



RULES AND REGULATIONS

ADOPTED MARCH 8, 2010

Revised thru 11/2024

TABLE OF CONTENTS

CHAPTER 1	AUTHORITY, POLICY AND PURPOSE	
1.1	Authority	5
1.2	Declaration of Policy	5
1.3	Purposes	5
1.4	Agreements with Water Providers	6
CHAPTER 2	DEFINITIONS	7
CHAPTER 3	USE OF DISTRICT FACILITIES	
3.1	General	12
3.2	Inspection of Property	12
3.3	Unlawful Construction and Connections	12
3.4	Unlawful Discharge	12
3.5	Power to Compel Connection	13
3.5.1	Existing Homes or Structures – Extension of time to Complete Connection/Promissory Note for Tap Fee	13
3.6	Temporary Variance from Connection	14
3.6.1	Temporary Variance for Connection to Future Planned Sewer Main	16
3.7	Authority to Discontinue Service	17
3.8	Unauthorized Disconnections	17
3.9	Connection Financing Program	17
CHAPTER 4	APPLICATION FOR SERVICE	
4.1	General	18
4.2	Inclusion	18
4.3	Building Plan Review	18
4.4	Application for Sewer Tap	18
4.5	Sewer Tap SFE Assessment	19
4.6	Tap Increase	19
4.7	Tap Purchase Limitation	20
4.8	Abandonment of Tap	20
4.9	Tap Transfer Request	20
4.10	Limitations of Tap and Connection and Inspection Permit	20
4.11	Connection and Inspection Permit Authorizing Connection	20
4.12	Revocation of Connection and Inspection Permit	21
4.13	Denial of Connection and Inspection Permit Application	21
4.14	Expiration of Connection and Inspection Permit	21
4.15	Inspection of Sewer Service Line Connection	21

4.16	Single, Non-Transferable Connection	22
4.17	Property Transfers	22

CHAPTER 5 SERVICE LINE CONSTRUCTION AND CONNECTION

5.1	General	23
5.2	Separate Sewer Service Line	23
	Interior Lots	
	Multi-Family Dwellings	
	Commercial/Industrial Buildings	
5.3	Owner Responsible for Costs of Connection	24
5.4	Qualified Personnel	24
5.5	Disconnect/Reconnect/Backflow Preventer Valve	24
5.6	Tracer Wire	25
5.7	Clean-Outs Requirement	25
5.8	Grease Traps and Interceptors	25
	Oil & Sand Interceptors	
	Grease Traps	
5.9	Lift Stations	26
5.10	Installation of Sewer in Public Right of Way	27
5.11	Service Line Repair and Maintenance	27
5.12	Ownership of Sewer Service Line	27
5.13	Temporary Connections	27
5.14	Groundwater Disposal	28
5.15	Unauthorized Acts	28

CHAPTER 6 TERMINATION OF SERVICE

6.1	General	29
6.2	Voluntary Termination of Service	29
6.3	Involuntary Termination of Service	29
6.4	Emergency Termination of Service	29
6.5	Activation of Terminated Service	29
6.6	Notice and Hearing	29

CHAPTER 7 FEES AND CHARGES

7.1	General	31
7.2	Quarterly User Fees	31
7.3	Characteristics Defining Single Family	31
7.4	Determining SFE Rating	32
7.5	Tap Fee	34
7.6	Increased Tap Fee	34
7.7	Tap Transfer Fee	34
7.8	Capital Improvement Fee	34
7.9	Connection and Inspection Permit Fee	35

7.10	Plan Review Fee	35
7.11	Property Transfer Fee	35
7.12	Conversion Fee	35
7.13	Voluntary Termination of Service Fee	35
7.14	Involuntary Termination of Service Fee	35
7.15	Activation of Terminated Service Fee	35
7.16	Sewer Main/Service Line Locate Fees/Repair Charges	36
7.17	Unauthorized Connection Fee	36
7.18	Unauthorized Discharges	36
7.19	Fees for Special Requests	36
7.20	Temporary Suspension of Quarterly User Fees	37

CHAPTER 8 USER FEE BILLING PROCEDURES

8.1	General	38
8.2	Owner Responsible	38
8.3	Billing Procedures	38
8.4	Annual Notification of User Charges	38
8.5	Delinquent Charges and Fees	38
8.6	Sanitation Services Provided But Not Billed	39
8.7	Perpetual Lien	39
8.8	Certification to the Grand County Treasurer	39
8.9	Returned Checks	39

CHAPTER 9 SEWER MAIN LINES

9.1	General	40
9.2	Extension Reimbursement Program	40
9.3	Responsibility for Costs	42
9.4	Specifications	42
9.5	Locates	42
9.6	District Ownership	42
9.7	Acceptance of Sewer Main	42
9.8	Winter Construction	43

CHAPTER 10 TECHNICAL SPECIFICATIONS FOR SEWER MAIN LINES

10.1	General	44
10.2	Pre-Design Conference	44
10.3	Design Approvals	44
10.4	Governing Agencies	44
10.5	Public Rights of Way and Easements	44
10.6	Conveyance of Sewer Mains, Facilities and Private Easements	45
10.7	Notification of Construction	45
10.8	As-Built Drawings	45
10.9	Performance Bonds	45

10.10	Warranty	46
10.11	Insurance Requirements	46
10.12	Final Approval and Acceptance	47
10.13	Construction Requirements	47
10.14	Location of Facilities	47
10.15	Depth of Sewers	47
10.16	Pipe Requirements	47
10.17	Pipe Joints	47
10.18	Manholes	47
10.19	Trench Excavation	48
10.20	Minimum Size	48
10.21	Grades	49
10.22	Water Line Crossings	49
10.23	Infiltration	49
10.24	Installation of Taps at Time of Sewer Main Line Installation	49
10.25	Tracer Wire	50
10.26	Pipe Bedding and Backfill	50
10.27	Surface Restoration	50
10.28	Blasting	50
CHAPTER 11	MISCELLANEOUS PROVISIONS	
11.1	General	51
11.2	Limitations on District Liability	51
11.3	Property Damages	51
11.4	Non-Liability for Performance of Others	52
11.5	Malicious, Willful and Negligent Activity	52
11.6	Penalties for Violations	52
11.7	Severability	52
11.8	Interpretation and Waiver	52
11.9	Reservation of Right To Change Rules and Regulations	52
EXHIBIT A	SCHEDULE OF FEES AND CHARGES	53
EXHIBIT B	STANDARD FEE SCHEDULE	55

RULES AND REGULATIONS

THREE LAKES WATER AND SANITATION DISTRICT

(Adopted March 8, 2010)

Revised thru 5/13/2024

CHAPTER 1

AUTHORITY, POLICY AND PURPOSE

1.1 AUTHORITY

These Rules and Regulations are adopted in accordance with the authority conferred in Title 32, Articles 1 and 10, of the Colorado Revised Statutes, by the Three Lakes Water and Sanitation District, a political subdivision of the State of Colorado and body corporate and politic, with those powers of a municipal corporation which are specifically granted to the District, or are necessary to, incidental to or implied from powers specifically granted by statute, constitution or other law, for carrying out the objectives and purposes of the District.

1.2 DECLARATION OF POLICY

The Board of Directors of the Three Lakes Water and Sanitation District expressly finds and determines that the adoption of these Rules and Regulations is necessary for the health, welfare, security and public safety of the inhabitants of the District and for the orderly and uniform administration of the affairs of the District. It is intended that these Rules and Regulations shall be construed to affect the general purposes set forth herein, and that each and every part hereof is separate, distinct and severable from all other parts. Omission from, and additional materials set forth in these Rules and Regulations shall not be construed as an alteration, waiver or deviation from any grant of power, duty or responsibility, or limitation or restriction imposed or conferred upon the Board of Directors of the Three Lakes Water and Sanitation District by virtue of the Statutes as now existing or as may hereafter be amended. Nothing contained herein shall be so construed as to prejudice, limit or affect the right of the District to secure the full benefit and protection of any laws which now or hereafter may be enacted by the Colorado Legislature pertaining to Special Districts, common law or case law.

1.3 PURPOSES

These Rules and Regulations shall govern the operations and functions of the Three Lakes Water and Sanitation District as of the date of adoption and shall supersede previous *Rules and Regulations* of the District.

The purpose of these Rules and Regulations is to provide for the control, management and operation of the sewage collection and sewage treatment systems of the Three Lakes Water and Sanitation District, including additions, extensions and connections thereto, to establish minimum standards concerning said system and to provide for the administration and enforcement of such standards. All service from the District will be available in accordance with these Rules and Regulations and the charges established therefor, subject to all penalties and charges for violation of these Rules and Regulations, or any Statutes applicable to the District, and are subject to availability and capacity of the District facilities.

The enactment of these Rules and Regulations or any amendment thereof, or the repeal of any prior existing Rules and Regulations or Resolutions shall not deny or limit any right, action, cause of action, penalty, charge or fee which arose under previous Rules and Regulations or Resolutions.

1.4 AGREEMENTS WITH WATER PROVIDERS

The District is empowered by Statute to enter into intergovernmental agreements. The District may enter into water service agreements with public and/or private entities as agreed upon by the Board of Directors. Any and all agreements shall be in writing. The water service provider shall remain ultimately responsible for the ownership and administration of the water system, including compliance with all local, state and federal standards and regulations. The water provider shall have in place and keep in good standing liability insurance which covers the operation and administration of the system in the amount of \$500,000 per occurrence, \$2,000,000 in the aggregate. Any water provider shall also indemnify and hold harmless the District for all claims, damages and penalties associated with the operation of the water system. The District does not guarantee, warrant or represent in any manner that any water system is adequate to supply water, nor that water will be physically or legally available.

CHAPTER 2 DEFINITIONS

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

- 2.1 **ACCESSORY BUILDING** is detached building or other structure with a subordinate use that is clearly incidental to the use of the principal building, is customary in connection with the principal building, and is located on the same lot with the principal building.
- 2.2 **ATTACHED** is a building or structure otherwise complete in itself, which depends for structural support or complete enclosure, upon a division wall or walls shared in common with an adjacent building or structure. Buildings or structures joined by a breezeway are not considered attached.
- 2.3 **BED & BREAKFAST** is a small lodging establishment that offers overnight accommodations and inclusive breakfast. Bed and Breakfast establishments are private homes or family homes offering accommodations.
- 2.4 **BOARD** means the Board of Directors of the Three Lakes Water and Sanitation District.
- 2.5 **BOD** means Biological Oxygen Demand.
- 2.6 **BUILDING** means any structure with plumbing facilities of any nature.
- 2.7 **CAPITAL IMPROVEMENT FEE** is that fee assessed when a Tap has not been physically activated within two (2) years of its purchase, and the property owner then desires to activate the Tap thereafter.
- 2.8 **COMMERCIAL CONNECTION AND INSPECTION PERMIT FEE** means that fee assessed for a Permit which allows a sewer service line to be connected to a District sewer main
- 2.9 **COMPELLING CONNECTION FEES** means the charge assessed for District costs associated with physically connecting a unit to the District's system according to a Compelling Connection Order.
- 2.10 **COMPELLING CONNECTION ORDER** is a directive given to homeowner to connect improvements to District's sanitation system.
- 2.11 **CONNECTION** means the connection of sewer service lines to District sewer mains for either permanent or temporary purposes.
- 2.12 **CONNECTION AND INSPECTION PERMIT** means that Permit which must be obtained before a sewer service line can be connected to a District sewer main.

- 2.13 **CONNECTION AND INSPECTION PERMIT FEE** is that fee charged to a homeowner to obtain a Permit authorizing connection and District inspection of the connection.
- 2.14 **CONVERSION FEE** is that fee charged to a property owner converting a commercial unit to a residential unit or residential unit to a commercial unit.
- 2.15 **COURT** means the District Court in Grand County in the Fourth Judicial District, State of Colorado.
- 2.16 **C.R.S.** means Colorado Revised Statutes.
- 2.17 **DETACHED** is a building or structure that is complete in itself, which does not depend upon other buildings or structures for support. Buildings or structures joined by a breezeway are considered detached.
- 2.18 **DEVELOPER** means any person who owns land, may be subdividing or otherwise developing the land for resale, and seeks to have the land served by the District.
- 2.19 **DIRECTOR** means a member of the Board.
- 2.20 **DISCONNECTION/BACKFLOW PREVENTER VALVE** is a valve required by the District to be installed on all gravity service lines for turn-key disconnection of service and back-flow prevention.
- 2.21 **DISCONNECTION FEE** means the charge assessed against a user/owner when the District disconnects his sewer service line from the District facilities. A disconnection fee shall be assessed for both voluntary and involuntary disconnections.
- 2.22 **DISTRICT** means the Three Lakes Water and Sanitation District.
- 2.23 **DISTRICT FACILITIES** means the District's sewer mains, treatment works and all easements and appurtenances thereto. The term does not include sewer service lines.
- 2.24 **DISTRICT SPECIFICATIONS** means the specifications as adopted by the District for the design, installation, and construction of sewer pipe and appurtenances, as the same may be amended from time to time.
- 2.25 **DOMESTIC WASTE** means liquid wastes (i) from the non-commercial preparation, cooking and handling of food or (ii) containing human excrement and similar matter from the sanitary conveniences of dwelling units, commercial buildings, industrial facilities, recreational facilities and institutions.
- 2.26 **DWELLING UNIT** means any building or portion thereof which contains living facilities, including provisions for sleeping, cooking and sanitation. If a dwelling unit is a portion of a building, it shall be considered separately from the rest of the building to determine the District's fees and charges.

- 2.27 **ENGINEER** is a person or firm hired by the District as an independent consultant or employee to perform engineering services for the District.
- 2.28 **FLOATABLE OIL** means oil, fat or grease in a physical state such that it will separate by gravity from wastewater by treatment in an approved pretreatment facility. A wastewater shall be considered free of floatable oil if it is properly pretreated and the wastewater does not interfere with the collection system.
- 2.29 **INDUSTRIAL WASTE** shall mean the wastewater from industrial processes, trade or business as distinct from domestic waste.
- 2.30 **KITCHENETTE** is an area separate from the bathroom that accommodates food preparation and disposal of, and may include a small refrigerator, microwave or hotplate, and must include a sink.
- 2.31 **LATERAL** means the point where a 4" PVC line is tapped to the sewer main and brought to within 100 feet of a property line for future sanitation service to that property.
- 2.32 **LICENSED PLUMBER** means a person who has been bonded and is licensed to perform such work by Grand County and the State of Colorado.
- 2.33 **LINE EXTENSION FEE** means the charge assessed against an owner who connects to a sewer main line extension included in the line extension reimbursement program, in accordance with Section 9.2 of these Rules.
- 2.34 **MANAGER** means the District's representative who shall have such powers and duties as may be specifically assigned by the Board.
- 2.35 **MAY** means "is permissive."
- 2.36 **MG/L** means million gallons per liter.
- 2.37 **MULTI-FAMILY DWELLING** means a structure wherein more than one family dwelling unit exists, as for example, but not by way of limitation: townhomes, condominiums and apartments.
- 2.38 **OWNER** means the owner of any property receiving; required to receive; or that will, upon some action (*i.e.* connection); receive sewer collection, treatment or related service from the District. Although others may act on the owner's behalf (*i.e.* apply for connection approval, use owner's property), the owner is responsible for compliance with the District's Rules and Regulations, including payment of all fees and charges in addition to the user or agent of the owner.
- 2.39 **PERMIT** means written permission given by the District pursuant to these Rules and Regulations.
- 2.40 **PERSON** means any individual, partnership, co-partnership, firm, company, corporation, association, joint stock company, trust, estate, governmental entity, or any other legal entity, or their legal representatives, agents or assigns.

- 2.41 **PLAN REVIEW FEE** is that fee charged to the property owner to review construction plans for any new build, additions or remodel projects.
- 2.42 **PLUMBING FACILITY** means any device directly or indirectly connected to the District Facilities including but not limited to toilets, showers, sinks, dishwashers, clothes washers, grease traps, and disposals.
- 2.43 **PREMISES** means land with its appurtenances and structures thereon.
- 2.44 **PRETREATMENT** means application of physical, chemical and biological processes to reduce the amount of pollutants in or alter the nature of the pollutant properties in a wastewater prior to discharging such wastewater into a publicly owned wastewater treatment system.
- 2.45 **RECONNECTION FEE** means the charge assessed for reconnecting the sewer service line which has been disconnected, whether voluntarily or involuntarily.
- 2.46 **SEWER MAIN** (also referred to as *Main Line* in the context of the District’s sewer system) means any pipe or piping and appurtenances used for carrying sewage within the District’s sewer system, owned by the District, and to which the District allows the connection of sewer service lines. Unless otherwise designated by the Board, a sewer main shall be any line eight inches (8”) or more in diameter.
- 2.47 **SEWER SERVICE LINE** (also referred to as *service line* in the context of the District’s sewer system) means any pipe, system of piping and appurtenances used as conduit for sewage from plumbing facilities where sewer service is provided, to the sewer main, and which is normally four inches (4”) in diameter.
- 2.48 **SEWER SYSTEM** means all structures, facilities, equipment and processes used for collecting, pumping, treating and disposition of wastewater.
- 2.49 **SHALL** means “is mandatory.”
- 2.50 **SINGLE FAMILY EQUIVALENT (SFE)** means a building that possesses the average characteristics of a home of a single family in a permanent residence in the District. One SFE contributes a maximum of the following: 300 gallons per day, 0.63 pounds of biological oxygen demand per day, and 0.63 pounds of total suspended solids per day to the District Facilities. For the purpose of these Rules and Regulations, the District will calculate the number of SFEs associated with all buildings based, in part, on their type of use. The District has converted types of uses into SFE Units. In addition, the conversion values are subject to change from time to time as more information becomes available to the District.
- 2.51 **SUPERINTENDENT** means the District-designated individual who oversees the wastewater collection system, treatment plant and labs. The Superintendent works under the direct supervision of the District Manager.

- 2.52 **SPECIAL DISTRICT** means any quasi-municipal corporation and political subdivision organized or acting pursuant to the provisions of Title 32 of the Colorado Revised Statutes (“Special District Act”).
- 2.53 **TAP** means a physical connection to the District’s 8” sewer main, manhole or lift station for the purpose of service of sanitation.
- 2.54 **TAP FEE** means that fee charged to an owner for proportionate payment of the expenses attributable to construction and development of the District facilities. The Tap fee shall be determined as set forth in Chapter 7.
- 2.55 **TAP TRANSFER FEE** is that fee charged to allow a transfer of a tap fee paid of record on one property and applied to another property.
- 2.56 **TSS** means Total Suspended Solids.
- 2.57 **USER FEE** is that fee charged on a quarterly basis to an owner of property, as set forth in Section 7.2 of these Rules.
- 2.58 **USER** means any Person to whom any sewer collection, treatment or related service is furnished.
- 2.59 **WASTEWATER** means the spent water of a community. From the standpoint of source, it may be a combination of the liquid and water-carried wastes from residences, commercial buildings, industrial plants and institutions.

CHAPTER 3
USE OF DISTRICT FACILITIES

3.1 GENERAL

Except as otherwise provided in this Chapter, all existing and future structures, equipment and processes connected with and forming an integral part of the District facilities shall become and are the property of the District except sewer service lines, upon written acceptance by the District. The District shall be responsible for maintenance and reconstruction of such District facilities. Said ownership will remain effective regardless of whether such property is constructed, financed, paid for or otherwise acquired by the District or by other persons. No other persons, except those authorized by the District, shall have any right to enter upon, inspect, operate, adjust, change, alter, move or relocate any portion of the District facilities.

The District reserves the right to review each request for use of District facilities individually and to modify these Rules and Regulations for specific projects if it is in the best interest of the District.

3.2 INSPECTION OF PROPERTY

The District Manager, Superintendent and any other duly authorized employee or agent of the District bearing proper credentials and identification shall be permitted to enter upon all properties served by the District for the purpose of inspecting the properties for compliance with the District's Rules and Regulations and for the purpose of inspecting, observing, measuring, sampling and testing the user's water use and wastewater discharge.

3.3 UNLAWFUL CONSTRUCTION AND CONNECTIONS

It shall be unlawful for any person to construct a sewer main or service line to be connected to the District facilities or to connect to the District facilities without: (1) having made application to the District for approval of such construction or connection; (2) having complied with all requirements and regulations of the District; and (3) having received written authorization from the District.

3.4 UNLAWFUL DISCHARGE

No person shall discharge or cause to be discharged any storm water, surface water, groundwater, roof runoff, sub-surface drainage or cooling water to any of the District facilities. No person shall discharge or cause to be discharged into any of the District facilities any harmful water or wastes, whether liquid, solid or gas, capable by itself or in combination with other wastes discharged into the District facilities, causing obstruction to the flow in such District facilities, damage or hazard to District facilities, equipment or personnel, damage or hazard to the District's wastewater treatment processes, or other interference with the proper operation of the District facilities. No industrial waste including, without limitation, industrial process waters, shall be discharged into

the District facilities without prior treatment to a strength of toxicity amenable to treatment with domestic waste.

3.5 POWER TO COMPEL CONNECTION

The owner of any dwelling unit, business or other premises situated within the District where domestic or industrial wastes or wastewater are generated, stored or treated, shall be required at the owner's expense to install suitable toilet and/or wastewater facilities therein and to make application for and to connect such plumbing facilities directly or indirectly to the proper sewer main for the protection of the health, safety and welfare of the residents and visitors of the District. Such application shall, in accordance with the provisions of these Rules and Regulations, be made by the date set forth in the Compelling Connection Order (which shall be at least twenty (20) days after the date of the *Compelling Connection Order* or other official notice, provided that the sewer main is within 400 feet of the owner's premises. If such connection is not commenced within such period and completed with reasonable diligence by the owner, the District may thereupon make such connection, and the owner shall be liable for the compelled connection fees, which consist of all expenses incurred by the District for the completion of the connection, including tap fees, and the line extension fee pursuant to Section 9.2 of these Rules, if applicable. The District shall also have a first and prior lien on the premises for the compelled connection fees in accordance with Chapter 8, Section 6, and such lien shall be enforceable in accordance with Section 8.7 of these Rules, and such lien shall be enforceable in accordance with the provisions of Colorado law.

3.5.1 EXISTING HOMES OR STRUCTURES – EXTENSION OF TIME TO COMPLETE CONNECTION

Periodically, District sewer mains are extended, allowing new properties to connect to the District's sewer system. The District provides an option for owners of premises containing an existing building or structure who receive a Compelling Connection Order due to an extension of the sewer main to request additional time to complete the connection. Within two months after the date of a compelling Connection Order issued following sewer main extension, an owner of premises containing an existing building or structure may request, in writing, to have five (5) years from the date of the Compelling Connection Order to complete the connection.

The request shall be accompanied by an inspection report from a qualified inspector, approved by the District, showing that the existing septic tank and leach field system has been tested and inspected and is in good working order and is not expected to reach the end of its useful life within the next five (5) years.

If the District approves the request, the owner and the District will enter into an agreement in a form acceptable to the District and recorded in the records of the Grand County Clerk and Recorder ("5 Year Connection Agreement"). The 5 Year Connection Agreement will provide:

- A. Owner agrees to complete the connection and abandon the septic tank and leach field. In accordance, in accordance with all requirements of the Grand County Health Department within five years from the date of the Compelling Connection Order;

provided, that if the existing septic tank and leach field fails prior to the five years, connection will be made at that time.

- B. Owner agrees that the tap fee shall be due and payable to the District prior to connection, in the amount set by the District and in effect at the time of connection (unless owner provides a promissory note as set forth in subsection D below and timely makes all payments).
- C. In the case of an owner holding an existing tap, the owner who receives an extension of time to connect shall pay a capital improvement fee in the amount of the difference, if any, between the amount initially paid for the tap fee as shown on the District's records and the tap fee for the property in effect at the time of connection.
- D. If a line extension fee has been imposed on the property, pursuant to the line reimbursement program described in Section 9.2 of these Rules, the line extension fee will be due at signing of the 5 Year Connection Agreement, in the case of a line extension financed by an extending owner, or prior to connection, in the case of a line extension financed by the District.

3.6 TEMPORARY VARIANCES FROM CONNECTION

Properties subject to a Compelling Connection Order by the District may request a temporary variance from connection. Any temporary variance request shall be made in writing, shall set forth detailed reasons for the requested variance and include at least one bid from a contractor of Owner's choosing for the construction work necessary to complete the connection. The District will typically also obtain a second, independent bid of the District's choosing, at Owner's expense.

The variance request shall also be accompanied by a variance fee in the amount set by the Board of Directors of the District, as a deposit to cover the District's estimated costs to process the variance, including the cost of obtaining the construction bid, costs of drafting and recording a variance agreement (if the variance is approved), and legal or engineering work related to the District's review of the request. The variance fee will be due regardless of whether the variance is approved, in accordance with Section 7.16 of these Rules.

In the case of an existing building or structure under a Compelling Connection order, the applicant shall have the burden of proving that it is not practical to require the connection and that the public health or environment will not be adversely affected if the variance is granted. If the Board determines that it is not practical to require the connection of the existing building or plumbing facilities to the sewer main owned by the District, and that the public health or environment will not be adversely affected, the Board may, in its discretion, grant a temporary variance and authorize an owner to continue use of its individual disposal system, temporarily.

A person seeking a temporary variance from connection to the District's sewer main for a proposed building or plumbing facilities that have not yet been constructed shall have the burden of proving that topography will not allow the connection without extreme hardship, or that the

property owner cannot obtain an easement across private land, required to reach a sewer main of the District, or that there is another physical impediment to connection.

The Board may approve, conditionally approve or deny a temporary variance to connection request. The Board's decision shall be final and conclusive. Any approved, temporary" variance shall continue until one of the below-described circumstances occurs, upon which the variance will be automatically revoked and owner will be required to connect to the sewer system:

- A. Owner (or related parties) obtains a Building Permit to expand or enlarge the square footage of the building or to build any new human-occupied buildings on the property.
- B. The septic tank and leach field system on the property fails for any reason, or Owner's failure to comply with the testing and inspection requirements described below.
- C. The District determines that a change in circumstances allows the owner to economically connect to the District's sewer main.
- D. Sale of the property

Any party granted a temporary variance from connection will be required, as a condition of receiving the variance, to enter into an agreement with the District setting forth the terms and conditions for the variance. Said written Agreement shall be recorded with the Grand County Clerk and Recorder's office so that future owners of said property shall be made aware of said Agreement.

As part of the written Agreement, the owner shall commit to have the septic tank/leach field system tested and inspected every other year by a qualified inspector approved by the District, with the initial test and inspection occurring no later than December 31 of the first full calendar year after completion of the temporary individual disposal system or the granting of the temporary variance, whichever is later. Upon testing, a copy of the inspection report shall be forwarded to the District within thirty (30) days.

The owner of any property subject to a temporary variance from connection approved by the district shall be required to have the septic tank/leach field system tested and inspected every four (4) years by a qualified inspector approved by the district, with the initial test and inspection occurring no later than October 31, 2025. Upon testing, a copy of the inspection report shall be forwarded to the district within thirty (30) days. The testing and inspection requirements set forth herein apply to all temporary variances regardless of when, and upon what conditions, the variance was initially approved by the district.

If an inspection report indicates that the septic tank/leach field system is not in good working order and/or is expected to reach the end of its useful life within the next four

(4) years, the owner shall either connect to the sewer system or make all necessary repairs and submit a new inspection report to the district within sixty (60) days. At any time, the district may notify grand county of a failing septic tank/leach field system.

If a temporary variance to connection has been approved by the District's Board of Directors to a parcel of land that is vacant, the temporary variance shall expire three (3) years from the date of approval, if the septic tank/leach field system improvements have not been made prior to said date.

3.6.1 TEMPORARY VARIANCE FOR CONNECTION TO FUTURE PLANNED SEWER MAIN

The district may issue a temporary variance from a compelling connection order in the event that the district has identified the location of a sewer main to be constructed in the future and such main will provide a more practical connection point than the existing sewer main for an owner's premises, as determined by the district. There is no fee for a variance issued pursuant to this subsection 3.6.1.

Any party issued a variance pursuant to this subsection 3.6.1 will be required, as a condition of the variance being issued, to enter into an agreement with the district setting forth the terms and conditions for the variance. Said written agreement shall be recorded with the grand county clerk and recorder's office so that future owners of said property shall be made aware of said agreement.

As part of the written agreement, the owner shall commit to have the septic tank/leach field system tested and inspected every four (4) years by a qualified inspector approved by the district, with the initial test and inspection occurring no later than December 31 of the first full calendar year after the issuance of the variance. Upon testing, a copy of the inspection report shall be forwarded to the district within thirty (30) days.

If an inspection report indicates that the septic tank/leach field system is not in good working order and/or is expected to reach the end of its useful life within the next four (4) years, the owner shall either connect to the sewer system or make all necessary repairs and submit a new
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Inspection report to the district within sixty (60) days. At any time, the district may notify grand county of a failing septic tank/leach field system.

The variance granted pursuant to this subsection 3.6.1 may be terminated by the district at any time, for any reason or no reason, including but not limited to: (a) failure of owner to abide by the terms of the agreement; (b) completion of the new sewer main that is expected to provide a more practical connection point to the owner's premises; or (c) abandonment or delay in completion of such new sewer main.

3.7 AUTHORITY TO DISCONTINUE SERVICE

The District Manager, Superintendent, and any other duly authorized employee or agent of the District or other governmental body shall be permitted to enter upon all properties served by the District for the purpose of terminating sewer service if such termination is allowed under Chapter 6 of the District's Rules and Regulations and/or any contractual agreement between the District and any other governmental body.

3.8 UNAUTHORIZED DISCONNECTIONS

No sewer service line connected to the District facilities shall be disconnected therefrom without the prior approval of the District, which approval shall specify how the disconnection shall be properly sealed.

The District shall inspect and repair any unauthorized disconnection from the District facilities and the costs of such inspection and repair plus any actual damages incurred by the District shall be a charge that is billed to the owner/user, and collected.

3.9 CONNECTION FINANCING PROGRAM

The District may offer to finance the costs of completing a connection to the Sewer Main, including the tap fee, line extension fee, if applicable, and/or connection and inspection permit fee, when an Owner elects, or is required, to abandon a septic tank and leach field system and connect to the Sewer Main, subject to the following conditions:

- A. Sufficient funds are available for the financing, as determined by the District in its sole discretion; and
- B. The owner shall pay the financed amount over four (4) years, with equal quarterly payments of principal and interest set at the prime rate, as determined by the District, plus one percent (1%). The owner shall sign a promissory note to the District at the time of the financing, which will be recorded with the Grand County Clerk and Recorder on the subject property. In the event that the owner signs a promissory note and timely makes all quarterly payments due to the District, any District fees will be charged at the rate in effect on the date of the promissory note, rather than the date of connection. The connection cannot be made until all applicable fees have been paid in full to the District.

CHAPTER 4
APPLICATION FOR SERVICE

4.1 GENERAL

Service shall be furnished only to properties included within the District's boundaries and all service is subject to these Rules and Regulations

4.2 INCLUSION

Owners of property outside the boundaries of the District may petition for inclusion into the District, in accordance with Section 32-1-401, CRS. The District may enter into an inclusion agreement with such petitioners and require the payment of the District's costs associated with processing the inclusion. The District may, in its discretion, grant or deny a petition, in whole or in part, without conditions.

4.3 BUILDING PLAN REVIEW

All proposed or existing owners intending to add a new build, additions or commence a remodel project shall submit building plans to the District for review and assessment. A Plan Review Fee shall be assessed as indicated in the Schedule of Fees and Charges, attached hereto. Units being converted from commercial to residential or vice versa shall incur a Conversion Fee. Phased project plans shall be reviewed individually, with each phase considered separately. Any splitting of units or creation of new units on existing plans shall be reviewed and considered separately, as new plans.

4.4 APPLICATION FOR SEWER TAP

A proposed owner/user seeking service from the District shall submit an *Application for Sewer Tap*, on the District's standard form. The Application for Sewer Tap form shall be supplemented by any plans, specifications or other information considered pertinent in the judgment of the District. No Sewer Tap shall be sold without review of Building Plans, as outlined in Section 4.2 Building Plan Review, ready for submittal to the Grand County or Town of Grand Lake Building Department. District personnel shall stamp Plan sets as required by the Grand County or Town of Grand Lake Building Department and, in particular, shall review the floor plans of said Plan sets and stamp each page accordingly, acknowledging review of each. The stamp shall serve as an indicator to the Grand County or Town of Grand Lake Building Department that sewer service shall be provided as per the assessment noted by the District, in accordance with the Rules and Regulations of the District, and that all tap fees have been paid for said assessment. No Tap shall be sold for service to a property not serviceable by the District at the time of the request for purchase.

4.5 SEWER TAP SFE ASSESSMENT

The District shall determine the amount of the tap fee by converting the planned building that is to be connected to the District facilities into single-family equivalents (SFEs), and multiplying such SFEs by the rate as provided for the type of use. In determining the tap fee, the District shall review and evaluate the drawings for the planned building and shall use the SFE Unit Conversion Schedule in effect at the time the Building Plans are submitted to the District for review.

The District specifically reserves the right to recalculate the number of SFEs for any building at any time after the District has signed off on the Building Plans, particularly upon completion of the building or thereafter, and to assess additional SFEs if such recalculation results in a higher number of SFEs. If the recalculation results in a finding by the District that the number of SFEs for the building is less than the number of SFEs previously determined by the District for that building, the District will refund, with no interest or penalty, the tap fee associated with the difference between the number of SFEs previously determined by the District for that building and the number of SFEs for the building as recalculated pursuant to this Chapter.

Properties which received sewer service from Grand Lake Water and Sanitation District or Columbine Lake Water and Sanitation District prior to the District commencing sewer service were assessed a Tap equivalency by the District, in terms District single-family equivalent ratings (SFEs) based on the structures and types of uses in place at the time of connection to the District's facilities, which was used for the commencement of user fees.

4.6 TAP FEE INCREASE

From time to time, or upon receipt of an *Application for Sewer Tap Increase* per Section 7.6 of these Rules, the District may compare the original number of SFEs purchased (or assessed in the case of structures previously served by Grand Lake Water and Sanitation District or Columbine Lake Water and Sanitation District) for a particular property, minus any Taps which have been abandoned, to the number of SFEs being served (as described in this Chapter in Section 4.4 and Chapter 7 in Sections 7.3 or 7.6). If the recalculation reveals that there has been an increase in the number of SFEs being served, the owner shall be required to pay additional tap fees and user fees.

The circumstances surrounding the initial payment of tap fee(s) will be reviewed to ascertain whether there were any efforts by the prior or current owner to improperly avoid the payment of all the tap fees associated with the service to be provided by the District. So long as there is no appearance of such impropriety, the Board may charge the owner (i) the tap fee in existence at the time the property was initially under review for purchase of taps; or (ii) when a physical tap was made at the sewer main, whichever tap fee the Board deems appropriate, in its discretion, pursuant to the criteria outlined in its guidelines for payment of tap fees for existing properties.

If the recalculation reveals a decrease in use, a property owner may request to abandon the Taps which are no longer needed pursuant to Section 4.7 hereof or may continue to pay user fees on the extra Taps to keep the Taps active in case of future need.

4.7 TAP PURCHASE LIMITATION

If the property of an applicant for a Sewer Tap is improved, the Tap will be limited to the number of SFEs required to serve the buildings existing on the property on the date of the application. If applicant's property is unimproved, or additional improvements are proposed, the Tap is limited to the Building Plans submitted and assessed by the District.

4.8 ABANDONMENT OF TAP

The District may approve a request for abandonment of a Tap. The District shall cease billing a user fee upon abandonment. The District will not be obligated to buy back said Tap or refund any fees. If service is requested in the future for same property, the owner must pay new tap fees associated therewith.

4.9 TAP TRANSFER REQUEST

A request for a tap fee transfer from one property to another must be made by written application. The application shall confirm that the property the tap fee is applied to and the property that the tap fee is requested to be transferred to, are both owned by the Applicant requesting the transfer. It may be approved by the District, in its sole discretion, upon payment of a Tap Transfer Fee as provided for in Chapter 7, Section 7, and a determination that such transfer will not impair the health, safety and welfare of the residents and visitors of the District.

4.10 LIMITATIONS OF TAP AND CONNECTION AND INSPECTION PERMIT

The Tap and Connection and Inspection Permit issued to an applicant are applicable only to the real property and building or portion thereof specified on the Tap and Permit, and all rights under the Tap and Permit shall be deemed to be automatically conveyed with title to such property.

4.11 CONNECTION AND INSPECTION PERMIT AUTHORIZING CONNECTION

No unauthorized person(s) shall uncover, make any connection with or opening into, extend, use, alter or disturb any public sewer, District facility, or appurtenance thereof without first obtaining a written *Connection and Inspection Permit* on the District's standard form. A Connection and Inspection Permit authorizes connection to the District facilities. No permission to connect shall be granted until a Connection and Inspection Permit form, properly completed and signed, has been filed with the District by the owner or its agent, accompanied by the appropriate Connection and Inspection Permit fee and purchase of a Disconnection/Backflow Preventer Valve, unless waived per Rule 5.5. A tap fee must be paid before a Connection and Inspection Permit can be issued; however, payment of a tap fee does not constitute permission to connect. Issuance of a Connection and Inspection Permit or any other District Permit does not authorize the holder thereof to make any cut in a public road or street or to do anything for which separate permission is required of another governmental agency.

4.12 REVOCAION OF CONNECTION AND INSPECTION PERMIT

The District reserves the right in its sole discretion, for cost-related reasons, lack of capacity, or when necessary to protect the health, safety and welfare of the residents and visitors of the District, to revoke any Connection and Inspection Permit previously granted, before service has been provided, and therewith refund all fees previously paid.

4.13 DENIAL OF CONNECTION AND INSPECTION PERMIT APPLICATION

The District reserves the right to deny a Connection and Inspection Permit when, in the opinion of the District, the service applied for would create an excessive seasonal or other unreasonable demand on the District facilities. Additionally, the District may deny or condition a permit application if it has insufficient capacity to provide service, or for any other permitted reason in the District's discretion.

4.14 EXPIRATION OF CONNECTION AND INSPECTION PERMIT

Connection and Inspection Permits shall expire two (2) years from the date of issuance if the authorized connection has not been made during such time. No fees shall be refunded for an expired Connection and Inspection Permit, unless an application for cancellation is made within such two (2) years, as follows.

An owner may apply in writing to the District for cancellation of a Connection and Inspection Permit and tap within two (2) years from the date of issuance of the Connection and Inspection Permit and within two (2) years from the payment of the tap fee, if the connection has not been made and is not planned to be completed within such two (2) years, whereupon the District shall refund the tap fee, without interest, to the purchaser and cease charging future user fees for the cancelled taps. No fees other than the tap fee will be refunded. If service is requested in the future for same property, the owner must pay full tap fees associated therewith, as due at the time of connection, and all other fees due and owing.

4.15 INSPECTION OF SEWER SERVICE LINE CONNECTION

The applicant for the sewer service line connection shall notify the District when the sewer service line has been physically tapped at the sewer main and is ready for inspection. The entire length of the trench containing the sewer service line, from the building drain to the sewer main line, shall not be backfilled until inspection has been made by the District's Superintendent or his representative. If the District has not conducted such inspection within 48 hours after receipt of notification that the service line connection is ready for inspection, the line may be backfilled by the owner; however, the owner will be responsible for costs, expenses or damages resulting from improper connection.

4.16 SINGLE, NON-TRANSFERABLE CONNECTION

Each Connection and Inspection Permit shall allow only one sewer service line connection. Permits are considered to be issued to the building or portion thereof specified in the application, and not to individuals, and may not be transferred separately from the building or portion thereof specified, except pursuant to Chapter 8, Section 8.

4.17 PROPERTY TRANSFERS

Transfers of property ownership are to be reported to the District immediately. Taps of record and their associated user fees remain with the property for any such transfers. A Property Transfer Fee must be paid and will be reported to any closing companies. In the event a closing company is not used or transfer is not reported in a timely manner the current owner of record shall be charged the fee.

CHAPTER 5
SERVICE LINE CONSTRUCTION AND CONNECTION

5.1 GENERAL

Sewer service lines shall be installed in accordance with specifications as set forth in this Chapter. It is the owner's responsibility to be familiar with and comply with all laws applicable to the construction and connection of sewer service lines, including without limitation all local and state regulations. All contractors, licensed plumbers and others doing work within the District shall comply with these requirements. Where oversized lines are desired, or required because of possible future extensions, the District may elect, in its sole discretion, to pay for the extra cost of the oversize or allow reimbursement in accordance with Chapter 9, Section 2. Sizes will be determined by engineers representing the District but in no case will the line size be less than 4 inches.

5.2 SEPARATE SEWER SERVICE LINE

A separate and independent sewer service line shall be provided for all individual dwelling units or commercial units, and except as otherwise provided herein, shall be installed at the expense of the owner. The sewer service line shall consist of the entire length of a 4" PVC pipe from the building to the point of connection with the District's 8" sewer main, including the Tap into the sewer main, manhole or lift station. Pressure lines and interceptor lines may not be tapped directly for service connections except under special conditions and by approval of the District Superintendent.

Accessory Buildings: A single service line may be allowed on a residential property at the sole discretion of the District, where an accessory building without a dwelling unit requires sewer service. Usage of the accessory building(s) in addition to the principal building must not exceed the current single family equivalency assessment of the property. The sewer service line to the primary building and the accessory building will be considered as one sewer service line, but the District does not and will not assume any obligation or responsibility for damage caused by or resulting from any such single connection. The property owner must submit Building Plans for the accessory building to the District for approval and sign a disclaimer and release of liability for the single connection, to be recorded against the property, before attaching the accessory building to the service line. Should a dwelling unit be added to the accessory building in the future, a separate independent service line must be installed in addition to the purchase of the required tap purchase and applicable user fees.

Interior Lots: A single sewer service line may be allowed in the sole discretion of the District, where one building stands at the rear of another on an interior lot and no separate sewer service line is available or can be constructed to the rear building through an adjoining alley, court, yard or driveway. The sewer service line from the front building may be extended to the rear building and the whole considered as one sewer service line, but the District does not and will not assume any obligation or responsibility for damage caused by or resulting from any such single

connection. The owner of the interior lot is responsible for obtaining the necessary permission or easement in order to connect to the sewer service line located on the exterior lot. The owners of both the interior lot and the exterior lot must sign a disclaimer and release of liability for the single connection, to be recorded against the property, before attaching the two buildings to a single service line.

Multi-Family Dwellings: Each multi-family dwelling shall have a separate and independent sewer service line and connection for each dwelling unit in the multi-family dwelling. The District will determine the best means for sewer service connection in instances where dwelling units are situated above one another.

Commercial/Industrial Buildings: Each commercial/industrial building shall have a separate and independent sewer service line and connection for each commercial or industrial unit in the commercial/industrial building. The District will determine the best means for sewer service connection in instances where units are situated one above the other.

5.3 OWNER RESPONSIBLE FOR COSTS OF CONNECTION

Owner is responsible for the payment of all costs and expenses, including, but not limited to, engineering design and evaluation, construction, rights-of-way and easement acquisition and recording, labor, material, attorneys fees and job inspection by the District, as well as any other necessary inspecting authority, incidental to the installation and connection of sewer service lines, necessitated by a request for new, different or additional service or a District Compelling Connection Order. The District shall not be responsible for any costs arising from an agreement or contract between an owner and a contractor or plumber for construction of the sewer service line. Financing for connection costs may be available through the district per section 3.9 hereof.

5.4 QUALIFIED PERSONNEL

A connection to the sewer main line shall be performed by a Licensed Plumber or Contractor specified in the Connection and Inspection Permit approved by the District, pursuant to District standards and inspected by the District. Any plumber or owner altering, changing or adding to any plumbing connected directly or indirectly to the sewer main shall immediately report the same to the District. Failure to do so shall constitute a violation of these Rules and Regulations.

5.5 DISCONNECT/RECONNECT/BACKFLOW PREVENTER VALVE

There shall also be installed in all new construction, and any major remodeling or modifications to existing structures, a sewer service line Disconnect/Reconnect/ Backflow Preventer Valve. This Valve shall be located in a place and manner approved and accessible to District personnel, but most likely shall be installed just inside the property boundary. The Riser shall be required to be installed 6" above the surface. The Valve shall be supplied by the District at a cost to the owner equal to the District's cost. A Connection and Inspection Permit must be obtained along with purchase of the Valve. The Valve shall be required to be installed on all gravity service lines. The installation of this device shall be subject to inspection of the District's Superintendent or a District representative.

The District will consider waiver of the Disconnect/Reconnect/Backflow Preventer Valve requirement upon formal request by the Owner to the District Manager; to include notarized signature by the Property Owner on the Notice of Sewer Service Line Responsibility/Waiver of Backflow Preventer Requirement form. The waiver will be recorded in the real property records with the Grand County Clerk and Recorder and will be binding to current and all future property owners.

5.6 TRACER WIRE

All sewer service line installations shall be required to run a 16-gauge tracer wire securely attached at regular intervals to the sewer service line. If the service line is greater than 6 feet deep, the tracer wire may be laid in the trench directly above the pipe at a depth not to exceed 6 feet. Wire ends are to be secured to the Disconnect/ Reconnect/Backflow Preventer Valve cover and to all manhole rings by bolting with a ring terminal. If a Disconnection/Backflow Preventer is not required the wire must be brought to the surface at a cleanout location. Secure, waterproof connections shall be made between main line locate wires and sewer service line locate wires at the location of the Tap into the main.

5.7 CLEAN-OUTS REQUIREMENT

Every sewer service line connected to the District facilities shall have constructed in the line, at the sole expense of the owner, a cleanout every 100 feet, of the same diameter as the sewer service line.

5.8 GREASE TRAPS AND INTERCEPTORS

Oil and Sand Interceptors: Oil and sand interceptors shall be required when, in the opinion of the District, such interceptors are necessary for the proper handling of liquid wastes containing these substances in excessive amounts, or any flammable wastes or other harmful ingredients, or as required by the Grand County Building Code or Town of Grand Lake Building Code. When required by the District, Grand County or the Town of Grand Lake, all interceptors shall be of a type and capacity approved by the District, and shall be located as to be readily and easily accessible for cleaning and inspection. Maintenance of these interceptors shall be the responsibility of the owner/user, including proper removal and disposal by appropriate means of the captured material and maintenance of records of the dates and means of disposal which shall be available for District review. Any removal and hauling of the collected materials not performed by owner's personnel must be performed by currently licensed waste disposal firms.

Grease Traps: All new and existing commercial and industrial users of the District facilities which, in the opinion of the District, have a probability of significant grease or floatable oil discharge in their wastewaters (for example, food service establishments), shall install grease removal pretreatment systems. All owners who change the use of their properties by renovation, remodeling or otherwise to a new commercial or industrial uses which, in the opinion of the District have a probability of significant grease discharge in their wastewaters, shall be required to install a grease trap at the time such change is made.

All installations must be approved by the District and follow all local and State regulations, and be of a design recommended by the Uniform Plumbing Code, Section 711, entitled "Grease Traps", recognized as the minimum State Plumbing Code, and as adopted and enforced by Grand County, Colorado, or any later adopted code. When installed, the system shall be maintained by the owner/user, at his expense.

The owner/user is required to perform an on-site inspection, and cleaning of the grease trap if necessary, once each year, between January 1 and May 15 at the owner/user's expense. A report form provided by the District shall be completed and submitted to the District by the owner/user within 10 days of completion of the inspection. If a cleaning of the grease trap was necessary, the date of the cleaning shall be noted on the report form.

If the District has not received an Inspection Report form by July 15, for any grease trap, a notice of violation shall be issued, which shall include a \$500.00 violation fee. In addition, the District shall perform the inspection and charge the owner/user for the inspection costs at the District's hourly rate under its *Standard Fee Schedule*. If the inspector recommends cleaning, such cleaning shall be performed within 15 days of notification to the owner/user or within such other time period ordered by the District.

If it is determined that a sewer main has become clogged due to an improperly maintained grease trap, the owner/user shall be liable for all costs incurred by the District because of said clogged sewer main, in addition to any penalties.

If oil and sand interceptors or grease traps are required, whether it be by federal or state law, or pursuant to the District's rules or regulations, and such equipment has not been installed, it will be deemed a violation of the District's Rules and Regulations. This violation will result in additional charges. These additional charges will be based upon the user fees and will be twice the user fees. A notice of violation will be issued requesting the installation of equipment within 30 days. If equipment has not been installed within the 30 days, the additional charges will begin. These additional charges will be in effect until approved equipment has been installed which follows all local, state and federal regulations

5.9 LIFT STATIONS

Owners whose improvements cannot readily be served by a gravity flow service line may install an individual lift system. The District assumes no liability for malfunctions of such systems, nor does the District assume responsibility for the maintenance, replacement or utilities necessary for any lift station unless a written agreement providing for such responsibility is entered into by the District. The owner shall be responsible for all of the costs of constructing such lift system, including labor and material. A special request may be made to the District for approval of a lift system that will service more than one property and the Board may consider in its sole discretion whether the District should consent to ownership of said system, or whether joint ownership of the lift system should remain with those participating owners. If approved for service to more than one property, owners shall be responsible for all of the costs of constructing such lift system, including labor, material and maintenance. The District will not authorize new connections to

existing lift stations servicing one property except by joint ownership of the lift system by those participating owners or acceptance by the District, in its sole discretion. Any connection to a District owned lift station shall be with the approval of the District.

A connection to a lift station shall be a connection directly to the canister of the lift station, and no connections to the vent pipe of the lift station shall be allowed or permitted.

5.10 INSTALLATION OF SEWER IN PUBLIC RIGHT-OF-WAY

In circumstances where it is beneficial to the District's sewer system to have an 8" sewer main line constructed, instead of a 4" sewer service line, to allow service to other properties not yet serviced, the District shall require that an 8" service main line be installed in public rights-of-way, according to District specifications. The District may participate in the cost of this oversizing according to its policy on sewer main extensions per Chapter 9, Section 2.

5.11 SERVICE LINE REPAIR AND MAINTENANCE

It shall be the responsibility of the owner/user to maintain the sewer service line in good repair at all times and to preserve the proper connection of the sewer service line to the District facilities. Leaks and/or breaks in the sewer service line shall be repaired by the owner/user within 72 hours from the time actual notice of the leak or break is given to or obtained by the owner/user of the sewer service line. The District shall have the authority to repair or have repaired the sewer service line if satisfactory progress toward repairing the sewer service line is not achieved, or if the District is unable, after reasonable efforts, to notify the owner/user of the sewer service line of the leak or break, or if an immediate repair is required because the leak and/or break presents a threat to public health or the environment. The District shall bill the owner for such repair and collect all resulting costs thereof. The bill will be due at the time the sewer service line is repaired and will be considered past due if not paid within 25 days. The District's Manager, Superintendent or any other duly authorized employee or contractor of the District bearing proper credentials and identification shall be permitted to enter upon all properties for the purpose of maintaining and repairing faulty sewer service lines as provided herein. The owner shall indemnify the District for any loss or damage caused by improper maintenance or installation of the sewer service line.

5.12 OWNERSHIP OF SEWER SERVICE LINE

That portion of the sewer service line from connection at the building to connection with the sewer main line is the property of the owner.

5.13 TEMPORARY CONNECTIONS

The District reserves the right in its sole discretion to grant temporary connections to the District facilities if the District determines that good cause for such temporary connection has been shown. The cost of making such a connection, including a Connection and Inspection Fee, shall be borne completely by the owner/user of the connection. The tap fee may be waived by the District for this temporary connection. A user fee for a temporary connection will be calculated in the same manner as it would had the connection been permanent. The granting of this temporary

connection confers no permanent right to be connected to the District facilities, nor does it constitute a perpetual waiver of the tap fee. The temporary connection privilege shall terminate no later than two (2) years after the District's approval has been obtained, unless good cause is shown to the District for extending it another two years and the District approves an extension in writing. The temporary connection privilege terminates immediately upon the conveyance, modification or enlargement of the property or building connected, unless District approval is obtained.

5.14 GROUNDWATER DISPOSAL

No connections of roof downspouts, foundation drainings, areaway drains or other sources of surface runoff or groundwater to a sewer service line or building drain which in turn is connected directly or indirectly to a sewer main line shall be made unless such connection is approved by the District for purposes of disposal of polluted surface drainage.

5.15 UNAUTHORIZED ACTS

No unauthorized person shall uncover, make any connection with or opening into, use, alter or disturb any of the District facilities without first obtaining written approval from the District. No unauthorized person shall remove or tamper with any plug or lock installed by the District. The District will impose a penalty assessment for such unauthorized acts in an amount sufficient to cover any damages suffered by the District as a result of such unauthorized act plus an appropriate charge not to exceed \$5,000 per occurrence.

CHAPTER 6
TERMINATION OF SERVICE

6.1 GENERAL

No termination of any sewer service shall be made without approval of the District. Nothing in this Chapter shall be deemed as limiting the District's ability to compel connection, or to continue to charge user fees without surrender of an SFE Tap.

6.2 VOLUNTARY TERMINATION OF SERVICE

Sewer service may be approved for termination at the request of an owner for reasons of demolition of the building, change in use to a non-sewered structure or for other reasons as may be considered by the District. The owner shall continue to be charged quarterly user fees unless the owner has voluntarily abandoned its Tap(s) in accordance with Section 4.7 or been granted temporary suspension of quarterly user fees due to an individual catastrophic event pursuant to Section 7.17.

6.3 INVOLUNTARY TERMINATION OF SERVICE

The District may, after notice and hearing as provided for in Chapter 6, Section 6, terminate service for non-payment of fees and/or charges, for failure of the owner's/user's plumbing facilities to conform to the requirements of these Rules and Regulations, for violation of any state or federal law or rule or regulation of the District or for connection with or for use of the District facilities without authorization from the District.

6.4 EMERGENCY TERMINATION OF SERVICE

The District may terminate any service without notice and a hearing when, in the opinion of the District Manager, such action is necessary because of an imminent hazard to the health, safety or welfare of the residents or visitors of the District, or to the District facilities. In case of an involuntary termination in response to an emergency situation, the owner may request a hearing before the Board, which shall be held at the first subsequent opportunity.

6.5 ACTIVATION OF TERMINATED SERVICE

No activation of terminated service shall occur until all fees and charges due the District are paid in full, including the disconnection fee and the fee for reactivation of involuntary terminated service. Activation shall be performed by District personnel only.

6.6 NOTICE AND HEARING

In all cases except for cases involving an imminent hazard to the health, safety or welfare of the residents or visitors of the District, or to the District facilities, prior to the involuntary termination of service by the District, the District must give written notice to the owner and user of the reason for the termination and advising that the owner or user may request a hearing on the disconnection or termination, by a written request submitted to the District Manager within ten (10) days of receiving such notice. Such notice shall be deemed complete and received upon the delivery of such notice to the owner's residence or business if located within the District and mailing notice to the owner's billing address, or three (3) days after delivery of such notice to the property served, the mailing of notice to the owner's billing address if the owner neither resides nor owns a business within the District. Any requested hearing will be held before the Board, and the owner shall have an opportunity to present testimony and evidence. The Board's decision shall be final.

CHAPTER 7
FEES AND CHARGES

7.1 GENERAL

The rates, charges and other information set forth in these Rules and Regulations, and as provided for in Exhibit "A," shall apply to all owners/users of the District. Said rates and charges established shall remain in effect until modified by the Board under the provisions of these Rules and Regulations and under the applicable statutes of the State of Colorado. Nothing contained herein shall limit the Board from partially modifying rates and charges or from modifying any classification. The rates, charges and other information shown herein shall apply only to owners/users located inside the boundaries of the District and shall in no way control the rates, charges and other requirements applied to service which the District may choose to provide outside the District.

7.2 QUARTERLY USER FEES

In addition to those fees and charges described elsewhere in these Rules and Regulations, the District, in consultation with its Manager, Superintendent and Engineer, shall determine the total annual costs of administration, operation, maintenance, repair, replacement and upgrading of the sewer system which are necessary to maintain the capacity and performance of such sewer system as designed and constructed, and the costs of managing the District. The Board shall then approve a quarterly flat rate user fee per SFE based on these findings. The District will review its fees and charges at least every two (2) years and revise as necessary to ensure that it generates adequate annual revenues.

User fees shall commence when Building Plans are reviewed and stamped, except as set forth below.

For taps purchased after January 1, 2019 for planned new development, user fees commence upon the earlier of: connection into to the District's system or one year from the date of the Connection and Inspection Permit for planned new development.

7.3 CHARACTERISTICS DEFINING SINGLE-FAMILY

A Single Family Equivalent (SFE) shall define the average wastewater use characteristics of a single-family home in the District. The details of these characteristics may be changed from time to time as historic use data is obtained. The bases upon which the SFE characteristics are initially established include:

- a. *Average occupancy 3.5 persons
- b. *Average daily wastewater flow 57 gallons/person/day
- c. *Average wastewater BOD strength 200 mg/L or 0.09 lbs BOD⁵/ person/day
- d. *Average wastewater TSS strength 250 mg/L or 0.12 pounds

*Average, as used here, applies only during the period in which the SFE is occupied. This average cannot be used to determine the yearly average flow because of the highly variable occupancy experienced in homes in the area.

7.4 DETERMINING SFE RATING

The SFE rating of each Tap is determined initially at the time application is made or the District commences providing sewer service to the property, based on the following established, normal use ratings:

Residential, including single-family home, townhome, condominium, apartment, duplex, mobile home, etc.	1.00 SFE
Accessory building with independent service line	1.00 SFE
Boarding house or dormitory-style quarters - Per bed	0.25 SFE
Bed & Breakfast – Per room	0.50 SFE
Lodges, hotels, motels	
Without kitchenettes (per unit)	0.50 SFE
With kitchenettes (per unit)	0.60 SFE
Other overnight rentals.	0.75 SFE
*Cafes, restaurants, lounges, delicatessens (or combination thereof) <600 sq ft of customer service area.	2.00 SFE
Snack Bar.	1.00 SFE
Brewery - Per Vat.50 SFE
Automobile service station	
Each dispenser island with retail.	1.50 SFE
Each dispenser island without retail.	1.00 SFE
Each service bay.	0.10 SFE
Car Wash--Per stall.	2.00 SFE
Self-service Laundromat - Per washing machine.	0.50 SFE
*Cleaners - Per 1000 sq ft.	1.00 SFE
Beauty-Salon/Barber Shop - Per station.	0.75 SFE

For establishments of any kind falling into more than one of the above categories; each separate category would be computed individually and then all the categories totaled for that establishment's total monthly charge, unless stated otherwise. Charges and/or SFEs for sporadic, non-recurring user discharges, or for special uses for which historic loading factors are not included above, will be equitably determined by the District based on the proportionate costs of operation and the actual loading parameters of the discharged wastes.

The District reserves the right to adjust at any time the SFEs as to any existing or future buildings in accordance with the unique circumstances of the building and use, and reserves the right to reassess the calculation of SFEs in accordance with Chapter 4, Section 4 above, including, but not limited to, situations where it appears that the quantity or strength of wastewater generated by the building is high, or the use of the building or the type of business changes.

7.5 TAP FEE

The amount of the tap fee shall be determined by the Board in its sole discretion, taking into account all the expenses and costs associated with providing such sanitary sewer service. The Board shall determine the unit price of a SFE and shall determine the number of SFEs attributable to the Building, and then shall calculate the tap fee by multiplying the unit price times this number of SFEs.

7.6 INCREASED TAP FEE

Anytime a Tap has been issued, and subsequent thereto, the classification of the property, use of the property, or level of service needed under said Tap is changed or the structure is expanded so as to increase the level of service necessary, or the quantity of sewage increases, the owner shall complete an *Application for Sewer Tap Increase* and pay such additional fees as applicable. The District may deny or condition approval of an Application for Sewer Tap Increase if it has insufficient capacity to provide service, if a lift station or other improvements are required, or for any other permitted reason in the District's discretion.

7.7 TAP TRANSFER FEE

The tap transfer fee shall be the difference between the original tap fee paid and the existing tap fee at the time of the transfer. The tap transfer fee shall be in addition to any other fees, including, without limitation, the capital improvement fee as described in Chapter 7, Section 8.

7.8 CAPITAL IMPROVEMENT FEE

The District shall charge a capital improvement fee on each SFE on the District's records which has not been activated and used within two (2) years from its date of purchase. The capital improvement fee shall be the difference between: 1) the SFE tap fee at the time that sewer service through the Tap actually begins; and 2) the amount initially paid for the SFEs as shown on the District's records. The District shall collect a capital improvement fee prior to issuance of a Connection and Inspection Permit or prior to the inspection of the physical Tap at the sewer main line. This capital improvement fee shall be in addition to the tap fee paid for such SFEs and the

Connection and Inspection Permit fee. The capital improvement fee is effective for all SFEs purchased March 1, 1998 and thereafter.

7.9 CONNECTION AND INSPECTION PERMIT FEES

At the time of applying for an Inspection and Connection Permit, an applicant shall pay a Connection and Inspection Permit fee or Commercial Connection and Inspection Permit fee, as applicable, as set forth by the Board, which fee shall approximate the cost to the District to conduct such inspection.

7.10 PLAN REVIEW FEE

The fee for the review of construction building plans for new build, additions or remodel projects as provided for in Chapter 4, Section 3, shall be determined as indicated in the Schedule of Fees and Charges, attached hereto.

7.11 PROPERTY TRANSFER FEE

The fee for ownership transfers of property as provided for in Chapter 4, Section 17 shall be as indicated in the Schedule of Fees and Charges, attached hereto.

7.12 CONVERSION FEE

The fee for converting a commercial unit to a residential unit, or residential unit to a commercial unit as provided for in Chapter 4, Section 3 shall be as indicated in the Schedule of Fees and Charges, attached hereto.

7.13 VOLUNTARY TERMINATION OF SERVICE FEE

The fee for voluntary termination of service as provided for in Chapter 6, Section 2 shall be as determined by the Board, and as indicated in the *Schedule of Fees and Charges*, attached hereto.

7.14 INVOLUNTARY TERMINATION OF SERVICE FEE

The fee for an involuntary termination of service as provided for in Chapter 6, Section 3 shall be as determined by the Board, and as indicated in the *Schedule of Fees and Charges*, attached hereto.

7.15 ACTIVATION OF TERMINATED SERVICE FEE

The fee for reactivation of an involuntary terminated service as provided for in Chapter 6, Section 3 shall be as determined by the Board, and as indicated in the *Schedule of Fees and Charges* attached hereto.

7.16 SEWER MAIN/SERVICE LINE LOCATE FEES/REPAIR CHARGES

Once the District has provided two (2) hours of line location service at no charge, for the remainder of the day the District may charge the Contractor at a rate per hour, as per its *Standard Fee Schedule* attached hereto as Exhibit B, for any outside entity for which it performs work. This hourly rate will be applied not only to the locate service provided, but also for repairs of any sewer mains or sewer lines damaged because of the Contractor's negligence. Any work performed on a Saturday or a Sunday will be charged at an increased rate as per the Standard Fee Schedule.

7.17 UNAUTHORIZED CONNECTION FEE

Any person making an unauthorized connection to the District facilities or the owner for which such unauthorized connection is made, shall be required to pay the District's unauthorized connection fee of \$5,000.00 plus an amount sufficient to cover any damages suffered by the District as a result of such unauthorized connection. If District inspection of the unauthorized connection is necessary, such person and owner will be liable for all the costs incurred by the District in making the inspection. Such person or owner may also be required to pay the District's disconnection fee and reconnection fee and the actual cost associated with disconnecting or reconnecting to the sewer service line and any damages incurred by the District resulting from the unauthorized connection.

7.18 UNAUTHORIZED DISCHARGES

The owner/user of any building which discharges any unauthorized substance which causes an increase in the cost of managing the effluent or the sludge from the District facilities, or which discharges any substance which singly or by interaction with other substances causes identifiable increases in the cost of operation, maintenance, repair or replacement of the District facilities, shall pay for such increased costs, plus an appropriate charge not to exceed \$5,000 per occurrence. These increased costs will be billed and collected as provided for in Chapter 8.

7.19 FEES FOR SPECIAL REQUESTS

Actual costs incurred by the District for reviewing and processing a special request by any interested party may be assessed to and shall be paid for by the interested party, regardless of whether the special request is approved. Special requests are requests for a variance or concession benefiting a particular property and may include, but shall not be limited to, the following: requests for grant of an easement from the District or crossing of a District easement or utility line; change of easement requests; requests for variance from a Compelling Connection Order or other provision of these Rules; line extension requests; or request for a new, different or additional service. The costs to be paid by the interested party shall include, but shall not be limited to recording fees, design and engineering costs, construction and inspection costs, acquisition of facilities or rights-of-way, and legal costs.

A flat fee of \$750.00 shall be deposited with the District by the interested party prior to processing of the request. Should the processing costs exceed the initial deposit, an additional deposit may be required to complete the review and processing of the special request. Once the work is

complete and total actual costs have been determined, any unused funds shall be reimbursed to the interested party, and any additional costs shall be assessed to the interested party and paid within thirty (30) days of receiving an invoice. The District may, in its discretion, grant or deny a special request, in whole or in part, with or without conditions, and the decision of the District shall be final.

7.20 TEMPORARY SUSPENSION OF QUARTERLY USER FEES

In the event of an individual catastrophic event, defined as an unexpected event beyond the property owner's reasonable control consisting of fire, flood, earthquake, tornado, explosion or similar natural disaster, which renders a building uninhabitable on property within the District, the property owner may request temporary suspension of quarterly fees. The request shall be made in writing within 90 days of the individual catastrophic event and shall include documentation of the individual catastrophic event, the uninhabitability of the home or other building, and the request for temporary suspension of fees to reduce the financial impact on the property owner. The Board may temporarily suspend quarterly user fees until the earlier to occur of: a) two years from the date of the individual catastrophic event, b) the building is determined by the District, in its reasonable discretion, to be habitable, or c) the property owner resumes discharge of wastewater from the property. Following the temporary suspension of user fees, quarterly user fees shall commence and continue unless and until the owner has voluntarily abandoned its Tap(s) in accordance with Section 4.7. Large scale catastrophic events affecting multiple properties are not considered under this policy.

CHAPTER 8
USER FEE BILLING PROCEDURES

8.1 GENERAL

User fees are intended to cover owner's equitable share of the costs to administer, operate, maintain, repair, replace and upgrade the District facilities and the costs to manage the District.

8.2 OWNER RESPONSIBLE

The owner of any building that is connected to the District facilities shall be responsible for the quarterly user fee. The District assumes no responsibility for any agreements between owner and users, regardless of how made, or whether the District was notified of such agreements. The District will hold the owner liable for all charges appurtenant to sewer service at the location where the service is provided.

8.3 BILLING PROCEDURES

Except as specifically provided by written agreement between the District and an owner, all sewer charges and fees provided in these Rules and Regulations will be billed to the owner of record and are due on the first day of the quarter in advance of service at the office of the District. Billing shall commence at the time of payment of the tap fee. Billing is continuous and shall not cease unless a surrender of a Tap or Taps has been accepted by the District. Except as specifically provided by written agreement between the District and an owner, tap fees, tap transfer fees, Connection and Inspection Permit fees, disconnection and reactivation fees and any other fees and charges are due when application for such Permit or request is made, or the task is performed, whichever occurs first.

8.4 ANNUAL NOTIFICATION OF USER CHARGES

Each owner shall be notified annually of the quarterly user fee rate in conjunction with a regular billing, as well as the classification of the property in terms of use and SFEs. It is the responsibility of the owner to promptly notify the District if there has been any change in use or error in the classification of use. Failure to notify the District of a change in use or error in the classification may result in the District charging back fees for any expanded use, pursuant to Rule 8.6 below, and/or additional tap fees.

8.5 DELINQUENT CHARGES AND FEES

If any charges and fees are not paid or post dated within twenty-five (25) days after the date due, they shall become delinquent and shall be assessed interest at one percent (1%) per month plus all costs and attorney fees associated with the collection of delinquent charges and fees. Should any owner fail to pay the user fees and interest, or any fees or charges, the District may shut off

or discontinue sanitation service to the property after providing notice of hearing on the proposed termination of service pursuant to Chapter 6, Section 6.

8.6 SANITATION SERVICES PROVIDED BUT NOT BILLED

Should the District find that a property provided public wastewater treatment services by the District was not billed the correct quarterly user fees for the SFEs associated with the property (as the SFE determinations have been made pursuant to Sections 4.4, 7.3 or 7.6 above), the District shall pursue collection for back charges for six years from the date that the discrepancy in the amount of such user fees is discovered, as is provided by law.

8.7 PERPETUAL LIEN

Until paid, all billed fees, rates, penalties and charges shall constitute a first and perpetual lien on and against the property served. Any such lien may be foreclosed in the manner as provided by the laws of the State of Colorado for the foreclosure of mechanics' liens. See CRS § 32-1-1001(1)(j)(l). The District may wish to document its lien by recording a *Notice of Lien* document with the Clerk and Recorder Office of Grand County, but recordation is not required for the lien to be effective.

8.8 CERTIFICATION TO THE GRAND COUNTY TREASURER

In addition to or as an alternative to the other remedies provided in these Rules and Regulations, in the event that any of the District's tolls, rates, charges or fees are not paid when due, including, but not limited to, any quarterly user fee, tap fee, or cost of making Connection for a Building under the District's Compelling Connection Order, the Board may authorize the District's Manager to certify such delinquent amounts to the Treasurer of Grand County for collection in accordance with CRS § 32-1-1101(1)(e). Upon certification, the Treasurer of Grand County shall collect and remit such delinquent amounts to the District in the manner provided by law for the collection of general property taxes. The Treasurer of Grand County may impose a fee and add to the amount of such delinquency to defray the costs of collection.

8.9 RETURNED CHECKS

Any check or other negotiable instrument tendered to the District for payment which is returned to the District and dishonored for any reason whatsoever shall be subject to a returned check fee of \$20.00, or the maximum amount permitted by Section 13-21-109, C.R.S., whichever is higher, and reimbursement to the District for any bank fees incurred.

9.1 GENERAL

Regardless of whether the District or some other person paid for the cost of construction, all sewer main lines within the District are the property of the District, following acceptance by the District. Any sewer main line will be repaired or reconstructed by the District at the cost of the District unless the situation necessitating such repair or reconstruction is the result of enlargement of use, abnormal use or damage to such District facilities, in which case such repair or reconstruction will be done at the expense of the person responsible for such abnormal use or damage.

9.2 EXTENSION REIMBURSEMENT PROGRAM

The District encourages extension of its sewer main lines and District facilities into existing platted areas previously not served by the District. In some circumstances, sewer main extensions constructed by individual owners (the “extending owners”) can benefit other owners by bringing the sewer main line into closer proximity, thereby enabling such other owners to connect to the District’s public sewer system. The District wishes to provide the potential for reimbursement to the extending owners (other than Developers of multiple lots) while not overburdening the District’s staff with administrative review and accounting for such reimbursements.

Before constructing a sewer main line extension for which the extending owner seeks reimbursement, the extending owner shall request in writing that the line extension be included under this extension reimbursement program. The written request shall describe the line extension in detail, including the facilities proposed, the projected construction cost, any easement or right-of-way issues and identification of lots or parcels owned by others which will benefit from the extension (i.e. the lots are expected to connect to the extension). After considering staff recommendations, the Board will determine whether the proposed extension is subject to reimbursement under its extension reimbursement program, with the Board’s decision being conclusive and final.

If approved as reimbursable under the reimbursement program, the extending owner shall comply with all of these Rules and Regulations and specifications, as amended from time to time.

In rare circumstances, in the sole discretion of the Board, the District may agree to advance the funds to pay for the construction of a sewer main line extension, subject to reimbursement by the owners of lots which connect to the sewer main line extension. In those cases, the District shall approve the extension as reimbursable under the extension reimbursement program at or before the time of approval of a contract for construction of the sewer main line extension.

Before the District accepts the extended sewer lines and facilities, the extending owner shall present the District with the cost of extension and all supporting invoices. The extending owner shall not be entitled to any reimbursement for that portion of the costs which is allocated to his/her property by the District. The District shall review the proposed benefits of the extension to other surrounding owners, and shall establish a line extension fee applicable to any such owners who connect to the extended line within ten (10) years of acceptance of the line (in the case of line extensions by an extending owner). In the case of line extensions financed by the District, the line extension fee shall be applicable to any owners who connect to the extended line at any time after completion of the extension. Notice of this fee shall be provided by mail to the affected owners within sixty (60) days of its calculation and recorded in the real property records of the Grand County Clerk and Recorder. The District's allocation of the extended line benefits and calculation of the line extension fee shall be final and conclusive.

The District will enter into a reimbursement agreement with an extending owner, setting forth the terms and conditions of reimbursement. The District does not guarantee that an extending owner shall receive any line extension fee reimbursements, nor shall the District have any liability for an uncollected line extension fees or payment of reimbursements.

The line extension fee to be paid by the owner of vacant land benefiting from the line extension shall become due and payable at the time the Building Plans are submitted to the District. Should a temporary variance be requested by the owner and granted by the Board, the owner shall be required to pay the sewer line extension fee to the District at the time the temporary variance is granted.

Should the owner of an existing home or structure be compelled to connect to an extended sewer main under this reimbursement program, the line extension fee will be due at the time of connection except as follows: (1) if such an owner receives a temporary variance from connection, the owner shall be required to pay the line extension fee to the District at the time the temporary variance is granted; or (2) in the case of a District-financed line extension, the owner may request to pay the line extension fee over four years from the date that the variance is granted, in accordance with a promissory note, with quarterly payments of principal and interest (at the prime rate plus 1%). Notwithstanding any other provision in these rules and regulations, no line extension fee shall be due if the line extension is paid for entirely by funds awarded to the district by an outside entity (e.g., the federal government) with no repayment obligation.

If the owner requests an extension of time to connect, as provided in Section 3.5 of these Rules, the line extension fee shall be paid: (1) upon signing of the 5 Year Connection Agreement, in the case of a line extension fee to an extending owner; or (2) at the time of connection, in the case of a line extension fee paid to the District as reimbursement for a District-financed line extension.

By January 31 of each year, the District will send to the extending owner reimbursement for any line extension fees received in the prior year, less ten percent (10%) for administrative expenses. The District's collection of line extension fees on behalf of extending owners shall terminate ten (10) years after written acceptance of the extended line(s). Any payments to the extending owner shall be sent to the last address on file with the District. The right to receive any such reimbursements shall be non-transferable.

9.3 RESPONSIBILITY FOR COSTS

The owner or Developer is responsible for the payment of all costs and expenses, including, but not limited to, engineering design and evaluation, construction, rights-of-way and easement acquisition and recording, labor, material, development of as-built drawings for the District, attorney fees and job inspection by the District as well as any other necessary inspecting authority incidental to the installation and connection of sewer service lines, main line extensions or enlargement of District facilities necessitated by a request for new, different or additional service, or a District Compelling Connection Order. The District shall not be responsible for any costs arising from an agreement or contract between an owner and a Contractor for construction of the sewer service line. Unless otherwise agreed to by the District, a Developer shall pay for the entire project cost of extending sewer service to a new subdivision. The District may require an owner or a Developer to deposit up to 100% of the estimated project costs prior to authorizing a proposed project. Financing for connection costs may be available through the District per section 3.9 hereof.

9.4 SPECIFICATIONS

All extensions of sewer mains shall be installed according to plans and specifications submitted to and approved by the District, and shall conform to the technical standards and specifications outlined in Chapter 10.

9.5 LOCATES

The District shall meet the requirements of CRS § 9-1.5-105. This Statute created a Notification Association which requires that Special Districts participate in a statewide program which utilizes a single toll-free telephone number that excavators can use to notify the Notification Association of pending excavation plans. The District shall participate as a “Tier One” member and shall receive full service benefits.

9.6 DISTRICT OWNERSHIP

A Developer or property owner who has completed construction of a sewer line extension shall, at the time such extension is accepted by the District for service, convey such extension by Bill of Sale, together with all appurtenances and all necessary fee simple parcels or easements properly described by certified survey, to the District free and clear of all liens and encumbrances, unless waived by the District.

9.7 ACCEPTANCE OF SEWER MAIN

No sewer mains or other facilities shall be accepted by the District or placed into operation unless they have been inspected and approved by the District, as-built drawings have been submitted, easements if required, have been recorded, and it is determined that such lines meet in all respects the requirements as set forth in Chapter 10 below.

9.8 WINTER CONSTRUCTION

No exterior sewer line construction or connections shall be permitted between October 15 of any year and May 15 of the following year (the winter season) except as may be provided by special agreement with the District. In case of a shorter or longer winter season, the District may in its discretion reduce or extend the seasonal restrictions on the construction or connection of exterior sewer lines. An owner/developer shall be responsible for any and all requirements made by the District if construction is allowed outside the permitted time frame. These requirements shall include, but not be limited to, additional installation requirements and associated costs for additional engineering review and inspection.

CHAPTER 10
TECHNICAL SPECIFICATIONS FOR SEWER MAIN LINES

10.1 GENERAL

Design and construction of all sewer main lines and other District facilities within the District, which are constructed in any public right-of-way or public or private easement granted to the District for such purpose or connected to the District facilities, shall meet the minimum requirements set forth herein. Design criteria and calculations will be subject to review and approval by the District.

10.2 PRE-DESIGN CONFERENCE

The District may require a pre-design conference between the Engineer representing persons requesting connection to or extensions of the District facilities and the District Superintendent to establish basic criteria before starting to prepare plans.

10.3 DESIGN APPROVALS

All design calculations, plans and specifications for proposed wastewater facilities and connections and copies of the recorded plats of an area requesting service shall be submitted to the District Superintendent in duplicate for his review. The Superintendent shall in turn submit the proposal to the Board for its approval of the extension concept only. With the Board approval to move forward, the Superintendent shall further review for compliance with these Rules and Regulations and shall either approve them as in compliance or submit any changes for redrafting. No sewers shall be connected to existing District facilities until the construction plans and specifications are submitted and have been reviewed and approved by the District. All District-approved plans and specifications will be stamped approved by the Superintendent, with one approved stamped set returned to the developer/extender. This approved copy shall be kept on the job site at all times during construction by the contractor, and be available on site to District personnel.

10.4 GOVERNING AGENCIES

If required, plans and specifications for all proposed wastewater facilities and connections shall be submitted by the persons requesting service to the Colorado Department of Health, Colorado Department of Transportation, the Environmental Protection Agency or relevant Grand County or Town of Grand Lake officials for their review and approval. After approval by Federal, State, County officials and/or Town officials, a copy of the cover letter from the approving agency and one copy of the plans and specifications bearing the official's approval shall be submitted to the District.

10.5 PUBLIC RIGHTS-OF-WAY AND EASEMENTS

All sewer main lines and appurtenances to be owned and maintained by the District shall be installed in public rights-of-way or easements granted to the District for such purposes. The minimum width of easements for sewer main lines shall be 20 feet. All mains and appurtenances located, constructed or placed within such rights-of-way or easements which are to be attached to the District facilities, and of which previous approval has been given by the District, shall become the property of the District upon completion, inspection, testing and final acceptance in writing by the District.

10.6 CONVEYANCE OF MAINS, FACILITIES AND PRIVATE EASEMENTS

Where main lines and appurtenances are not located in existing rights-of-way of the District, such main lines and District facilities shall not be approved by the District until the developer shall convey to the District, free and clear of all liens and encumbrances, title to such main lines and District facilities, including land or easements to use said land for the construction, use, maintenance, repair, replacement and enlargement of said main lines and District facilities by a conveyance in such form as shall meet the approval of the attorney for the District. Such deeds or easement agreements shall be recorded in the Office of the Grand County Clerk and Recorder. The cost of furnishing satisfactory title to all land, easements and/or rights-of-way shall be borne by the person or persons conveying the same.

10.7 NOTIFICATION OF CONSTRUCTION

The District's Superintendent shall be informed at least three (3) working days prior to the start of construction of any project approved by him.

10.8 AS-BUILT DRAWINGS

Upon completion of construction of main lines or District facilities, as-constructed reproducible drawings shall be submitted to the District. These drawings must be submitted prior to final testing and inspection of main lines or District facilities by the District. Drawings shall show exact location of all mains and appurtenances relative to adjacent lot lines and boundaries of the easement or right-of-way within which such District facilities are constructed. As-built drawings shall be submitted on sheets of 24" x 36" in dimension at a scale of horizontal - 1" = 50 feet, vertical - 1" = 10 feet. If the above information is not provided by the contractor within a reasonable period of time, the District's Engineer shall provide as-built drawings at the expense of the party with whom the District has an agreement for the extension. As-built drawings shall also be submitted in electronic format to the District.

10.9 PERFORMANCE BONDS

Any person constructing sewer system facilities to be conveyed to the District, or within the public right-of-way, or any public or private easement granted to the District for such purpose, shall furnish to the District a performance bond equal to one hundred percent (100%) of the construction costs prior to commencement of construction. Such performance bond shall hold

the District harmless for payment to the contractor and/or any subcontractors and for any work needed to complete the construction in accordance with approved design plans. The performance bond shall continue in effect and shall expire with the warranty period in accordance with 10.10 below.

10.10 WARRANTY

Prior to acceptance by the District, any person constructing a main line or other facilities to be conveyed to the District, or within the public right-of-way, or any public or private easement granted to the District for such purpose, shall guarantee or cause its contractor to guarantee to the District the construction against faulty workmanship and materials associated with such construction for a period of two (2) years from final acceptance of the project or two (2) years from the time the sewer main becomes active, if at a later date. The two-year period shall include two spring periods through June 15. The sewer main line shall have become activated before the warranty period shall commence. Inspection and approval by the District of any such main line or other District facilities shall not relieve the guarantor and owner from compliance with these provisions.

10.11 INSURANCE REQUIREMENTS

Any person constructing sewer system facilities for the District shall procure and maintain the minimum insurance coverages listed below. Such coverages shall be procured and maintained with forms and insurers acceptable to the District. All coverages shall be continuously maintained from the date of commencement of the Work. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage.

- 1) Comprehensive General Liability insurance with minimum combined single limits of One Million Dollars (1,000,000) each occurrence and Two Million Dollars (\$2,000,000) aggregate. The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, independent contractors, products, and completed operations. The policy shall include coverage for explosion, collapse, and underground hazards. The policy shall contain a severability of interest provision.
- 2) Comprehensive Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than One Million Dollars (\$1,000,000) each occurrence and One Million Dollars (\$1,000,000) aggregate with respect to each of Contractor's owned, hired and/or non-owned vehicles assigned to or used in performance of the services. The policy shall contain a severability of interest provision.

10.12 FINAL APPROVAL AND ACCEPTANCE

No facilities will be accepted by the District for ownership and maintenance until inspected by the District and satisfactory evidence is furnished to the District reflecting full payment for all and approved construction costs satisfactory to the District, and the guarantee of construction and maintenance has been provided as required in 10.10 and 10.11 above.

10.13 CONSTRUCTION REQUIREMENTS

Any technical requirements not specifically provided for herein shall be performed in accordance with the local building and plumbing code or other applicable rules and regulations of the State of Colorado, Grand County, or Town of Grand Lake, whichever applies. Plans and specifications will be prepared by a professional engineer licensed in the State of Colorado. Plans will be stamped by said professional engineer and all costs of plan preparation will be paid by the homeowner or developer.

10.14 LOCATION OF FACILITIES

All sewer lines located in the public rights-of-way or easements granted to the District shall be located so as not to interfere with other existing or proposed utilities and improvements.

10.15 DEPTH OF SEWERS

Sewer lines used as gravity collection mains must be designed to the specific local topography to provide basement gravity flow service for all existing inhabited premises. Where the main will serve future improvements on vacant lots, the main shall be at sufficient depth to provide gravity flow service at a depth of eight (8) feet below the existing ground level of the mid-point of each lot, unless otherwise approved by the District. In no case shall gravity sewer mains have less than six (6) feet of cover under landscaped areas or eight (8) feet of cover under driving surfaces, unless insulated pipe is installed which shall have a minimum of five (5) feet of cover in all areas. Pressure lines shall have a minimum of nine (9) feet of cover in all areas. These depths may be increased subject to the geography of the area and further engineering and construction costs may be required. This Section applies to construction of normal gravity subdivision collection mains, laterals, main intercepting sewers, pressure systems and lift stations.

10.16 PIPE REQUIREMENTS

Sewer pipe for sewer main and service lines shall be polyvinyl chloride (PVC) pipe conforming to ASTM D-3034, SDR 35, unless otherwise specified.

10.17 PIPE JOINTS

All pipe joints shall be joined with a rubber gasket designed to remain watertight under all conditions of service, including movement due to expansion, contraction and normal settlement.

10.18 MANHOLES

- a. Manhole Sections: Manholes shall be constructed of precast concrete rings, conforming to ASTM C-478 with Type II cement and flexible plastic gaskets at joints. Cones shall be eccentric. Minimum wall thickness shall be 5 inches for 48" to 60" diameters and 6 inches for 72" diameter.
- b. Manhole Bases: Manhole bases shall be approved precast.
- c. Manhole Ring and Cover: Cast Iron ASTM A48. Ring and cover shall be cast iron machined to fit securely. The word "sewer" with letters at least 2" high shall be cast into all covers. All covers shall be non-rocking. Covers shall be solid with only one pick hole. Opening shall be 24" minimum.
- d. Manhole Steps: Steps shall be cast into the manhole at the time of manufacturing. Step surfaces shall have two non-skid grooves and be capable of carrying a load of 1000 lbs., 6" from the face of the manhole. Steps shall be placed 12" - 18" on center and be polypropylene.
- e. Manhole Joint Sealant: Rubbernek or Ramnek. Joints shall be grouted inside and out. In areas of high water table, manhole shall be wrapped with Bituthane plastic or approved equal. Entire manhole shall be damproofed with approved coating in wet or possibly wet conditions.
- f. All manholes in gravel roads shall have not less than three inches (3") of cover nor more than six inches (6") of cover over the top of the manhole cover. On paved streets or roads, the cover shall be flush with the paved road. In fields and open areas, rim and cover shall be above ground level by not less than three inches (3") nor more than six inches (6"). All manhole frames and covers will be inspected after surface restoration is completed to ensure that these frames and covers are properly set and that the lines are free from dirt and other debris. If any are found to be too high, too low, or misplaced, they shall be re-set, and any dirt or other debris shall be removed from the lines, all at the installer's expense.

10.19 TRENCH EXCAVATION

Trench Excavation: Excavate to depths required. Confine excavation to work limits.

Unstable Trench Bottom: Where trench does not have sufficient strength to support pipe and bedding or where stream crossings are encountered, aggregate shall be imported and placed in the trench bottom. Gradation shall be the following percent by weight passing square mesh sieves: 1 1/2": 90-100%, 3/4": 50-90%, No. 4: 30-50%, No. 200: 3-12%.

10.20 MINIMUM SIZE

The minimum size of sewer mains shall be eight inches (8") in diameter and the minimum size of sewer service lines shall be four inches (4") in diameter.

10.21 GRADES

All gravity sewers shall be installed at grades approved by the District but in no case should the grade be less than:

Pipe Diameter	Inches per 100 ft/% grade
4	12 / 1%
6	7.2 / .6%
8	4.8 / .4%
10	3.4 / .28%
12	2.6 / .21%
15	1.8 / .15%
18	1.4 / .12%
21	1.2 / .10%

10.22 WATER LINE CROSSINGS

Sewer lines which cross or intercept water lines, shall be installed in accordance with applicable requirements of the Colorado Department of Health, unless the District determines that more stringent requirements are required due to unusual conditions.

10.23 INFILTRATION

Seepage and infiltration of fluid into the sewer lines is not acceptable. Such lines will not be accepted by the District. If infiltration into pipes and manholes is discovered during inspection or during warranty period, the installer is responsible for repairs.

10.24 INSTALLATION OF TAPS AT TIME OF SEWER MAIN INSTALLATION

Extensions of District main lines may, at the discretion of the District, require tapping wyes or tees to be installed at the time the main is laid. A Tap connection shall be placed such that it is in the most practical position (*i.e.*, it takes into account the most likely building sites and service line slopes required to reach the main) to service the adjoining lot. The lateral shall be extended to the property line. Lateral lines shall be run with at least the minimum grade as specified in Section 21 above. An iron or steel marker must extend twelve inches (12") above grade at the end of the lateral. Tracer wires shall be connected to iron markers at the time of installation. The location and elevation of the stub shall also be measured and identified on as-built drawings. Any lateral shall remain in the ownership of the District. At the time a lateral is activated, the Tap and lateral shall be inspected by District personnel and ownership given to homeowner upon satisfactory inspection.

10.25 TRACER WIRE

All new main line installations shall be required to run a 16-gauge tracer wire securely attached at regular intervals to the sewer line. Wire ends are to be secured to the Disconnection/Backflow Preventer Valve cover and to all manhole rings by bolting with a ring terminal. If a Disconnection/Backflow Preventer Valve is not required due to a manhole tap, the wire must be secured to a metal rod placed on the property line directly above the Service Line. Secure, waterproof connections shall be made between main line locate wires and service line locate wires at the location of the tap into the main.

10.26 PIPE BEDDING AND BACKFILL

- a. Two feet over pipe: Containing no stones larger than two inches (2") in diameter. Cover material shall be clean, dry soil free from organic materials, chunks of soil, frozen material, debris, or other unsuitable materials. Place and compact starting at pipe bedding extending upward one foot (1') above top of pipe. Place in lifts to a density of 90% AASHTO T99, at a point six inches (6") above top of pipe. District personnel shall inspect at one-foot cover over pipe for compaction requirements.
- b. Remainder of trench: No backfill material with boulders larger than twelve inches (12") in diameter, no boulders larger than six inches (6") in the top twelve (12") of trench. Compaction of 95% AASHTO T99 is required under driving surfaces. Trenches outside pavement shall be compacted to 85% AASHTO T99. District shall approve compaction equipment and will obtain compaction testing if necessary.

10.27 SURFACE RESTORATION

All areas disturbed by installation operations shall be fine graded and any surface improvements damaged or removed shall be replaced or repaired to original condition. Disturbed areas shall be graded as necessary to minimize erosion from surface run off.

10.28 BLASTING

Any Contractor using any explosive or any other material for blasting within twenty-five feet (25') of the District lines shall obtain a State License for blasting, and shall file a copy of that license with the District office, and the contractor shall not do any blasting unless supervised by a District representative, or otherwise approved by the Superintendent.

CHAPTER 11
MISCELLANEOUS PROVISIONS

11.1 GENERAL

The District is responsible for the collection and treatment of wastewater from users within the District and the operation, maintenance, repair and replacement of all District facilities owned by the District.

11.2 LIMITATIONS ON DISTRICT LIABILITY

The District and its Directors, officers, and the employees are and shall be immune from any legal or equitable action against them for which they have immunity under the provisions of the Colorado Governmental Immunity Act, C.R.S. 24-10-101 or other Colorado law.

The District and its officials and employees shall not be liable or responsible for damages to or failure of sewer service lines, plumbing facilities, lift stations or other facilities not owned by the District and each owner shall assume all responsibility therefore including responsibility for maintaining their own such facilities. Nor shall the District be liable for damages caused by or related to sewer service lines, plumbing facilities, lift stations or other facilities not owned by the District.

The District and its officials and employees shall not be liable or responsible for, and no claim for damage shall be made against the District by reason of damage resulting from breaking or failure of any sewer main or other District facilities or interruption of service brought about by request of claimant or by circumstances beyond the District's control (including without limitation, acts by a third party, acts of nature or acts of terrorism) or from any failure or interruption of water service.

This Section shall not constitute a waiver by the District of the defense of sovereign immunity or the Colorado Governmental Immunity Act, or any other defenses it may have to an action against the District, its officials or employees, nor is it a waiver of its insurance coverage. This Section shall be construed in such a manner as to be consistent with the District's resolution indemnifying such officials and employees.

11.3 PROPERTY DAMAGES

These Rules and Regulations shall not be construed to hold the District in any manner responsible for any damages to persons or property resulting from any inspection as herein authorized or resulting from any failure to so inspect, or resulting from the issuance or denial of any Permit as herein provided, or resulting from the institution of court action as allowed by law, or the forbearance by the District to so proceed.

11.4 NON-LIABILITY FOR PERFORMANCE OF OTHERS

The District does not assume any liability for any work performed by others. No claim shall be made against the District or any of its officers or employees on account of errors of omission or commission made by the District.

11.5 MALICIOUS, WILLFUL AND NEGLIGENT ACTIVITY

No person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface, or tamper with any structure, appurtenance or equipment, which is a part of the District facilities. No person shall tap sewer mains without permission or make connections with existing service for new or additional use. Any person violating this provision shall be subject to prosecution under applicable state law, in addition to any penalties, fees and charges set forth herein.

11.6 PENALTIES FOR VIOLATIONS

Any person found to be violating any provision of these Rules and Regulations shall be served by the District with written notice stating the nature of the violation and providing a reasonable time limit for the satisfactory correction thereof. The offender shall, within the period of time stated in such notice, permanently cease all violations and be subject to fees and penalties as noted elsewhere in these Rules and Regulations and any other activities or remedies available under applicable State law.

11.7 SEVERABILITY

If any provisions of these Rules and Regulations are held invalid, for whatever reason, by a Court of competent jurisdiction, as part of a Judgment, Judicial Decree or Court Order, or otherwise, such adjudication shall not affect in any manner any of the other provisions contained in these Rules and Regulations, and the remaining Rules and Regulations shall remain in full force and effect.

11.8 INTERPRETATION AND WAIVER

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. The decision of the Board shall be final and conclusive.

The Board shall be the deciding factor to waive these Regulations in whole or in part, and its decision thereon shall be final and conclusive.

11.9 RESERVATION OF RIGHT TO CHANGE RULES AND REGULATIONS

The Board reserves the right and authority to change these Rules and Regulations at any time and from time to time in the manner now or hereafter provided by law.



EXHIBIT A
SCHEDULE OF FEES AND CHARGES

CAPITAL IMPROVEMENT FEE	As Calculated
The difference between the Tap Fee at the time that sewer service through the tap actually begins; and 2) the amount initially paid as a Tap Fee as shown on the District's records	
COMMERCIAL CONNECTION AND INSPECTION PERMIT FEE	\$100
COMPELLED CONNECTION FEE	As Calculated
Consists of all expenses incurred by the District for the completion of a required connection, including Tap Fee, Line Extension Fee, if applicable, and Permit Fee	
CONNECTION AND INSPECTION PERMIT FEE	\$50
CONVERSION FEES (PER UNIT)	
Commercial account to residential unit (or Vice Versa)	\$150.00
DELINQUENT FEES	As Calculated
1% per month plus all costs and attorney fees associated with the collection of delinquent charges and fees.	
DISCONNECTION FEE	
Voluntary Termination of Service	\$50
Involuntary Termination of Service	\$100+
\$100.00 plus actual costs of disconnection including cost of installation of Disconnect/Backflow Preventer Valve if required	
LINE EXTENSION FEE	As Calculated
The charge assessed against an owner who connects to a sewer main line extension included in the line extension reimbursement program, as set by the District for the particular extension.	
OIL & SAND INTERCEPTORS AND GREASE TRAP VIOLATIONS	\$500
PLAN REVIEW FEES (DUE UPON SUBMITTAL)	
Detached Home/Townhome/Duplex/Manufactured Home	\$50.00
Multi-Family/Commercial Structure	
Initial Review	\$500.00
Each re-review	\$250.00

Multi-Lot Commercial Development	
Initial Review	\$500.00
Each re-review	\$250.00
Previously submitted plans which are the same design as an existing building	\$125.00
PROPERTY TRANSFER FEE	\$75.00
REACTIVATION OF INVOLUNTARY TERMINATION OF SERVICE FEE	\$50
RETURNED CHECK FEE	\$20+
\$20 plus bank fees	
TAP FEE (PER SFE)	\$10,500
TAP TRANSFER FEE	As Calculated
The difference between the tap fee paid originally and the tap fee at the time of the transfer.	
UNAUTHORIZED ACTS FEE	As Calculated
An amount sufficient to cover any damages suffered by the District as a result of such unauthorized act plus an appropriate charge not to exceed \$5,000 per occurrence	
UNAUTHORIZED CONNECTION FEE	\$5,000+
\$5,000.00 plus an amount sufficient to cover any damages suffered by the District as a result of such unauthorized connection.	
USER FEE (PER QUARTER)	\$135
Per month - \$45.00	

EXHIBIT B
STANDARD FEE SCHEDULE

	Manpower	\$65.00 per hour per Wastewater Operator \$97.50 per hour per Wastewater Operator (outside of regular business hours)
1.	Case 580 Backhoe	\$180.00 per hour without manpower
2.	Skidsteer Bobcat	\$80.00 per hour without manpower
3.	Service Truck	\$90.00 per hour without manpower (specialty equipment on truck)
4.	Combination Jet/VacTruck	\$230.00 per hour without manpower
5.	Laboratory Testing	Per District Schedule
6.	Plow Truck	\$45.00 per hour without manpower
7.	Generators	As follows: (a) 160 kw - \$240.00 per hour (b) 35 kw - \$150.00 per hour (c) 5 kw - \$ 80.00 per hour
8.	Godwin 6" Pump	\$100 per hour