crock pot, counter top burners, stove or microwave; and facilities for washing and cleaning.

### 2.7 CUSTOMER

"Customer" is any person or entity authorized to connect to and use the District's water system under a permit issued by the District.

### 2.8 DISTRICT

"District" is the Blue Valley Metropolitan District.

### 2.9 DISTRICT ENGINEER

"District Engineer" is the person or firm that has been authorized by the District to perform engineering services for the District.



## **BLUE VALLEY METROPOLITAN DISTRICT**

### **2.10 DWELLING UNIT**

Dwelling Unit" is one or more contiguous, habitable rooms designed, arranged, occupied, or intended to be occupied by one or more individuals living together as a household or one family. A dwelling unit has facilities for living, cooking, sleeping or bathing and is generally configured to provide an independent access. If areas within a building or house are designed or arranged with the capability for occupancy which designed or arranged with the capability for occupancy which is independent of the rest of the household, that area is classified as a separate dwelling unit. Other features which also may indicate a dwelling unit are private telephone line, separate cable TV, lease contract, and unrelated third party occupancy. Examples of a dwelling unit are: single family homes, condominiums, townhouses, duplexes, multiplexes, apartments, efficiencies, studio unit, lock-offs, etc.

### **2.11 EFFICIENCY OR STUDIO UNIT**

"Efficiency" or "Studio Unit" is a dwelling unit having one room with integral cooking facilities and one bathroom.

### **2.12 EQUIVALENT DWELLING UNIT**

"Equivalent Dwelling Unit" or "Single Family Equivalent" (SFE) is a generic dwelling unit, the use of which is estimated to have an impact upon the water system equal to that of the average single family (2.3 persons).

### **2.13 INSPECTOR**

"Inspector" is a person or persons who, under the direction of the General Manager, shall inspect all water and sewer connections, main lines and appurtenances, service lines, installations of and repairs to the water system and facilities of the District to ensure compliance with the Rules and Regulations and construction standards.

### **2.14 GENERAL MANAGER**

"General Manger" as used in these Rules and Regulations is the person retained by the Board of Directors to administer and supervise the water affairs of the District.

### **2.15 PERMIT**

"Permit" is the written permission to connect to or enlarge the connection to the water system of the District pursuant to the Rules and Regulations. Permits are granted by the General Manager or authorized District personnel.

### **2.16 PRIVATE MAIN**

"Private Main" is any water distribution line or main line which is connected to the District system but not owned or maintained by the District. Private mains have not been accepted by the District because they do not conform to specifications as enumerated in the Rules and Regulations or to construction standards. The title of the mains cannot be transferred free and clear to the District.

### **2.17 RESIDENTIAL FLOOR AREA**

Residential floor area is defined as the gross square foot measurement of a dwelling unit measured to include the outside walls, excluding garages and attics but including concrete basements.

### **2.18 RULES AND REGULATIONS**

"Rules and Regulations" are the formal rules and regulations of the District which state the policy and procedures by which the water systems are operated. Rules and Regulations also include all

## **BLUE VALLEY METROPOLITAN DISTRICT**

amendments and policies as set forth in the District minutes and resolutions.

### **2.19 SERVICE LINE**

"Service Line" is any pipe, line or conduit used or to be used to provide water service from a water main or stub out to a building. A water service line is owned and maintained by the District from the tap on the District water main to the property line, edge of easement or curb stop valve, whichever is closer to the water main. A water service line tapped onto a private main shall remain property of the owner. The water service line from the curb stop valve into the building is owned and maintained by the property owner. Water service lines constructed by the owner shall be in accordance with these Rules and Regulations.

### **2.20 SHALL OR MAY**

Whenever "shall" is used herein, it shall be construed as a mandatory direction.

Whenever "may" is used herein, it shall be construed as a permissible, but not mandatory direction.

### **2.21 STUB OUT**

"Stub out" is a connection device or line which is connected to the water main line and which is intended to facilitate the connection of a service line to the water, either directly to the main line or indirectly through a private main. A stub out extends only to the property line.

### **2.22 TAP**

"Tap" is the connection of the privately-owned service line to the water system, either directly to a stub out or at the curb stop valve or the main line, or indirectly through a private main line.

### **2.23 TAP FEE**

"Tap Fee" is the payment to the District of a fee for the privilege of connecting to the water system. The amount of tap fees is based on the particular use of the facility being connected. See Appendix A, Schedule of Fees and Charges.

### **2.24 VARIANCE**

A "Variance" is the written authorization from the District or District staff to act in a manner not in strict compliance with District Rules and Regulations, specifications or policies. A variance may be granted at the sole discretion of the District on the basis of undue hardship, or otherwise, not self imposed.

### **2.25 WATER MAIN**

"Water Main" is any distribution line or transmission line used as a conduit for water in the District's water system and is owned and maintained by the District. A water main shall be sized in accordance with the Standard Specifications for Water Line Construction.

### **2.26 WATER SYSTEM**

"Water System" is any network of water main lines, appurtenances, accessories or portion thereof owned and maintained by the District.

### **2.27 ANY OTHER TERM**

Any other term not herein defined shall be as defined by American Water Works Association (A.W.W.A.).

The use of singular may also refer to plural. The use of the masculine gender includes the feminine

## BLUE VALLEY METROPOLITAN DISTRICT

or neuter gender.

### ARTICLE III LIABILITY AND OWNERSHIP

#### 3.1 LIABILITY OF DISTRICT

The District shall not be liable or responsible for inadequate treatment or interruption of service brought about by circumstances beyond its control.

#### 3.2 CONDITION NOT ACTIONABLE

No claim for damage shall be allowed against the District by reason of the following conditions: blockage in the system causing the backup of effluent; damage caused by smoking of lines to determine connections to the District lines; breakage of main lines, interruption of water service and the conditions resulting therefrom; damage from the breaking of any service or collection line, pipe, cock, or meter; failure of the water supply; shutting off or turning on water; installation of connections or extensions; damage caused by water running or escaping from open or defective faucets; burst service lines or breakage of 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, excessive or sporadic pressures; or from doing anything to the systems of the District deemed necessary by the Board of Directors or its agents.

#### 3.3 RESPONSIBILITY FOR NOTIFICATION

The District has no responsibility to notify customers of any occurrence of the foregoing conditions.

#### 3.4 OWNERSHIP OF FACILITIES

All existing main lines and treatment works connected with and forming in integral part of the water system are the property of the District, unless a contract with owner or customer provides otherwise. Ownership will remain valid whether the main lines and treatment works were constructed financed, paid for, or otherwise acquired, by the District or by private parties. Transfer or ownership of main lines shall be in accordance with Section 6.3 Main Line Project Procedures for Developers. The developer is responsible for correction of construction deficiencies within the one year warranty period. Exceptions to District ownership are private mains which specifically are not accepted by the District due to non-conformance to these Rules and Regulations, the Standard Specifications for Water Line Construction, and other approved standards of construction. Private mains are designated when ownership title cannot be provided free and clear.

##### 3.4.1 OWNERSHIP OF WATER FACILITIES

For water, the District owns and is responsible for the maintenance of the water service line up to and including the curb stop valve or the customer's property line or edge of easement, whichever is closer to the water main. The customer is responsible for the maintenance of the remaining portion of the service line serving his property. This principle of ownership shall not be changed by the fact the District may construct, finance, pay for, repair, maintain or otherwise affect the customer's service line.

##### 3.4.2 OWNERSHIP OF WATER METER

Each water meter shall become and is the property of the District. Ownership shall remain valid whether the meter is installed, financed, paid for, repaired or maintained by another person or

## BLUE VALLEY METROPOLITAN DISTRICT

whether the meter is located on a privately owned and maintained service line.

### 3.4.3 OWNERSHIP OF LIFT STATIONS

A lift station associated with customer service lines shall be the property of the owner(s) served by such lift station. Maintenance of such lift station is the sole responsibility of the owner(s) and shall not be the responsibility of the District.

### 3.4.4 CONDITIONS OF OWNERSHIP

The customer's ownership of the service line shall not entitle the customer to make unauthorized uses of the District's systems or to make alterations to the service line and the system once the service line has been connected to a District main line. All uses or changes in use of the service line, any appurtenances thereto or changes in use of the property served at any time after the initial connection to the District system shall be subject to these Rules and Regulations.

# BLUE VALLEY METROPOLITAN DISTRICT

## ARTICLE IV OPERATION AND MAINTENANCE OF WATER SYSTEM

### 4.1 RESPONSIBILITIES OF DISTRICT

Except as otherwise provided by these Rules and Regulations, the District is responsible for the operation and maintenance of the water system in accordance with these Rules and Regulations.

### 4.2 USE OF SYSTEM

Taps and service connections are approved for a specific use as stated on the water tap permit. The Board of Directors or General Manager may request an inspection in accordance with Section 33200X1 Authority to Inspect, to identify any unauthorized use for which the customer is subject to a fine in accordance with Section 1.11, Violators Fined.

#### 4.2.1 UNAUTHORIZED CONNECTION AND FEES

No person shall be allowed to connect onto the water system or to enlarge or otherwise change equipment, service or use of property without prior payment of tap fees, approval of a permit for service and adequate supervision and inspection of the tap by District employees. Any such connection, enlargement, or change without payment, approval, supervision and inspection shall be deemed an unauthorized connection.

Any violation of this section shall result in the assessment of an unauthorized connection fee. The District shall take those steps authorized by these Rules and Regulations and Colorado law regarding the collection of said fees.

Upon the discovery of any unauthorized connection, the then-current tap fee and accrued service charge, if any, shall become immediately due and payable, and the property shall automatically be assessed an additional unauthorized connection fee equal to the then-current tap fee per equivalent dwelling unit, as liquidated damages toward the District's costs associated with such unauthorized connections. The District shall send written notice to the owner of the property benefited by such connection stating that an unauthorized connection has been made between the owner's property and the District's facilities. The owner shall have twenty (20) days from the date the notice is mailed to pay the then-current tap fee and accrued service charges, if any. If not paid within this period, the District shall proceed in accordance with the provisions of Section 4.2.3 Revocation of Service.

#### 4.2.2 REDETERMINATION OF TAP FEES

Following inspection, the District shall make a determination as to the change in the customer's equipment, service or use of the property in question, and shall redetermine any additional tap fees and service charges due. In the event the decision of the District is deemed unsatisfactory to the customer, the customer may present a complaint in accordance with Article V Hearing and Appeal Procedures, of these Rules and Regulations.

#### 4.2.3 REVOCATION OF SERVICE

Service shall be revocable by the District upon non-payment of any valid fees or charges owed to the District. In the event of non-payment, the customer shall be given not less than ten (10) days advance notice in writing of the revocation. The Notice shall set forth:

**BLUE VALLEY METROPOLITAN DISTRICT**

The reason for the revocation;

That the customer has the right to contact the District, and the manner in which the District may be contacted for the purpose of resolving the obligations, and,

That there exists an opportunity for a hearing in accordance with Article VIII, Hearing and Appeal Procedures, of these Rules and Regulations.

**4.2.4 SUSPENDED SERVICE**

When a building is moved or destroyed and/or the water services are suspended, the original tap authorization shall remain, provided that a written request is made to, and approved by the General Manager prior to cessation of payment of service charges.

When a service line is abandoned permanently, the property owner shall valve the water supply off at the main line (corporation stop valve), and plug the sewer service connection at the main. If the property owner is not responsive within a reasonable time period as determined by the General Manager, the District will valve the water supply service line. The cost shall be charged to the owner and a lien filed on the property.

**4.3 TAMPERING WITH SYSTEMS**

**4.3.1 UNAUTHORIZED USE**

No person shall uncover, alter, disturb, make any connection with, make an opening into, or backfill prior to inspection the water system without a written authorization from the District. Unauthorized uses of or tampering with the District's system, include, but are not limited to, change in customer's equipment, service or use of property, as defined in Section 4.2, Use of Systems; an unauthorized turn-on or turn-off of water service or a water main; burying valve boxes; and modifying any water meter.

**4.3.2 MALICIOUS DAMAGE TO SYSTEM**

No person shall maliciously, willfully, or negligently, break, damage, destroy, cover, uncover, deface or tamper with any portion of the District's system.

**4.3.3 PENALTIES**

Any person who shall violate the provisions of this Section 4.3, Tampering with Systems, shall be assessed a penalty in accordance with the following schedule:

<b><u>PENALTY AMOUNT</u></b>	<b><u>CRITERIA</u></b>
\$100.00	First violation, no know history of any controversial items or assessments with any of the District functions.
\$250.00	Previous violations with the District in other areas other than tampering, i.e. line installations and backfilling prior to inspections by the District personnel, etc.

## BLUE VALLEY METROPOLITAN DISTRICT

\$500.00	Second offense for illegal system tampering.
\$1,000.00	Two or more known violations of system tampering with the District.

Until paid, such penalty shall constitute a perpetual lien against the property served, if applicable.

### 4.3.4 VIOLATORS PROSECUTED

Any person who shall violate the provisions of this Section 4.3 Tampering with Systems, shall be prosecuted to the full extent of Colorado law for tampering or malicious damage to District property.

## 4.4 USE OF WATER SYSTEM

### 4.4.1 OWNER RESPONSIBILITY

Each owner shall be responsible for all costs associated with the maintenance of the service line from the building to the curb stop or property line, whichever is closer to the main.

### 4.4.2 WATER USAGE

Water shall be used for domestic and irrigation purposes only. No watering of livestock is allowed.

### 4.4.3 TURN-ON/TURN-OFF OF SERVICE

All routine turn-on and turn-off of water service at a curb stop shall be performed only by District personnel. During emergencies, a customer/owner may turn-off the water service at the curb stop valve. The District shall be notified of the turn-off and the circumstances at the earliest time. Only District personnel shall turn-on the water service.

When initial service is provided and when the turn-off/turn-on service is performed for a customer requiring maintenance to his service line, a service fee will not be charged. In other circumstances the District shall assess a single turn-off/turn-on charge in the amount of \$50.00 for each turn-off and turn-on performed based on the decision of the General Manager. In each case where turn-off of water service is caused by non-payment or late payment of service charges and fees, the turn-on service fee will be \$110.00. The service fee will be increased in increments of \$25.00 per instance of turn-on over a consecutive 12 month period. Payment of all charges and fees are required in full prior to turn-on of the water service. All other requests for a turn-off or turn-on of District service may be granted or denied by the General Manager in the General Manager's sole discretion.

### 4.4.4 WATER METERS

All connections to the District's water system shall include a water meter. All water meters shall have devices for remote reading. The type of water meter and location of the meter shall be subject to the approval of the District and accessible for maintenance. The District shall have the right to test, remove, repair or replace any and all water meters. Any meter not in accordance with District specifications shall be immediately replaced upon notification by the District. In addition to the cost of installation, the owner shall be subject to a fine for illegal tampering of the water system. Each customer is responsible for notifying the District if his water meter is operating defectively. If any meter is suspected to be defective, the District shall diligently pursue repair or replacement of said meter at the District's expense unless the defect is a result of negligence or tampering by the

## BLUE VALLEY METROPOLITAN DISTRICT

owner. In this case the cost for repair or replacement shall be added to the service charge bill.

During the interim period prior to repair, the following procedure shall be enforced. The customer shall be given notice, by first-class mail, that the District suspects that the water meter is defective. The customer shall be given thirty (30) days in which to respond, which response shall include scheduling with the District an appointment for a meter inspection and replacement.

If the customer fails to respond, they shall be given a second notice, by first-class mail, that the District suspects that the water meter is defective. The customer shall be given thirty (30) days in which to respond to the second notice, which response shall include scheduling an appointment for a meter inspection and replacement. If the customer fails to respond to the second notice, the District may disconnect the water service and may charge the customer the base water rate while the service is disconnected. Service will be restored only upon payment of all fees and repair of the water meter. (See Respective District Appendix A for base rate)

### 4.4.5 PRESSURE REDUCING VALVE

A pressure reducing valve (PRV) shall be installed in all service lines immediately before the water meter, ensuring that the water meter and the building plumbing system are protected from fluctuating water main pressures. The pressure setting of the PRV shall not exceed 100 psi without written permission from the District.

### 4.4.6 STOP AND WASTE TYPE VALVE

No stop and waste type valve is permitted in conjunction with a customer's service line. When closed, this type valve permits groundwater contamination of the service line. The customer is responsible for burying the service line with sufficient cover to prevent freezing.

### 4.4.7 REPAIR OF SERVICE LINE

Leaks or breaks in the water service line shall be repaired by the property owner immediately upon discovery. If satisfactory progress toward repairing the service line has not been completed in a timely manner or the District determines that environmental or property damage is being cause, the General Manager shall shut off the water service until the service line has been repaired. In addition, the District shall have the right to effect the repair, and the costs therefore shall constitute a lien on the property as provided for by C.R.S., 32-1-1001.

### 4.4.8 CROSS CONNECTION CONTROL

Each customer is responsible for complying with the Colorado Department of Health's Cross Connection Control Manual with the additional requirement that all fire protection systems must utilize a "reduced pressure principle" type back-flow preventor device. (Must be purchased from the District.)

### 4.4.9 SAFETY DEVICES

Each customer having boilers and/or other appliances which depend on pressure or water in pipes, or on a continual supply of water, shall provide at his own expense suitable safety device to protect himself and his property against a stoppage of water supply or loss of pressure. The District expressly disclaims any liability or responsibility for any damage resulting from a customer's failure to provide such appropriate protection.

### 4.4.10 FIRE HYDRANTS

It is unlawful for any person to operate District valves or fire hydrants without prior authorization



## BLUE VALLEY METROPOLITAN DISTRICT

by the District. Law enforcement officers, personnel of the District or personnel of a fire department are authorized to confiscate any hydrant wrench or valve shut-off key found to be used without District authorization.

### 4.4.11 CLEARANCES AROUND HYDRANTS

No landscaping, retaining walls or buildings may obstruct the access to fire hydrants. Minimum clearances must be maintained around fire hydrants to facilitate their use. Property owners are responsible to maintain a seven foot (7') clearance on either side (where 2 1/2" connectors are located), four foot (4') clearance including landscaping, retaining walls) on back, ten foot (10') clearance front (where steamer connection is located), and twenty-five foot (25') clearance above all fire hydrants. The breakaway collar must be six inches (6") above the finished grade.

### 4.4.12 FIRE HYDRANT METER

Fire hydrant meters are allowed to be used by special permit. Only District personnel are allowed to install and remove fire hydrant meters. The customer will be subject to a penalty if he attempts to install or remove a fire hydrant meter. The customer is responsible for any damage, including vandalism or freezing, to fire hydrants or fire hydrant meters. The customer is responsible to provide adequate protection when freezing may occur.

## 4.5 WATER USE RESTRICTIONS

The District is responsible for protecting an adequate supply of water to its consumers. The District recognizes that certain conditions may exist when water supply is temporarily limited. At the sole discretion of the Board, this Section 4.5, Water Use Restrictions will go into effect for limited periods of time.

### 4.5.1 WASTE

Water shall be used only for beneficial purposes and shall not be wasted. Any instance of flagrant runoff or waste will be considered a violation of these Water Use Restrictions and subject to the penalties provided for in Section 4.5.5. Water for irrigation of lawns and other outside uses shall be used pursuant to regulations of the District.

### 4.5.2 RESTRICTIONS OF USE

If conditions of supply so limit the water supply of the District's water system that unrestricted water use may endanger the adequacy of that supply, the Board of Directors, exercising its discretion in the protection of the public health, safety, and welfare, may by resolution adopt the following emergency water use restrictions and such additional regulations and restrictions as are reasonably calculated under all conditions to conserve and protect that supply and to insure a regular flow of water through that system. Emergency water use regulations and restrictions shall remain in force and effect until the Board determines that the conditions requiring their imposition no longer exist. Subsequent to adoption by resolution of the Board and commencing May 1, and continuing through October 31, no water outside the residence, apartment building, commercial building or other structure (hereinafter referred to as the "Building") except as follows:

- a. Premises with even-numbered addresses may use irrigation water on said premises outside said buildings on Sundays, Wednesdays and Fridays.
- b. Premises with odd-numbered addresses may use irrigation water on said premises outside said building on Tuesdays, Thursdays and Saturdays.

## BLUE VALLEY METROPOLITAN DISTRICT

- c. Swimming pools will be limited to one filling unless draining for repairs is necessary.
- d. No irrigation shall be permitted at any time by use of free running hose without nozzle or sprinkler.
- e. Nothing herein shall prevent the imposition of a total ban on outside water use in the event of an extreme emergency; nor to further create an exception to meet a specific water supply condition.

### 4.5.3 REMEDIES FOR UNAUTHORIZED USE

Any unauthorized use of water shall be paid for at the same rate as if that use had been authorized together with the costs incurred by the District in discovering and collecting for the unauthorized use. Such payments shall not in any way affect the right of the District to disconnect or suspend water service to any customer for unauthorized use, or to charge additional penalties or pursue such other remedies as may be authorized by law or approved by the Board of Directors of the District; nor shall it affect any criminal liability which may have attached by reason of such authorized use.

### 4.5.4 SEALS AND DETECTION DEVICES

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

### 4.5.5 VIOLATIONS

The violation of any water use regulation or restriction or waste of water shall be considered grounds for the disconnection or suspension of water service to any customer, premises, building or water facility.

The customer, or owner or occupant of the premises, building or facility shall be responsible for complying with the regulations and/or restrictions and violators of said regulations and/or restrictions will be subject to the following actions and penalties:

- a. In the event of a first violation, the customer, owner and/or occupant will be advised in writing of said violation and informed that a monetary charge will be added to the water bill for subsequent violations.
- b. In the event of a second violation at the same location, the customer, owner and/or occupant will be advised in writing of said violations and a \$500.00 charge will be added to the water bill for said location.
- c. In the event of a third or any subsequent violation at the same location, the customer, owner and/or occupant will be advised in writing of said violations and a \$1,000.00 charge will be added to the water bill for said location.
- d. Continuing waste of water or willful violation of any regulation and/or restriction is cause for disconnection or suspension of water service.

# BLUE VALLEY METROPOLITAN DISTRICT

## ARTICLE V APPLICATION FOR SERVICE

### 5.1 SERVICE AREAS

#### 5.1.1 SERVICE WITHIN DISTRICT BOUNDARY

Water system service will be furnished in accordance with the District's Rules and Regulations to property included within and subject to the Rules and Regulations of and taxation by the District.

#### 5.1.2 INCLUSIONS

A person who desires service and who owns land both within and outside the boundaries of the District, much include all of his land outside the District which is serviceable by the system and is contiguous to the parcel on which service is desired. A formal request for inclusion with the District shall be made to the District, on its standard form, by the applicant, accompanied by a non-refundable payment of \$1,000.00 for legal fees and the estimated cost of processing the application for inclusion. Any additional costs or legal fees which may occur shall be assessed and paid prior to approval of inclusion by the Board. Until paid, such additional costs and fees shall be a lien upon the property in question.

#### 5.1.3 SERVICE OUTSIDE DISTRICT BOUNDARY

No water system service shall be provided to property exclusively outside of the District, except upon the express written consent of the Board of Directors. Charges for furnishing service outside of the District shall be at the discretion of the Board of Directors. The charge for service furnished shall equal at least the cost of service, plus a tap fee of double the amount of customers within the District boundaries. In every case where the District furnishes service to property outside the District, the District reserves the right to discontinue the service when, in the judgment of the Board of Directors, it is in the best interest of the District to do so.

### 5.2 APPLICATION FOR SERVICE

#### 5.2.1 FORMS AND FEES

Application for water service must be furnished to the District and accompanied by appropriate fees. A connection to the system shall be made only by District personnel upon authorized approval of the permit and a receipt indicating payment of all fees.

#### 5.2.2 TAP INFORMATION REQUIRED

All information requested on the tap permit form must be completed. A site plan or improvement plan showing the location of the building relative to property lines, utility lines, curb stop valve box location and all easements shall be provided for the tap permit. A copy of the building plans shall be provided for the tap permit. The building floor plan shall indicate the location of the water meter, the remote reading device, and the telephone jack location.

#### 5.2.3 WINTER TAPS

During the winter months (November 15 to April 15), taps may be made by appointment, at the District's sole discretion, provided that the tap location is heated or protected from freezing.

### 5.3 SPECIAL CONDITIONS

## **BLUE VALLEY METROPOLITAN DISTRICT**

### **5.3.1 FIRE SPRINKLER SYSTEM**

If a fire protection water sprinkler system is to be used, a plan of the system which has been approved by the appropriate District Fire Authority is to accompany the application. All fire sprinkler systems shall meet National Fire Protection Association (NFPA) requirements and additionally shall need the requirements of all applicable city, county and state building and fire protection codes.

### **5.4 CONDITIONAL PERMIT**

The District reserves the right to issue a conditional permit with a notice filed against the property title. The notice will indicate the existence of a condition(s) which is not in compliance with District Rules and Regulations but still allow water service to the property. The notice will provide that as a condition of receiving service the property owner agrees to indemnify and hold the District harmless for any damage resulting from existence of the condition.

Examples are: connection to private mains not owned or maintained by the District, lack of easements for access and maintenance, and construction not in accordance with District specifications.

### **5.5 DENIAL OF PERMIT**

The District reserves the exclusive right to deny application for service when, in the opinion of the Board of Directors, the service applied for would create an excessive seasonal, or other demand on the facilities. Denial may also be based upon an unresolved obligation between the District and the applicant, inadequate documentation of easements for main lines serving the property, or any other reason as determined by the General Manager.

### **5.6 REVOCATION OF TAP RIGHTS**

The District reserves the right to revoke any prior approval of a permit before service has been provided, and the right to revoke service after it has commenced for any violation of these Rules and Regulations.

#### **5.6.1 REVOCATION OF TAP RIGHTS**

The right to connect to the District's system and to receive services under Section 4.2, Use of Systems, shall be revocable by the District upon non-payment of any fees owed to the District and remaining unpaid for a period of thirty (30) days, whether or not the customer owning the right to connect has actually, connected to the District's system. Such revocations shall be conducted in accordance with the procedures outlined in Section, 4.2.5, Revocation of Service. If the right to connect to the District's system is revoked, the customer may reacquire such tap rights by reapplying for service in accordance with Section 5.2, Application for Service. The reapplication will be considered only after payment of all fees due and owed the District and the current tap fees charged by the District under these Rules and Regulations.

# BLUE VALLEY METROPOLITAN DISTRICT

## ARTICLE VI MAIN LINE EXTENSIONS

### 6.1 MAIN LINE EXTENSION BY THE DISTRICT

The District may construct any main line if the Board deems it in the best interest of the District to do so. All main line extensions which are so authorized shall be bid competitively, when required by State law, and contract awarded under the authority of the Board of Directors. The contractor installing the main lines shall be responsible to the Board. The District, through its engineer, shall supervise construction activity and coordinate all matters pertaining to the completion of the subject project, including permits, easements, material approvals, site inspection, acceptance, payments to the contractor, and field verify the as-built drawings. As-built data shall be provided in a digital format as per District specifications.

#### 6.1.1 PERFORMANCE PAYMENT AND WARRANTY BONDS

Pursuant to C.R.S., Section 38-26-105 and 1061, as amended, performance, payment and warranty bonds equal to the contract price at a minimum shall be furnished to the District by the contractor on all contracts with the District. All main lines, constructed in compliance with the contract shall be accepted by the District upon completion of construction, subject to a one-year warranty period. Any defective work identified during the warranty period shall be promptly corrected by the contractor, without cost to the District. All daily inspection fees for warranty work required by any governmental authority, including the District, shall be paid by the contractor.

#### 6.1.2 ACCEPTANCE PROCEDURES

Before the main lines are accepted by the District, the following procedures shall be completed by the contractor or applicant. The contractor or applicant shall certify the main lines and all appurtenances are free and clear of all liens and encumbrances; furnish to the District a warranty bond to cover all maintenance for one (1) year from the date of acceptance of the main lines by the District; provide the District reproducible field verified as-built drawings of all facilities constructed, including but not limited to water valve locations, fire hydrant locations, water stub out locations, data on storage tanks, data on pumps, provide inspection and test results, provide mylars and/or any computer information available as per District specifications; and provide maintenance, operating and parts manuals. District personnel shall be present for all pressure tests on water main lines plus any other tests as deemed necessary.

### 6.2 MAIN LINE EXTENSIONS BY DEVELOPERS

The District has no obligation to extend any main line. At the discretion of the Board of Directors, the District may permit an applicant to construct, at the sole expense of the applicant, water main lines prior to their construction by the District. The applicant shall request an intent to provide service from the District and subsequently enter into a written main line extension agreement with the District prior to proceeding with any construction.

#### 6.2.1 LOCATION OF MAIN LINE EXTENSIONS

Main lines shall be installed in road or street rights-of-way, as well as in easements granted to the District. Where required main lines must cross land not being subdivided or where such land is under the applicant's control for the granting of public rights-of-way, each applicant who desires

## **BLUE VALLEY METROPOLITAN DISTRICT**

service will, in consultation with and with the approval of the District, plat and grant to the District appropriate rights-of-way and easements in which main lines will be constructed.

### **6.3 MAIN LINE PROJECT PROCEDURES FOR DEVELOPERS**

#### **6.3.1 LETTER OF INTENT**

During the concept design of a development which requires the construction of water main lines, the developer shall request the respective District to provide a letter expressing the intent to provide service. The developer's request shall include data on the number and type of dwellings, commercial or individual facilities, any irrigation systems and other activities which would have an impact on water use. The request letter shall contain a description of water rights owned by the developer and a plan indicated the proposed development of the site. The District will analyze its ability to provide water to the site. This analysis will determine the adequacy of existing distribution and/or collection system capability and the need to increase the capacity of any existing lines, equipment or facilities. The development site for anticipated future service needs. The District will provide a formal intent to serve the development side and include any conditions deemed appropriate. This letter of intent to serve should be available to the County Planning Commission and an incorporated town planning committee.

#### **6.3.2 OVERSIZING MAIN LINES**

Based on District estimates of future growth and use of a main line, the applicant shall construct oversized main line extensions as required by the District, at the District's expense for the incremental cost of the oversized lines. The District shall recover the cost of oversizing, including reasonable interest, by connection of future service users or future main line extensions.

#### **6.3.3 APPLICATION FOR APPROVAL**

All applicants desiring to construct a main line within the District shall submit a formal application to the District. This application shall contain a legal description of the property to be served by the main line, the estimated number of service taps to be served, the type of structures, the use of the property, the easements to be conveyed, the detail construction plans and specifications for that extension, and any other information reasonable required by the District. Within a reasonable time, the District staff and consultants shall review the easements, plans and specifications for conformance to District, county and state specifications; submit the recommended plans, with appropriate documentation to the General Manager for overall review; and recommend final approval by the Board of Directors. If cost recovery is applicable, a Cost Recovery Agreement must be concluded in accordance with Section 4.4, Cost Recovery. Two sets of documents marked "APPROVED" by the District shall be returned to the applicant. The cost of such review for compliance shall be borne by the applicant.

#### **6.3.4 DEPOSITS WITH THE DISTRICT**

Prior to the main line extension approval by the District, applicant shall deposit with the District an amount sufficient to compensate the District for engineering fees, legal fees, and other costs anticipated to be incurred by the District as a result of the application and the construction of the main line. All reasonable inspection costs conducted by any governmental agency, including the District, shall be paid by applicant.

#### **6.3.5 ACCEPTANCE OF MAIN LINES**

When construction of the main line is completed, the applicant shall notify the District and provide

## **BLUE VALLEY METROPOLITAN DISTRICT**

one set of District approved documents which has been marked to reflect field verified as-built conditions. The District will then inspect the main line, equipment, special structures and easements for conformance to the approved requirements. Applicants who have completed construction and District inspection of main lines shall, before the main lines are accepted by the District, deed the main lines and appurtenances to the District free and clear of all liens and appurtenances to the District free and clear of all liens and encumbrances, and furnish to the District a warranty bond for a one (1) year period from the date of acceptance of the main lines by the District; Prior to the acceptance of the main lines by the District, the applicant shall provide the District with:

1. Legally recorded documents of all easements accompanying the main lines;
2. One set of four mil mylar field verified as-built drawings;
3. One disk of spatial data in digital format as specified by District specifications;
4. Three (3) sets of all operation, maintenance and part manuals for all electrical and mechanical equipment provided by the contract; and
5. A certified statement of the costs of the main lines.

No taps may be made onto the main line until the line has been accepted by the District in writing, or by special written arrangement with the District.

### **6.4 COST RECOVERY**

The cost recovery contract policies and procedures of each District for water main extensions are administered individually by each District and are not within the purview of these Rules and Regulations.

Information regarding the opportunity for cost recovery contract for water main extension within any other District may be obtained from the applicable District's administrative offices.

## BLUE VALLEY METROPOLITAN DISTRICT

### ARTICLE VII RATES AND CHARGES

#### 7.1 GENERAL

The information contained in this Article is pertinent to all charges of whatever nature to be levied for the provisions of water services. The rates and charges as established in Appendix A are in effect at this time, and shall remain in effect until modified by the District Board of Directors under the provisions of these Rules and Regulations, and under the applicable statutes of the State of Colorado. Nothing contained herein shall limit the District Board of Directors from modifying rates and charges, or from modifying any classification.

#### 7.2 APPLICATION OF THIS ARTICLE

The rates, charges, and other information apply to customers inside the District, and shall not obligate the District with respect to services provided outside the District boundaries.

#### 7.3 STANDARDS OF CONSUMPTION

For the purpose of levying fair, reasonable, uniform, and equitable charges, the classifications and related definitions are as defined in Article II, Definitions. The following additional conditions are used in rate and service charge applications.

#### 7.4 CLASSIFICATION OF CUSTOMERS

For the purpose of levying fair, reasonable, uniform, and equitable charges the classifications and related definitions are as defined in Article II, Definitions. The following additional conditions are used in rate and service charge applications.

##### 7.4.1 PREPAID TAP FEES

Tap fees may be paid and tap permits issued anytime in advance of connection, in which case the commencement of service charges shall be governed by Section 4.4.2, Turn on/Turn off of Service. No refund of tap fees will be paid.

##### 7.4.2 FACTORS AND USAGE

The fees and charges reflected in Appendix A for the respective District, are based upon recovery of cost requirements, factors of usage and physical conditions of plant and line structure and upon the application by the General Manager of the District of those factors to the facts and circumstances surrounding the property.

##### 7.4.3 DISPUTED TAP APPLICATION

If a dispute arises between the District and the applicant regarding the calculation of tap fees or the nature and use of the structure as it applies to Appendix A, the dispute will be settled in accordance with Article VIII, Hearing and Appeal Procedures.

#### 7.5 TRANSFER OF TAP FEES

Any approval of a request for a transfer of a tap or fees shall be in the sole discretion of the Board of Directors. No tap fee paid on behalf of one property, or any portions thereof, may be



## BLUE VALLEY METROPOLITAN DISTRICT

transferred to any other property except under the following conditions:

The owner requesting the transfer is the common owner of the property for which the tap fee has been paid and the property to which the transfer of the tap fee, or portion thereof, is being requested. Both properties must be in the same District.

The owner requesting the transfer has no outstanding unpaid accounts with the District and has previously maintained good credit with the District.

The property to which the tap fee initially applied has never been connected to the District's system.

### **7.6 SERVICE CHARGE**

Service charges shall be as reflected in the Schedule of Fees and Charges, Appendix A. Service charges will begin when water service is turned on to the building.

Monthly service charges shall be suspended during any month(s) in which service through a newly constructed tap to a building prior to its occupancy has been turned off in accordance with Section 4.4.2 Turn-On/Turn-Off of Service.

### **7.7 AMENDED TAP FEES**

In those situations where a prospective user applies for a permit for service to a structure or use not defined in Section 7.4 Classification of Customers; or where, in the General Manager's opinion, the structure represents a classification not contemplated in the establishment of the previously defined tap fee, the General Manager shall establish a fair, reasonable, and equitable tap fee for the property.

### **7.8 AMENDED SERVICE CHARGES**

In those situations where, in the General Manager's sole discretion, the service charges shown in the previous Articles do not represent a fair, reasonable, and equitable charge for the intended use, the General Manager may adjust the rates.

### **7.9 PAYMENT OF SERVICE CHARGES**

The policy of the District is to bill water service and road service charges in advance on a quarterly basis. Charges in excess of the monthly maximum water usage are charged to subsequent quarter's bill.

The customer shall pay to the District within thirty (30) days after the billing date the full amount of that statement. If the customer believes the billing statement is in error, the customer must file, in writing, a notice to the District of the presumed error, and request a clarification from the General Manager or authorized representative. Upon review by the General Manager or authorized representative, and resubmittal and/or revision of the statement, payment shall be due no later than thirty (30) days from the billing date of the resubmitted statement.

### **7.10 PENALTY FOR LATE PAYMENT**

Any time a customer is fifteen (15) days delinquent in payment of any charges due the District, the District may assess an interest charge at the maximum rate allowed by the statute on the unpaid balance. The District shall further have the right, in its sole discretion, to terminate service to any customer who becomes sixty (60) days or more delinquent in payment for scheduled services;

## **BLUE VALLEY METROPOLITAN DISTRICT**

termination of service will follow the opportunity for a hearing as outlined in Article VIII, Hearing and Appeal Procedures.

The District shall assess to any customer who is late in payment of his account, all legal, court, disconnection and other costs necessary to or incidental to the collection of the account.

Until paid, all such fees, rates, penalties, or charges shall constitute a perpetual lien on the property served. Any such lien may be foreclosed in the same manner as provided by the laws of Colorado for the foreclosure of mechanics' liens.

### **7.11 FORECLOSURE PROCEEDINGS/ATTORNEY'S FEES**

After other efforts (letters, posted notices) to collect delinquent payments of any fee or charge imposed by the District under these Rules and Regulations and/or Colorado law are exhausted, the District may initiate foreclosure proceedings as provided for by C.R.S., Section 32-1-1001(1)(j), as amended. In the event the District shall commence a foreclosure proceeding to collect any payments due and payable to the District, the party being foreclosed shall be charged all costs incurred in connection with the foreclosure proceedings including, but not limited to, reasonable attorney's fees which the court shall tax as a part of the costs of the proceedings. In the event payment is made by the customer prior to the foreclosure sale, the attorney's fees and all other fees outstanding against the account and relating to the subject property, must be paid as a precondition to the resumption of service to the property.

### **7.12 CERTIFICATION OF AMOUNTS TO COUNTY TREASURER**

In addition to any other means of collecting delinquent fees, rates, tolls, penalties, charges or assessments made or levied solely for water and water services (including charges for availability of such service), the District may certify the delinquent amounts the County Treasurer for collection in the same manner as property taxes, in accordance with the provisions of statute C.R.S. 32-1-11-1(e) as amended. The District and County Treasurer shall charge a fee for the administrative costs of this collection method. This fee shall be added to all delinquent amounts, including other penalties and interest charges, before certification.

## BLUE VALLEY METROPOLITAN DISTRICT

### ARTICLE VIII HEARING AND APPEAL PROCEDURES

#### 8.1 APPLICATION

The hearing and appeal procedures established by this Article shall apply to all complaints concerning the interpretation, application, or enforcement of the Rules and Regulations of the District, and contracts related thereto, as they now exist or may hereafter be amended. The hearing and appeal procedures established by this Article shall not apply to the following complaints:

1. Complaints which arise with regard to personnel matters. These complaints shall be governed exclusively by the District's personnel rules.
2. Any other complaint which does not concern the interpretation, application, or enforcement of the rules and Regulations of the District, or contracts related thereto.

#### 8.2 INITIAL COMPLAINT RESOLUTION

Complaints concerning the interpretation, application, or enforcement of Rules and Regulations of the District must be presented to the General Manager, or his designated representative. Upon receipt of a complaint, the General Manager or his representative shall make a full and complete review of the allegations contained in the complaint, and shall take such action and/or make such determination as may be warranted. The complainant shall be notified of the action or determination by mail within twenty (20) days after receipt of the complaint.

#### 8.3 HEARING

In the event the decision of the General Manager or his representative is deemed unsatisfactory by the complainant, a written request for hearing may be submitted to the General Manager within twenty (20) days from the date written notice of the decision was mailed.

If receipt of the request is timely and if all other prerequisites prescribed by these Rules and Regulations have been met, the General Manager or an appointed hearing officer shall conduct a hearing at the District's convenience. Every effort will be made to conduct the hearing within twenty (20) days after the receipt of the request. The hearing shall be conducted in accordance with and subject to all pertinent provisions of these Rules and Regulations. If the General Manager renders a final decision against the complainant, the out-of-pocket costs of the hearing may be assessed against the complainant.

#### 8.4 CONDUCT OF HEARING

At the hearing, the General Manager or appointed hearing officer shall preside. The complainant and representatives of the District shall be permitted to appear in person, and the complainant may be represented by any person of his or her choice, including legal counsel.

## **BLUE VALLEY METROPOLITAN DISTRICT**

The complainant or his representatives and the District representatives shall have the right to present evidence and arguments; the right to cross-examine any person, and the right to oppose any testimony or statement that may be relied upon in support of or in opposition to the matter complained. The General Manager or hearing officer may receive and consider any evidence which has probative value commonly accepted by reasonable and prudent persons in the conduct of their affairs. The General Manager or hearing officer may ask questions of any representative in order to clarify further an issue relevant to the complaint.

The General Manager or hearing officer shall determine whether clear and convincing grounds exist to alter, amend, defer, or cancel the interpretation, application, and/or enforcement of the Rules and Regulations that are the subject of the complaint. The decision shall be based upon evidence presented at the hearing. The burden of showing that the required grounds exist to alter, amend, defer, or cancel the action shall be upon the complainant.

### **8.5 FINDINGS**

Subsequent to the hearing, the General Manager or hearing officer shall make written findings and an order disposing of the matter and shall mail the findings and order to the complainant not later than ten (10) days after the date of the hearing.

### **8.6 APPEALS TO THE BOARD OF DIRECTORS**

In the event the complainant disagrees with the findings and order of the General Manager or hearing officer, the complainant may, within twenty (20) days from the date of mailing of the findings and order, filed with the District a written request for an appeal to the Board of Directors. The request for an appeal shall set forth, with specific, the facts or exhibits presented at the hearing upon which the complainant relies and shall contain a brief statement of the complainant's reasons for the appeal. In response, the General Manager or hearing officer shall compile a written record of the hearing consisting of:

1. Minutes of the hearings;
2. All exhibits or other physical evidence offered and reviewed at the hearings; and
3. A copy of the written findings and order.

The General Manager or hearing officer may submit additional written comments which further clarify the hearing findings and order in response to the request for appeal.

The Board shall consider the complainant's written request for appeal and the written record of the hearing at the next regularly scheduled meeting held not earlier than ten (10) days after the filing of the complainant's request for appeal. Such consideration shall be limited exclusively to a review of the record of the hearing, any written clarifying comments by the General Manager or hearing officer, the complainant's written request for appeal and an oral presentation shall be determined by the Board. No further evidence shall be presented by any party to the appeal and there shall not be the right to a hearing de novo before the Board of Directors.

### **8.7 BOARD'S FINDINGS**

The Board of Directors shall make written findings and issue an Order concerning the disposition of the appeal. A notice of the decision shall be sent by certified mail to the complainant with ten (10) days after the final hearing. The Board of Directors findings shall be final.

## BLUE VALLEY METROPOLITAN DISTRICT

### **8.8 NOTICE**

A complainant shall be given notice of any hearing before the General Manager, the hearing officer, or before the Board of Directors, by certified mail at least ten (10) calendar days prior to the date of the hearing, unless the complainant requests or agrees to a hearing in less time, or to a waiver of formal notice. Notice is deemed given when placed in certified, postage prepaid U.S. mail.

## BLUE VALLEY METROPOLITAN DISTRICT

### APPENDIX A RATES AND CHARGES

Water Tap	\$8,000.00
Backflow preventor (Must be installed by licensed plumber & inspected by District)	\$100.00
Road Cut Fee (where applicable)	\$250.00
Water Service (30,000 gallons/quarter)	\$150.00
Water Usage (excess of 30,000 gallons/qtr)	\$15.00/1,000 gallons
Reconnection Fee	\$110.00

#### ADDITIONAL CHARGES AND FEES

1. A recurring delinquent account that requires a shut off procedure more than one (1) time during a 12-month period will be charged a \$25.00 processing fee for each additional procedure.
2. Service that has been disconnected will be charged a \$25.00 penalty for each additional reconnection occurring within a 12-month period.
3. Any returned check will be charged a \$15.00 processing fee.

#### BOARD OF DIRECTORS INFORMATION

Board members meet at 7:00 p.m. on the 2nd Wednesday of the first month of each quarter.

#### Current Board Members:

Kent Hester	724-9780
Dan Burr	724-9203
Jeff Cunico	724-3596
Bryan Hartman	724-3531
Bob Jones	724-9018

# Blue Valley Ranch



October 15, 2004

Kent Hester, President  
Blue Valley Acres Homeowners Association  
P.O. Box 654  
Kremmling, CO 80459

RE: Blue Valley Ranch Land Exchange

Dear Kent:

As you are well aware, Blue Valley Ranch ("BVR") is working on a land exchange with the Bureau of Land Management. Over the course of the past year, Blue Valley Ranch has periodically discussed two of the Federal parcels included in the exchange, Parcels G and K (see attached map and legal descriptions), with you and other members of Blue Valley Acres Homeowners Association (BVAHOA). The purpose of this letter is to summarize a verbal agreement on ultimate use and disposition of these parcels as outlined below.

#### **Parcel G:**

BVR will acquire this parcel from the United States. BVR will continue to use the parcel for ranching purposes. The parcel will not be developed for residential purposes. It is our understanding that BVAHOA may have a need for one or more acres within Parcel G for development of a wastewater treatment facility in the future. If such a need arises and BVAHOA secures the necessary governmental approvals and funding, BVR will convey the required acreage to BVAHOA at the BVR's acquisition cost.

#### **Parcel K:**

Upon conveyance of Parcel K from the United States to BVR, BVR will donate the parcel to BVAHOA subject to a deed restriction limiting future use of the parcel to a fire station or another similar community facility necessary for the health and welfare of Blue Valley Acres. The conveyance will specifically prohibit future residential or commercial development of the parcel and/or conveyance from BVAHOA ownership.

I hope the above is consistent with your expectations. Please let me know if this is the case. At the appropriate time, we would be pleased to incorporate the above into a more formal agreement between BVR and BVAHOA.

NELSON SADDLE RANCH  
5115 SICK TULIP  
SILVERTHORNE, CO 80498

I look forward to hearing from you.

Sincerely,



Perry Handyside  
Ranch Manager

Cc: John Ruhs, BLM Kremmling Field Office Manager  
Adam Poe, Western Land Group  
Russell Kemp, Ireland Stapleton Pascoe  
Dan Burr  
Paul Jones



TRACK K

planning zone  
725-3347 M.P.N.

SECTION VI  
F - FORESTRY AND OPEN DISTRICT

6.1 DECLARATION OF INTENT - FORESTRY AND OPEN ZONE DISTRICT

The purpose of the Forestry and Open Zone District is to protect lands suitable for agricultural and related uses including uses related to forestry, mining and recreation after additional permitting. Higher impact uses are allowed when permitted and mitigated properly. Low density single-family residential uses are permitted in this zone district.

Uses Permitted

- (1) One-family dwellings;
- (2) Schools, churches and hospitals;
- (3) Medical and dental offices and clinics;
- (4) Parks and playgrounds; and golf courses;
  - (a) Golf courses permitted pursuant to special review under Section XI;
- (5) Farm and garden buildings and uses;
- (6) Incidental buildings;
- (7) Lodges and resort cabins, including incidental business within the principal building; incidental businesses may include conference facilities provided that said conference facilities are clearly incidental to the primary use. Bed and breakfasts with no more than five (5) total bedrooms;
- (8) Outdoor recreational areas and incidental facilities, provided all such uses retain natural environmental conditions, do not involve the storage of equipment outside of a building and are not obnoxious, offensive or objectionable because of excessive noise, odors, dust or vibration;
- (9) Private riding stables;
- (10) Commercial feed yards, fur farms, kennels, veterinary hospitals, and commercial riding stables, provided all such uses are located at least five hundred feet (500) from schools, churches, and dwellings on other lots;
- (11) Reservoirs and dams engineered to contain one hundred (100) acre feet of water or less;
- (12) Water diversion structures, ditches and pipeline structures engineered to convey fifteen (15) cubic feet of water per second of time or less;
- (13) Such additional uses as may be permitted pursuant to Section XI of these regulations.
- (14) The height limitation established for the Forestry and Open Zone District shall not apply to radio transmission and receiving towers (including antenna), windmills, wind generators, water towers and transmission towers.

Water Quality Setback - Setback from the edge of a waterbody shall be a minimum of 30' and a maximum of 150'.

6.2	MINIMUM AREA OF LOT	two (2) acres
6.3	MINIMUM LOT WIDTH	200 feet
6.4	MINIMUM FRONT YARD	30 feet
6.5	MINIMUM SIDE YARD	10 feet
6.6.	Minimum Rear yard	20 feet
6.7.	Max Bldg Ht.	35 feet