CASTLE PINES NORTH

METROPOLITAN DISTRICT

RULES & REGULATIONS

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ARTICLE 1.
GENERAL

1.1 Authority: These Rules and Regulations are adopted in accordance with the authority conferred in Title 32, Article 1 of the Colorado Revised Statutes, by the Castle Pines North Metropolitan District ("District") Board of Directors ("Board"), a political subdivision of the State of Colorado and a quasi-municipal corporation with all the powers thereof, which are specifically granted to the District or which are necessary or 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 Policy: It is hereby declared that the following Rules and Regulations, to be used in conjunction with the District's Engineering Standards and Specifications, will serve a public purpose and will promote the health, safety and general welfare of the property owners, inhabitants of, and visitors to, the District. It is the District's policy that growth and development within the District's boundaries, or areas to be included within the District's boundaries, must pay for itself. Property is required to include into the District in order to receive services from the District, and the provision of public water and sanitary sewer service is contingent upon the District having sufficient water treatment capacity and sanitary sewer treatment capacity. Because of these limitations, the District cannot guarantee that it will be able to provide water and sanitary sewer services to properties within the District's boundaries or to properties within the District's service area. Inclusion of lands within the District's boundaries does not guarantee the provision of water and sanitary sewer service by the District.

1.3 No Waiver of Immunity: Nothing contained in these Rules and Regulations shall be deemed to constitute a waiver by the District of the immunities, protections, and defenses afforded to the District under the Colorado Governmental Immunity Act, Section 24-10-101, *et seq.*, C.R.S. ("CGA"), which immunities, protections, and defenses the District intends to utilize to the fullest extent permitted by law.

1.4 Purpose: The purpose of these Rules and Regulations, to be used in conjunction with the District's Engineering Standards and Specifications, is to provide for the control, management and operation of the water, sanitary sewer, and stormwater systems, including additions, extensions, and connections thereto, and the District's Parks and Open space facilities, and to provide for the administration and enforcement of such standards so that the health, safety and general welfare of the property owners, inhabitants of, and visitors to, the District are protected. All services provided by the District will be available in accordance with these Rules and Regulations, and the charges and fees established therefore, and subject to all penalties and charges for violation thereof, or any Federal, state or local laws applicable to the District, subject to availability and capacity of District facilities.

1.5 Scope: These Rules and Regulations shall be considered a comprehensive set of rules and regulations governing certain aspects of the control, management and operation of the

District. However, these Rules and Regulations do not cover every conceivable aspect of the control, management and operation of the District and the Board reserves the right to make rulings and to adopt resolutions concerning matters not covered herein, as and when appropriate, at its sole discretion. In addition, these Rules and Regulations are not intended to supersede or contravene specific terms or conditions of any contract or other agreement entered into by the District and a party, unless such contract or agreement is made subject to these Rules and Regulations.

1.6 Regulations by Other Governmental Entities: Any limitation, restriction or prohibition validly placed upon the District by any governmental entity, including PCWRA, is hereby incorporated into these Rules and Regulations by this reference.

1.7 Effective Date: These Rules and Regulations shall be effective immediately upon adoption by a majority of the Board at a public meeting and shall supersede any prior version of the Rules and Regulations.

1.8 Legal Construction: It is the intent of the Board that these Rules and Regulations shall be liberally construed to affect the general purposes and policies set forth herein. Nothing set forth herein shall be construed as an alteration, waiver or deviation from any grant of power, or any limitation or restriction thereof, conferred or imposed upon the District by the statutes, constitutional provisions, or other laws of the state, as they currently exist and as they may exist in the future. In the event of any ambiguity, inconsistency, or conflict between provisions within the Rules and Regulations or between these Rules and Regulations and the rules and regulations of any other governmental entity or any another document adopted by the District, including the District's Engineering Standards and Specifications, the provision that is most protective of the health, safety, and welfare of the District's property owners, inhabitants and visitors, and the District's facilities will control. In the event of any ambiguity or inconsistency in the interpretation of these Rules and Regulations, the Board shall make a final determination, based upon the recommendation of the District Manager, in conjunction with the District's Engineering Standards and Specifications, if applicable.

1.9 Amendments: These Rules and Regulations may be amended from time to time by the Board in the same manner as the original Rules and Regulations were adopted.

1.10 Saving Provision: The enactment of these Rules and Regulations, any amendment thereof, or the repeal of any prior Rules and Regulations or resolutions, shall not deny or limit any right, action, or cause of action that arose under a prior version of the District's Rules and Regulations.

1.11 Repeal of Conflicting Resolutions: All resolutions or parts thereof in conflict herewith, are hereby repealed, except as may be expressly provided herein.

1.12 Severability: The invalidity of any section, clause, sentence, or provision of these Rules and Regulations shall not affect the validity of any other part of these Rules and Regulations,

which can be given effect without such invalid part or parts, and to this end, the provisions of these Rules and Regulations are hereby declared to be severable.

1.13 Variances: The Board reserves the right to waive or modify the provisions of these Rules and Regulations, at its sole discretion. Any person seeking a variance of a provision of the Rules and Regulations shall have the burden of proving that the operation of such a provision would cause undue hardship, or should not be applied to the person for another justifiable reason, and that such variance shall not endanger the health, safety and welfare of the inhabitants of, and visitors to, the District. Any request for a variance shall be made in writing to the District Manager setting forth a detailed explanation of the variance request and the reasons for the request. The Board will consider all written variance requests within sixty (60) days and the Board's decision to grant or to deny the variance shall be final and conclusive.

1.14 Delegation to District Management or Staff: The Board may delegate decision-making authority under these Rules and Regulations to District management or staff.

ARTICLE 2.
DEFINITIONS

2.1 *Applicant:* Person requesting a permit, entering into a contract with the District for new or additional service, including an extension, or submitting a petition for inclusion, or exclusion, of Property.

2.2 *As-Built:* Final construction record that reflects changes made during construction, specifically recording differences between the original approved design and the completed facility or structure.

2.3 *Backflow Prevention Device ("BPD"):* A mechanical assembly installed to protect potable water supplies from contamination introduced as a result of backflow conditions, as specified in the International Plumbing Code.

2.4 *Building Drain:* That part of the lowest horizontal piping of a building sanitary sewer system from the stack or horizontal branch, exclusive of storm water drainage, extending to a point not fewer than five feet (5') outside of the building wall.

2.5 *Capital Improvement Fee ("CIF"):* Monthly fee imposed on all customers for the purpose of offsetting water System capital costs.

2.6 *Commercial Equivalent Unit:* The SFEs for commercial and non-residential properties shall be determined based on the criteria and methodology defined in the District's Engineering Standards and Specifications.

2.6.1 *Combined Service Line:* A service line that serves a single Customer and is used to deliver water for both domestic service and fire protection service through a single connection to a Water Main.

2.6.2 *Combined Service Isolation Valve:* The first valve installed on a Combined Service Line at, or downstream of, the connection to the Water Main.

2.7 *Connection:* The connection, extension or change of water and/or sanitary sewer service lines to District facilities for permanent or temporary purposes. Any reference to a "tap" shall be synonymous with "connection" to the District's facilities.

2.8 *Connection Fees:* The sum of the fees and charges associated with obtaining water and sanitary sewer connections from the District to enable a customer to receive service. Connection Fees are imposed on new construction, new connections, or any change in use of water or sanitary sewer services through existing connections that cause an increase in Meter size and SFEs, as calculated in the District's Engineering Standards and Specifications.

2.9 *Comprehensive Water Report:* An expert report containing all of the information required by Section 3.11 and any other information required by the District's legal counsel, Engineer or Manager.

2.10 *Contractor:* All Contractors, whether hired by the District or other person, shall be required to comply with these Rules and Regulations and the District's Engineering Standards and Specifications, shall possess a current contractor's license issued by the City of Castle Pines and shall maintain adequate insurance and bond coverage. Depending on specific circumstances, a Contractor may also be a developer.

2.11 *Cross-Connection Control:* The process of minimizing the possibility of an actual or potential connection between a potable water system and any water source or system containing a substance or water that is not, or cannot be, approved as safely potable. Such process may include the installation of a BPD.

2.12 *Customer:* Any person, owner, lessee, tenant or occupant of such owner, who is supplied with service by the District. Mere payment of taxes, or payment of an Availability of Service Fee, if imposed, does not create customer status.

2.13 *Curb Stop:* A shut-off valve installed on the water service line at or near the property line, typically located in a valve box below grade, that allows the District or property owner to control the flow of water to the property.

2.14 *Developer:* Any person who may own or may be developing land or individual lots within the District and seeks to have land or lots served by the District. A developer shall be held directly responsible by the District for ensuring that all work performed by it or its contractors is completed in accordance with these Rules and Regulations and the District's Engineering Standards and Specifications. Depending on specific circumstances, a developer may also be a contractor.

2.15 *District:* The Castle Pines North Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado, formed and operating under Article 1 of Title 32, C.R.S.

2.16 *District Engineer:* Person or firm designated by the Board and engaged as the District's Engineer.

2.17 *District Manager:* Person retained by the Board to manage and supervise the affairs of the District.

2.18 *Easement:* An interest in, and right to use, the property of another.

2.18.1 *Exclusive Easement:* An easement granted authorizing the right to enjoy property to the exclusion of all others.

2.18.2 *Non-Exclusive Easement:* An easement granted without the right to exclude others from use of the property (no guarantee of exclusive use).

2.18.3 *Right-Of-Way Crossing:* The installation or construction of an approved utility, railroad or other improvement that will cross District facilities and/or a District easement.

2.18.4 *Temporary Construction Easement:* An easement for access and other construction-related use of real property required for a limited construction period.

2.19 *Encroachment:* The unauthorized intrusion onto or into a District easement or Property.

2.20 *Engineering Standards and Specifications:* The District's Engineering Standards and Specifications for water and sanitary sewer facilities, as adopted by the District Board and as amended from time to time, which establish minimum standards for the design and construction of water and sanitary sewer facilities within the District.

2.21 *Facilities:* All components of the District's water, sanitary sewer and Stormwater systems and the District's parks, trails and open space improvements.

2.22 *Fixture Unit:* "Fixture Unit" or "Water Supply Fixture Unit" shall be interchangeable terms to describe the load values on water service of various types of fixtures. Fixture Units are used to calculate the meter size required, and the resultant SFE allocation, for a connection, as defined in the District's Engineering Standards and Specifications.

2.23 *Illegal Discharge:* Any discharge into the District's sanitary sewer or stormwater facilities consisting of: (1) garbage or other objectionable waste; (2) prohibited sewage; (3) untreated deleterious waste; and/or (4) special sewage.

2.24 *Industrial Waste:* The liquid waste from industrial and commercial processes, as distinct from domestic sewage. Industrial and commercial processes shall mean a source of discharge that flows into a public-owned treatment works from any non-domestic source or any pollutant that, by its chemical nature, strength or volume, may cause interference with a public-owned treatment works, its workers, or the health, safety and welfare of the public.

2.25 *Meter:* Device for recording water usage, including the transponder, which is owned by the District and located on private Property.

2.26 *Owner:* The person(s) who holds fee title to property, as shown on the property tax assessment roll in the office of the Douglas County Assessor.

2.27 *Permit:* Written permission from the District issued pursuant to these Rules and Regulations and subject to the specific terms and conditions contained therein.

2.28 *Person:* Either singular or plural; person shall include an individual, firm, partnership, corporation, company, association, trust, estate, governmental entity, or any other legal entity or combination thereof, or their legal representatives, agents or assigns.

2.29 *Plum Creek Water Reclamation Authority ("PCWRA"):* The wastewater treatment provider, of which the District is a member. The District and its customers are subject to the rules and regulations of PCWRA and the terms and conditions of all contracts entered into by and between PCWRA and its members.

2.30 *Pre-Treatment Facilities:* Structures, devices, equipment or processes for the purpose of reducing or removing deleterious waste, or altering the nature of the deleterious waste in special sewage, prior to discharging such sewage into the sanitary sewer system.

2.31 *Private:* The term "private," when used in these Rules and Regulations, means ownership by any person other than the District.

2.32 *Property:* An area of land, the description of which is recorded in the office of the Douglas County Clerk and Recorder, or referenced in a Subdivision Plat recorded in the office of the Douglas County Clerk and Recorder.

2.33 *Reduced Pressure Zone ("RPZ") Device:* An assembly of two independently operating, approved check valves, with a hydraulic automatic operating differential relief valve between the check valves. The assembly shall be located between two (2) tightly closing (resilient seated) shut-off valves and shall have four (4) properly-located test cocks for testing check and relief valves. The entire assembly shall be a BPD.

2.34 *Renewable Water Resources Fee ("RWRF"):* The Renewable Water Resources Fee imposed on all property upon inclusion within the boundaries of the District or served by contract, pursuant to Resolution No. 2013-006. The amount shall be based upon the District's determination of the total number of SFEs required to service the proposed development, as stated in the District's Schedule of Rates, Fees, Penalties and Charges.

2.35 *Resolution:* Means by which formal action of the Board of Directors is taken.

2.36 *Sanitary Sewer:* A sewer which carries sewage, and to which stormwater, surface water and groundwater are not intentionally admitted.

2.37 *Sanitary Sewer System:* All structures, facilities, equipment and processes used for collecting, pumping, treating, and disposition of sewage, including but not limited to, any pipe, conduit, or other collection facility owned, operated, and maintained by the District.

2.38 *Sewage:* Any liquid waste containing human, animal or vegetable matter, in suspension or in solution, from residences, commercial buildings, institutions, and industrial establishments.

2.39 *Sewer and/or Sewer Main:* Any pipe or conduit currently, or proposed to be, owned by the District and used for carrying sewage.

2.40 *Sewer Service Line:* Any pipe, system of piping, sewer main connection saddle and other appurtenances which shall be owned and maintained by a customer and used as a conduit for carrying sewage from a customer's structure and connection to a sewer main.

2.41 *Single Family Equivalent ("SFE"):* The approximate measure of the level of service necessary to serve a single-family dwelling with water.

2.42 *Stormwater System:* A storm drainage, open channel drainage way, stormwater drainage inlet, drainage pond, and associated improvements owned and maintained by the District and used to convey the naturally-occurring water runoff through areas of the District.

2.43 *Stub-Out:* A curb stop, valve, or comparable facility for controlling the flow of water located at or near a Customer's property line and separating the Water System from the Customer's Water Service Line.

2.44 *Suspended Solids:* Solids, expressed in parts per million by weight, that either float on the surface of, or are in suspension in, water, sewage or other liquids, and are removable by filtration.

2.45 *Tap:* See "connection."

2.46 *Unit:* A residential, commercial or industrial building, or portion thereof, which is provided separate water and sanitary sewer service.

2.47 *Water:* Water that conforms to state and federal regulations applicable to drinking water.

2.48 *Water Main:* Any pipe, system of piping and appurtenances currently, or proposed to be, owned by the District, used as a conduit for water in the District's water system. A main shall be six inches (6") or more in diameter.

2.49 *Water Service Line:* The private pipe, line, or conduit that runs from the customer's side of the curb stop to the customer's structure.

2.50 *Water System:* All structures, facilities, valves, curb stops, equipment and processes owned by the District for diverting, transporting, distribution, storing, pumping, treating, measuring and delivering water.

Any term not set forth herein shall be as defined in the most recent edition of "Glossary – Water and Sewage Control Engineering" A.P.H.A., A.W.W.A., A.S.C.E., and F.W.S.A., if listed therein.

ARTICLE 3.
OPERATING PRINCIPLES AND LIMITATIONS

3.1 Policy: The District provides water and sanitary sewer services to properties within the District boundaries, subject to any capacity limitations, and provides for the operation, maintenance, repair and replacement of water, sanitary sewer, stormwater, and park, trail and open space facilities owned or provided by the District, in accordance with these Rules and Regulations. The use of the District's facilities is only by express permission of the District and shall be subject to suspension or revocation, as set forth herein. The District Board reserves full right to determine all matters related to the control and use of its facilities and provision of services. The Board may act other than as required in this section when it determines, in its sole discretion, that such action is necessary to protect the health, safety and welfare of the inhabitants of, and visitors to, the District.

3.2 System Construction Costs: Notwithstanding any other provision herein to the contrary, all costs of new construction, reconstruction or enlargement of any District facilities, including all associated planning, engineering, administration and legal fees, which are necessary to provide new, different or additional service within the District's service area, shall be paid by the owner(s) or customer(s) of the property or unit to be served. The provisions of this section shall apply regardless of whether the District or any other person contracts for, or initially pays for, such new construction, reconstruction or enlargement, or whether such service is requested by a customer, or compelled by the District.

3.3 Compliance with Engineering Standards and Specifications: All facility construction, repair, maintenance or modification work within the District shall comply with the District's Engineering Standards and Specifications.

3.4 Liability:

3.4.1 **Construction:** This section 3.4 shall be construed in such a manner as to be consistent with the District resolution then in effect that indemnifies such officials and employees.

3.4.2 **District Not Responsible for Damages:** These Rules and Regulations shall not be construed to hold the District in any manner responsible for any damages to person 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.

3.4.3 **Employees Not Liable:** Any District employee acting within the scope of his/her employment charged with the enforcement of these Rules and Regulations shall not be liable for any damages that may accrue to person or property resulting from any non-negligent act or omission committed in the discharge of such duties.

3.4.4 **District Indemnification:** In any suit or proceeding instituted against an official or employee of the District stemming from any act performed in the enforcement or attempted enforcement or omission of any provision of these Rules and Regulations, such official or employee shall be defended, indemnified and held harmless by the District until final termination of the proceedings.

3.4.5 **District Not Liable:** No claim for damage shall be made against the District, its officials or employees. The District, its officials and employees shall not be liable or responsible for damages resulting from operation, maintenance and repair of the District's facilities. This paragraph shall not relieve the District from liability for negligence of its officials or employees, if such liability would otherwise have existed.

3.4.6 **Indemnity:** Owner(s) shall indemnify the District from any loss or damage that may directly or indirectly be caused by the installation of facilities to serve a property and the District may require the owner to obtain reasonable security before proceeding with any such installation.

3.4.7 **Non-Waiver:** Nothing in these Rules and Regulations shall constitute a waiver by the District of the defense of sovereign immunity or any protections under the COIA or any other defenses it may have to an action against the District, its officials or employees, or a waiver of its insurance coverage.

3.5 District Ownership and Maintenance of District Facilities: The District shall be responsible for the maintenance, repair and replacement of District facilities, unless the situation necessitating such repair or replacement is the result of a change or enlargement of use, abnormal use, or damage to such facilities, in which case such repair or replacement will be performed at the expense of the person responsible for such enlargement, abnormal use, or damage. The District's ownership shall remain valid regardless of whether such facilities are constructed, financed, or paid for by other Persons or otherwise acquired by, or contributed to, the District. No person, 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's facilities.

3.5.1 The necessity of replacing or making repairs to District facilities shall be determined by the District, in its sole discretion. When replacing or making repairs to District facilities, unless specifically provided otherwise herein or in an Easement or other agreement, the District shall not be liable for repair or replacement of landscaping or roadway improvements existing on any District easement.

3.5.2 The District shall have a right of access to the property receiving service from the District for the purposes of operation, inspection, installation, maintenance, repair and replacement of District facilities. It shall be the responsibility of the owner to provide the District unobstructed access to such facilities upon reasonable notice.

3.6 Maintenance/Replacement of Service Lines: Each owner owns and shall be responsible for repairing, maintaining and/or replacing the sanitary sewer service line, including

the connection, and that portion of the water service line from the downstream side of the curb stop to the building or unit.

3.6.1 For properties with meter pits, meter pit contents, such as pressure reducing valves and other fittings, are the property and maintenance responsibility of the owner. In the meter pit, pressure reducing valves must be installed upstream of the meter. When a meter is installed in a unit or building, only the meter is the property and responsibility of the District. All other fixtures are the responsibility of the owner.

3.6.2 If a meter is tampered with or damaged, the owner is responsible for repair or replacement costs and may be subject to additional charges or penalties, at the Board's sole discretion.

3.6.3 In all instances, it is the owner's responsibility to ensure that access to the meter pit is maintained year-round.

3.6.4 **Combined Service Lines.** Notwithstanding the foregoing provisions of this Section 3.6 and subject to Section 8.10.1, for any Combined Service Line: (a) the District shall own, and shall be responsible for the repair, maintenance, and replacement of, all portions of the Combined Service Line from the Water Main to and including the outlet side of the Combined Service Isolation Valve, and shall also own the Water Meter gasket to gasket; (b) the Customer shall own, and shall be solely responsible, at the Customer's expense, for the repair, maintenance, and replacement of, all portions of the Combined Service Line beginning on the downstream side of the Combined Service Isolation Valve and continuing through all downstream piping, fittings, valves, branches, meter yokes, and other appurtenances serving the Customer's domestic and fire protection systems, excluding the Water Meter gasket to gasket; and (c) the District shall have no obligation to repair, maintain, or replace any portion of a Combined Service Line that is owned by the Customer under subsection (b), regardless of where any break, failure, leak, or other defect occurs.

3.7 Encroachment on District Easements: No person shall construct any permanent building or similar structure, or place any fill material on a District easement. Temporary or removable and replaceable objects, such as yard lights, mail boxes, signs, fences, shrubs, flowers or plants may be installed within a District easement, if permitted. If, in the process of exercising one or more of the rights to the use of a District easement, the District finds it necessary to remove any of the permitted items placed on, or planted within, the easement, the District shall not be responsible for replacing those items. If an owner or other person seeks to construct a permanent building or other structure on a District easement, the owner or other person shall apply in advance to the District for approval of construction of the encroaching structure. The District's approval, if granted, shall be in the form of an encroachment agreement relieving the District of liability for any and all damage to such structures caused by the District as part of maintenance and operations.

3.8 Use of District Easements: An owner or other person may request permission from the District to cross, share or use a District easement for the installation of drains, pipelines, or other facilities. The District's determination to allow crossing, sharing or use of a District easement shall be in the form of a license agreement, setting forth the terms of the agreement specifically including, but not limited to, the terms set forth below:

3.8.1 The owner or other person shall, at all times, have the obligation, enforceable at the demand of the District, to operate, maintain, repair and replace non-District owned drains, pipelines, or other facilities.

3.8.2 The owner or other person shall submit a copy of the plans for the installation to the District for review and written approval, in advance of construction/installation.

3.8.3 If operation, maintenance, repair or replacement of non-District owned drains, pipelines, or other facilities results in damage to District facilities, the owner or other person shall immediately notify the District of the damage and shall be liable for all such damages, and shall compensate the District for all repair costs, as determined by the District.

3.8.4 The District shall not own or have any obligation to operate, manage, or control non-District owned drains, pipelines, or other facilities installed within a District easement. If the physical condition or operation of District facilities is interfered with, or endangered, or if there is a risk to the health, safety and welfare of the public as a result of the drain, pipeline, or other facilities, the Board shall have the right, at the owner or other Person's expense, to do whatever is reasonable and necessary under the circumstances. In cases of emergency, the District is authorized to immediate correct the interference or endangerment to public health, safety and welfare.

3.8.5 When available, As-Built drawings for non-District owned drains, pipelines, or other facilities installed within a District easement shall be furnished to the District.

3.8.6 The owner or other person shall indemnify and hold the District, its officials and employees harmless from and against every claim, demand, liability, cost, charge, suit, judgment and expense of whatsoever kind or nature, including, but not limited to, interest, court costs and attorneys' fees that the District, its officials, or employees may pay or incur as a result of, or in any way arising out of, the sharing or using of a District easement.

3.9 Review of Crossing and Adjacent Utilities: Utility companies and other persons seeking to install utilities that will: (a) cross District facilities; or (b) be adjacent to District facilities and located within ten (10) feet of such existing District facilities, shall submit a copy of the plans for the utility installation to the District for review and written approval, prior to construction or installation. The District shall review the plans and may request any changes deemed necessary in

the reasonable discretion of the District to protect the integrity and safety of existing or planned District facilities and for compliance with the general requirements listed below.

3.9.1 For the purpose of this section, utilities are defined to include, without limitation, water or sanitary sewer lines, storm sewer improvements, gas or oil lines, television, cable, or internet lines, other water conveyance structures, electrical lines, or railroad improvements.

3.9.2 General requirements for utilities which cross District facilities or will be located within ten (10) feet of existing or planned District facilities, are as follows:

- Utilities shall be installed in accordance with the District's Engineering Standards and Specifications, including without limitation, vertical clearance requirements for crossings, and in compliance with all requirements of applicable law. Utilities which cross the District's existing water and/or sewer main shall cross District facilities at or near a perpendicular angle.
- Utilities shall take reasonable measures required by the District to protect in place any existing District facilities in the area of the crossing that may be reasonably affected by construction, maintenance or replacement of the utilities, at the cost of the utilities.
- The District may require payment to cover costs of reviewing a crossing due to the nature or complexity of the project, the number of crossings, or for any other reason. The District may require a Crossing Agreement, when deemed necessary, including payment of all of the District's direct costs associated with review and approval of such Crossing Agreement.

3.10 Change in Use Policy: The District is obligated to assure that adequate water rights are available to the District prior to authorizing any increases in water service demand. If a property is proposed to be subdivided or changed in a way that would increase water service demand, the owner will be required to convey and dedicate to the District all water rights and groundwater rights, underlying, used in connection with, or associated with the applicable Property, as a condition of receiving such service. These guidelines and procedures have been established for assuring the adequacy of the District's water rights and facilities and to assist in the evaluation of the effects of any requested increase in water service.

3.11 Comprehensive Report: The developer or owner proposing the increased water use shall supply to the District a comprehensive report that includes, at a minimum, the items listed below:

- The acreage, zoning, uses and expected requirement of the new or increased use upon the water system; and

- An engineer's opinion of the water flow rates and volumes required and possible sources of water to fulfill the increase in use, including identification of any water rights owned by the owner or developer associated with the property; and
- The report shall be reviewed by the District's water engineer and water rights attorney; the cost of which review shall be paid through an advanced deposit from the developer or owner.
- The report shall demonstrate that any water rights associated with the property not previously dedicated to the District are available for conveyance to the District by warranty deed.

3.12 Ownership and Right to the Use of Water: The District retains all property rights associated with any water provided to customers and properties, including the rights to reuse, make successive use and use of such water to the point of its complete or absolute consumption.

3.13 Temporary Water Usage: The District may allow temporary water leases on a case-by-case basis by entering into a temporary water lease agreement. The terms of each temporary water lease agreement will be established by the District. The applicant will pay a minimum fee for the preparation of a standard lease, as listed in the District's Schedule of Rates, Fees, Penalties and Charges. If a particular lease is more complicated and will require more time for the District to prepare, the District will inform the applicant and will determine an appropriate fee for the lease. All lease preparation fees shall be paid to the District at the time of application.

3.14 Use of Hydrants: No person shall take water from a District hydrant without the prior written authorization of the District. All use of District hydrants will be in conformance with these Rules and Regulations.

3.14.4 **Authorized Users:** District personnel and fire prevention agencies are considered authorized users of District hydrants. All others wishing to use a District hydrant are required to obtain a hydrant permit from the District.

3.14.5 **Issuance of Hydrant Permit:** Approval of any hydrant permit application shall be at the sole discretion of the District.

3.14.6 **Payments to the District:** The applicant will be responsible for the payment of all deposits, applicant fees, user fees, and fines.

3.14.7 **Equipment Requirements:** Only District meters and BPDs shall be used for the withdrawal of water from a District hydrant.

3.14.8 **Refund of Deposit:** If all meter readings are current, the associated usage fees are paid, and the District's equipment is returned in good working condition, the hydrant deposit will be returned to the applicant. The applicant is solely responsible for all costs and charges in excess of the deposit.

ARTICLE 4.
METERS

4.1 Meter Installation: The District shall install all meters. Water service charges commence upon installation of the meter.

4.2 Meter Obstruction: No person owning or possessing the property on which a meter is located shall obstruct the meter in any manner that would prevent access to the meter, including planting shrubbery, trees, or placing any other type of physical obstruction. Existing shrubbery, trees, or any other types of plants must be kept trimmed so as not to obstruct the meter set. If an obstruction is not removed within fifteen (15) days after the receipt of a notice to remove from the District, the customer or owner shall be deemed to have consented to the District's entry upon the property and the District will remove or relocate the meter set, at the expense of the customer or owner.

4.3 Defective Meters: If a customer becomes aware of a meter operating defectively, the customer shall notify the District office immediately. The District shall be responsible for the maintenance, repair and replacement of all meters, unless a meter is tampered with.

4.3.1 The District shall notify a customer once the District becomes aware of a Meter failing to register accurately in any period. District personnel will then schedule an appointment to replace the meter and/or transponder. Unless a meter is less than two years old, the customer shall be charged the average period consumption during the two preceding years for any period not accurately registered. If a meter has been in place for less than two years, the customer shall be charged the average period consumption during the two preceding periods, as registered by the meter when in good working order.

4.3.2 If a customer requests meter testing and the meter is not found to be defective, the customer shall be charged the cost of labor for removing and replacing the meter, and associated testing costs.

ARTICLE 5.
USE OF PUBLIC WATER AND SANITARY SEWER SYSTEMS REQUIRED

5.1 Unlawful Disposal of Waste: It is unlawful for any person to improperly dispose of any human excrement, or other objectionable waste, on public or private property within the District. It is unlawful to dispose of any waste, liquid waste, or any other material at manholes.

5.2 Sanitary Sewage Must Be Discharged Into District's System: It is unlawful to discharge to the natural environment any sewage. All such discharges must be made to the District's sanitary sewer system in accordance with these Rules and Regulations.

5.3 Private Water Well or Sump Prohibited: The construction of any private water well or sump within the District is prohibited.

5.4 District's Power to Compel Connection: The owner(s) of all buildings, businesses or other premises situated within the District where a water supply shall be used or domestic or industrial wastes or sewage are generated, stored, or treated, shall be required, at the owner's expense, to install suitable water and sanitary sewer facilities therein and to submit an application for connection to such facilities with District facilities within twenty (20) days after written notice is sent by the District to do so, provided a water or sewer main is within 400 feet of the property line. The purpose of this requirement is to protect the health, safety and welfare of the public in accordance with the provisions of these Rules and Regulations and the state laws.

5.4.1 If such connection is not commenced with reasonable diligence by the Owner, the District may thereupon make such connection, and the owner shall be liable for all expenses incurred by the District for the completion of the connection, including any unpaid fees pursuant to the District's Schedule of Rates, Fees, Penalties and Charges. The District shall also have a first and prior lien on the property for all such costs and fees, and such lien shall be enforceable in accordance with the provisions of Section 32-1-1006 (1) (a), C.R.S.

5.4.2 If an owner's service line must cross another person's property in order to connect to the District's facilities at the point designated by the District, the owner shall obtain an easement with a minimum width of thirty (30) feet. If the owner is unable to obtain the easement(s) required for such service line, the District may, in its sole discretion, initiate proceedings to acquire such easement(s). All costs incurred by the District in the prosecution of such proceedings, including, without limitation, the amount determined to be payable as just compensation, legal fees, engineering and survey fees, appraisal fees and expert witness fees, shall be paid by the owner of the property to be connected. The property owner shall deposit with the court in order for the District to obtain possession of the easement. The District shall have a first and prior lien on the property to be connected for all such costs and fees, and such lien shall be enforceable in accordance with the provisions of Section 32-1-1006 (1) (a), C.R.S.

ARTICLE 6.
APPLICATION FOR SERVICE

6.1 Policy: New service shall be furnished only to property included within the District and subject to these Rules and Regulations. The District shall be provided and review all information concerning the services, facilities and improvements required to service such Property, as requested by the District. The owner shall fund or construct the extension of existing District facilities, and install additional improvements and facilities, as required by the District.

6.2 Limitations on District's Ability to Provide Service: The District's ability to provide service to property within the District's boundaries may be limited to factors including capacity limitations related to water and sanitary sewer treatment, capacity limitations related to

mains, facilities and service lines; available water resources; or other factors resulting in the unavailability of water supply or sanitary sewer capacity. The District may require that certain other conditions be met by the owner in order for the District to provide water or sanitary sewer service to the property.

6.3 Sufficient Water Rights and Facilities Required: No new service or increases in service shall be provided to any property, unless the owner or developer of said property complies with the District's Change in Use Policy as follows: conveys any water rights to the District free and clear of all liens and encumbrances, prior to furnishing of service, or increases in service, to the proposed development. The matter of sufficiency of water rights required to serve any property shall be decided by the District, in its sole discretion. In no event shall the District be obligated to reimburse an applicant for funds expended by the Applicant to acquire, analyze or convey water rights and water facilities. All property seeking to include into the District Boundary must provide a Comprehensive Water Report of water resources and demonstrate ownership of, and legal right to convey to the District renewable water, as determined in the sole discretion of the District. The Comprehensive Water Report shall demonstrate that the renewable water resources identified are sufficient to serve the inclusion property without detriment to the District's existing water supply or financial resources.

6.4 Application for Connection Permit: A customer seeking service shall submit an Application for water and sanitary sewer connection permits, accompanied by the appropriate connection fee and other fees as set forth on the District's Schedule of Rates, Fees, Penalties and Charges. In addition, the applicant shall pay all unpaid fees and charges, as indicated by District records, regardless of whether the applicant claims that such fees have been eliminated by the issuance of a Treasurer's Deed, or by other means.

6.5 Connection Permit: No work on a proposed connection shall commence prior to payment of all fees and the issuance of a connection permit. Connection permits are valid for one year from the date of issuance.

6.6 Limitations of Connection Permits: The connection permit(s) issued to an Applicant are applicable only to the property and building(s), or portion thereof, specified on a permit and all rights under the permit shall be deemed to be automatically conveyed with title to such property. The permit shall not be transferable for use on other property or for use on other buildings on the same property; except that transfer of a permit may be approved by the District, upon written application and payment of a transfer fee in accordance with the District's Schedule of Rates, Fees, Penalties and Charges. Each connection permit shall allow only one service line connection.

6.7 Road Cuts: Issuance of a connection permit, or any other permit, does not authorize the holder thereof to make any cut in a public road, or to do anything for which separate permission is required of another governmental entity.

6.8 Denial of Application for Service: The District retains, in its sole discretion, the right to deny an application for service when granting the application would not be in the best interests of the District. The factors the District may consider include:

- Whether sufficient water rights and facilities are available, and will be available in the future, to serve the development or construction proposed for the property;
- Whether sufficient sanitary sewer collection, delivery, treatment and related facilities are available, and will be available in the future, to serve the development or construction proposed for the property;
- The impact of the proposed service on existing District water and sanitary sewer facilities;
- The global, forecasted economic effect that approval of the application would have on the District and its constituency;
- Whether the granting of the application would adversely affect the public health, safety and welfare within the District; and
- Any other factors related to the application for service and request to provide such service.

6.9 Cancellation of Permits: The District reserves the right, in its sole discretion, for cost-related, lack of capacity, or other reason, to cancel any permit at any time prior to connection.

ARTICLE 7.
EXPANSION OF DISTRICT BOUNDARIES

7.1 Policy: The District's boundaries may be expanded by inclusion of property pursuant to Section 32-1-401, *et seq.*, C.R.S., and in compliance with these Rules and Regulations. The owner of any property proposed for inclusion within the District must provide all of the water and sanitary sewer facilities and water resources, as specified herein, necessary to serve the property.

7.1.1 Growth and development to be included within the District's boundaries must pay for itself and neither the District, nor its existing customers, shall be required to subsidize the growth and development of any property proposed to be included.

7.2 Service to Included Property: Inclusion of property within the District does not obligate the District to provide water or sanitary sewer service to the property, nor does it guarantee the ability of the District to provide service to such property.

7.3 Inclusion: An applicant seeking service and owning or having an interest in property outside of the boundaries of the District that is capable of being served by the District's facilities, shall file a written petition requesting that such property be included in accordance with Section 32-1-401, *et seq.*, C.R.S. A petition for inclusion shall include all of the land in which

applicant is the owner, or has a beneficial interest, and is contiguous to the property upon which service is requested.

7.3.1 The District's policy concerning inclusion is that the developer or owner seeking inclusion must provide all financing, easements, and installation of facilities necessary to serve the property, and must pay for the use of all existing and future District facilities. The Denver Basin Groundwater ("DBGW") rights, and any other water or well rights associated with the property, shall be conveyed to the District and payment of the applicable Renewable Water Resource Fee shall be made in accordance with the District's Schedule of Rates, Fees, Penalties and Charges.

7.3.2 **Inclusion Petition:** A petition for inclusion filed with the District shall contain the information required by Section 32-1-401, *et seq.*, C.R.S.

7.3.3 **Additional documentation and information required by the District:**

1. Agreement to pay all Costs of Inclusion, specifying a deposit amount;

2. Inclusion Deposit;

3. Current title commitment;

4. Reproducible legal description of the property;

5. Identification of all wells, and a detailed memorandum of DBGW and any other water rights associated with the property;

6. Map of the property (1 inch equal to 2000 feet on USGS quad base sheet);

7. Copy of most recent survey plat;

8. Copy of proposed development and subdivision plans, schedules and uses;

9. Water demand study prepared by registered professional engineer; and

10. Identification of sufficient renewable water resources to serve the inclusion property, as determined by the District in its sole discretion upon review of the water demand study required by subparagraph 9.

11. Any additional information required by the District.

7.3.4 **Inclusion Costs and Deposit:** The applicant shall pay a deposit to the District, as determined by the District Manager, which is intended to cover the costs incurred by the District in evaluating and processing the petition. Costs of inclusion shall be paid regardless of whether the petition is finally granted by the Board, or whether an inclusion agreement is entered into with the District. The applicant shall be responsible to the District for all costs, including engineering, legal fees and expenses incurred in evaluating and processing the petition, including water rights, amounts paid by the District to any other governmental entity that is required to review the petition. Upon final action by the District, the District will determine its actual costs related to the inclusion. If the

deposit paid by the applicant is less than the actual costs incurred by the District, the additional costs will be invoiced by the District; otherwise, any remaining funds on deposit with the District shall be refunded to the applicant.

7.3.5 **Hearing on Petition for Inclusion:** The Board shall conduct a duly noticed public hearing, in accordance with state law, on whether the petition for inclusion should be granted or denied, in whole or in part. The Board shall decide, in its sole discretion and judgment, whether granting the petition is in the best interests of the District. The Board's action granting or denying the petition for inclusion shall be final and conclusive.

7.3.6 **Inclusion Agreement:** If the petition for inclusion is granted, the Applicant shall enter into an inclusion agreement with the District detailing the terms and conditions of inclusion in a form acceptable to the District. The inclusion agreement shall be executed, all conditions met, and all fees and charges accrued shall be paid prior to the District recording an Order for inclusion in the real property records of Douglas County.

7.3.7 **Determination and Conveyance of Water Rights:** If the petition for inclusion is granted, the applicant shall convey the DBGW to the District and the District may require adjudication of DBGW. Other water rights, or well decrees associated with the property shall also be conveyed to the District.

7.3.8 **Easement Dedication:** As a condition of receiving service from the District, owners may be required to dedicate easements for access, mains, or to convey property to the District, at no cost to the District, in order to facilitate the provision of service to the property.

7.3.9 **Well Site Dedication:** The District requires dedication of a minimum of one (1) two (2) acre parcel for well site locations required for every increment of 0-300 platted lots (i.e.: 0-300, 301-600, 601-900) approved for development, regardless of phasing of development.

7.3.10 **Court Order:** The Board shall not file its resolution ordering inclusion with the Douglas County District Court until the owner has executed an inclusion agreement with the District and provided a deposit and the documentation listed above applicable to the property sought to be included. The owner is responsible for confirming that the inclusion process has been completed and the District shall not be liable for any development delays due to failure to complete the inclusion process.

7.4 Mill Levies, Fees, Rates and Charges: Upon recording of the District Court Order of inclusion in Douglas County, the property shall be subject to all mill levies, fees, rates and charges of the District.

ARTICLE 8.
SERVICE LINE CONSTRUCTION AND CONNECTION

8.1 Policy: Owners seeking to acquire water and sanitary sewer service from the District are responsible for extension of the building facilities and service lines to the District's water or sanitary sewer main. All service line extensions and connections shall be constructed in accordance with these Rules and Regulations and the District's Engineering Standards and Specifications.

8.2 Required Permits and Fees: No service line shall be constructed within the District, nor connected to the District's water or sanitary sewer system, until all fees have been paid and a connection permit has been issued.

8.3 Separate Service Lines: At the discretion of the District, a separate and independent service line may be allowed for multiple buildings, except out-buildings in instances where central master meter and billing responsibility are in place, and except as otherwise provided herein, and shall be installed at the expense of the owner.

8.4 Sub-metering: The District encourages sub-metering, wherein each building is individually metered. Sub-metering and maintenance of sub-meters are the responsibility of the owner.

8.5 Design and Construction Specifications: All Contractors, licensed plumbers and others doing Service Line construction and connection work within the District shall comply with the District's Engineering Standards and Specifications and any applicable federal and state standards.

8.6 Contractor Qualifications: All contractors and subcontractors shall have a current contractor's license from the City of Castle Pines prior to commencing work on any facilities within the District. The District assumes no responsibility for work performed by general contractors, subcontractors, or their agents.

8.7 Inspection: The District shall inspect the connection of an Applicant's service line to the public system at the time of such connection and, in certain circumstances, shall subsequently inspect the backfilling required for the connection. For all water service lines, the District's responsibility for inspection shall be from the District's water main to the property line. For all sanitary sewer service lines, the District responsibility for inspection shall be from the District's sanitary sewer main to the building drain.

8.8 Costs: All costs and expenses of the installation, construction and inspection of service lines or connections shall be the responsibility of the owner or developer.

8.9 Damages: The owner shall indemnify and hold the District harmless from any loss or damage that may directly or indirectly be occasioned by the installation of a water or sanitary sewer service line or connection to the District's facilities.

8.10 Maintenance/Replacement of Service Lines: Each owner owns and shall be responsible for repairing, maintaining and/or replacing the sanitary sewer service line, including the connection, and that portion of the water service line from the downstream side of the meter pit or vault to the building or unit.

8.10.1 **Domestic Isolation Valve Required for Combined Service.** As a continuing condition of service through a Combined Service Line, the Customer shall at all times provide the District unfettered access to, and sole operational control of, an isolation valve controlling the domestic portion of the Combined Service Line (the "Domestic Isolation Valve"). The Domestic Isolation Valve shall consist of one of the following configurations, as approved by the District in its sole discretion: (i) a Curb Stop; (ii) a meter pit equipped with a locking yoke; or (iii) an interior lockable meter set equipped with exterior access. The Domestic Isolation Valve shall be designed, installed, and maintained such that its operation does not, and cannot, impede, reduce, or otherwise affect flow to the Customer's fire protection system. Operation of the Domestic Isolation Valve by any person other than a District employee or authorized designee of the District is prohibited and shall subject the Customer to the penalties set forth in Article 16.

ARTICLE 9.
MAIN EXTENSIONS

9.1 Required Permits and Fees: No main extension shall be constructed within the District until a main extension permit has been issued by the District and all fees paid.

9.2 Main Extension Permits: An applicant requiring the construction, or extension, of a District main shall submit a separate application for a main extension permit, prior to any construction of a main or any service line to be connected thereto. Payment of a connection fee, and issuance of a connection permit, does not constitute a main extension permit.

9.2.1 **Costs:** All costs of processing a main extension permit and inspection costs incurred by the District related to such an extension will be paid by the applicant in the form of an estimated deposit, determined by the District Manager, at the time of application.

9.2.2 **Acceptance of a Main:** Acceptance of a main shall occur as follows:

- All inspection and testing reports are deemed satisfactory;
- As-Built drawings are complete and accepted;
- All costs of the District are paid;
- All bills of sale, easements, or other conveyance instruments, are provided, approved and accepted by the District; and

- The two-year probationary period is met, as documented and determined by the District.

9.3 Design and Construction Specifications: All main extensions, including special structures required to insure proper operation of a main extension, shall be designed and constructed according to the District's Engineering Standards and Specifications.

9.4 Location of Main Extensions and Additions: Whenever possible, mains shall be installed in roads, public rights-of-way, or in easements granted to the District. Where mains cannot be installed in roads, public rights-of-way, private drives or common areas, such mains must be installed in easements granted to the District between adjacent properties. Mains will terminate at the point determined by the District.

9.5 Conveyance of Title and Easements: Owners who have completed construction of a main shall, before such main is accepted by the District, convey the main, associated Easement(s) and all appurtenances to the District free and clear of all liens and encumbrances, along with completion of a two-year probationary period. Prior to construction, the owner shall cause to be granted and conveyed to the District all easements and rights-of-way, as the District determines are reasonably necessary for the convenient operation, maintenance, repair or replacement of the main, and shall record all easements in the Douglas County real property records at the owner's expense. The District, without being obligated to do so, may accept a main extension in such fully constructed phases as the District determines appropriate and in accordance with these Rules and Regulations. The District reserves the right to refuse ownership of any main or facility the District determines should not become a part of its water or sanitary sewer system. Final acceptance by the District shall occur only upon satisfactory proof provided to the District of operability, and lack of defect, at the end of the probationary period.

9.6 Main Extension Constructed by the Owner/Developer: Prior to construction, owner shall cause security in the amount of 120% of the estimated cost of the construction, as approved by the District Manager, to be deposited with the District. All costs associated with a main extension are the responsibility of the owner.

9.7 Inspection and Conveyance: No main extension shall be conveyed to the District until it has been inspected by the District and found to have been installed in complete conformity with the District's Engineering Standards and Specifications and these Rules and Regulations. The District Manager shall be notified, prior to backfilling, when a main or main extension is ready for inspection and approval. All deficiencies noted as a result of inspection shall be corrected within ninety (90) days of the District's issuance of a written statement setting forth the deficiencies, at no cost or expense to the District. Deficiencies, for the purposes of this subsection, may include failure to complete the extension or to fulfill all requirements of dedication to the District. The District shall have the right, but not the obligation, after written notice to the owner of the property benefited by the main extension, to correct any and all deficiencies listed in the written notice that were not corrected by the owner within said ninety (90) day period and to charge the costs thereof, including reasonable attorneys' fees, to said owner after exhausting the posted security. All costs

incurred by the District, including District labor, to correct the deficiencies shall be deemed a charge against the owner and, if not covered by the posted security or paid within thirty (30) days after the owner is invoiced by the District, said charges shall constitute a lien against the property benefited by the main extension and may be certified to the County Treasurer for collection.

9.8 Control of Facilities: Upon initial acceptance of a main extension, the District shall have physical and legal control of the main extension, including any related facilities.

9.9 Probationary Period Testing and Inspection: Within the 30-day period prior to the expiration of the warranty instrument (two-year probationary period), the District will perform an inspection, and any items identified that do not conform to the District's Engineering Standards and Specifications will need to be addressed prior to the District accepting the facilities by bill of sale and prior to releasing any remaining security.

9.10 Cost Recovery: Any time an owner funds an extension of a water main (but not including a Hydrant line) or a sewer main that will benefit property not currently receiving service from the District, the owner may be eligible for reimbursement from other owners who may benefit from such extension. The District may facilitate a cost recovery agreement for owners within the District's boundaries as a condition to providing service to the benefitted property.

9.11 Private Lift Stations: Where there is no alternative alignment that would allow gravity flow of sewage to the District's sanitary sewer system from any served property, then a lift station may be permitted, subject to approval by the District of the design and discharge rate of such lift station. The purpose of such approval is exclusively for the purpose of ensuring that the discharge from the lift station does not exceed the anticipated flow from such served property, based upon the number of SFE connections issued for such properties, and such lift station shall be a private facility, not part of the District's sanitary sewer system. The District will assume no responsibility for the sufficiency, quality, operation, repair, maintenance or replacement of any such lift station. Such lift station shall at all times conform to all applicable governmental regulations.

9.12 Pressure Sewer System Main Lines: When the District, in its sole discretion, determines that an entire area cannot be served by a gravity flow collection system, the District may, but shall have no obligation to, allow the developer of said area to construct a private pressurized sewage collection system for the purpose of receiving sewage discharged into said pressurized sewage collection system from privately-owned, operated and maintained sewer service lines and lift stations, if any, and pumping said sewage into the District's gravity flow sanitary sewer system, in accordance with the District's Engineering Standards and Specifications.

9.13 District Not Responsible for Private Facilities: All privately-owned sanitary sewer facilities, including but not limited to privately-owned grinder pump sewer mains, lift stations and grinder pumps are the sole responsibility of owners thereof. The District shall review the plans and specifications for any privately-owned facilities, especially privately-owned lift stations. The District will do so for the limited purpose of assuring compatibility with the District's

water and sanitary sewer systems. By conducting such a review, the District will not assume any duty, or responsibility, for the sufficiency, or adequacy, of such private facilities.

ARTICLE 10.
USE OF PUBLIC SANITARY SEWER SYSTEM

10.1 Policy: Except as hereinafter provided, no person shall discharge, or cause to be discharged, to any sanitary sewer main, any special or prohibited sewage or any harmful or deleterious waters or wastes, whether liquid, solid, or gas, capable of causing obstruction to the flow of sewage, damage or hazard to structures, equipment and personnel of the sanitary sewer system, or other interference with the proper operation of the sanitary sewer System. The District is a member of PCWRA and the rules and regulations of PCWRA are incorporated herein by this reference. For any conflict between these Rules and Regulations and PCWRA's rules and regulations related to sanitary sewer treatment, PCWRA's rules and regulations shall control.

10.2 Classification of Sewage: This section of the Rules and Regulations shall provide the basic policies of the District for classification of sewage and for control of discharge of sewage into the sanitary sewer system. It shall be the policy of the District to classify sewage into three main categories termed "normal sewage," "special sewage," and "prohibited sewage," as hereinafter defined. The classification of sewage shall be the responsibility of the District Manager and shall follow recommended procedures of CDPHE and, subject to approval of the Board, shall be final and binding.

10.2.1 **Normal Sewage:** Normal sewage shall mean sewage that can be treated through the District's sanitary sewer system and PCWRA, without pre-treatment and within normal operating procedures, and which, when analyzed, shows by weight a daily average of not more than 300 parts per million of suspended solids and not more than 250 parts per million biological oxygen demand ("BOD").

10.2.2 **Special Sewage:** Sewage that does not conform to the definition for normal sewage, but that can be treated by the District after pre-treatment by the customer.

10.2.3 **Prohibited Sewage:** Sewage that may be reasonably anticipated to have a deleterious effect upon the sanitary sewer system or any persons or property, and therefore, in the opinion of the District, cannot be serviced by the District. No person(s) shall discharge, or cause to be discharged, any of the following described water or wastes into any sanitary sewer system:

- Gasoline, benzene, naphtha, fuel oil, or other flammable or explosive liquid, solid or gas.
- Water containing toxic or poisonous solids, liquids, or gases in sufficient quantity, either singly or by interaction with other wastes, to contaminate the sludge of any sanitary sewer system, injure or interfere with any sewage treatment process,

constitute a hazard to humans or animals, create a public nuisance, or create any hazard in, or have an adverse effect on, the water receiving any discharge from the sewage treatment works.

- Water or wastes having a pH lower than 6.5 or higher than 9.0, or having any other corrosive property capable of causing damage or hazard to structures, equipment or personnel of the sanitary sewer system or sewage treatment works.
- Solid or viscous substances in quantities, or of such size, capable of causing obstruction to the flow of sewage, or other deleterious effects, on the sanitary sewer system and interference with the proper operation of such facilities such as, but not limited to, un-ground garbage, ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, whole blood, paunch manure, hair and fleshing, entrails, paper dishes, cups, milk containers, etc., either whole or ground by garbage grinders.
- Water or sewage including, but not limited to, stormwater, surface water, groundwater, roof runoff, sub-surface drainage, discharge from sump pumps, cooling water, unpolluted industrial process water or any other polluted industrial process water or any other unpolluted water may not be introduced to the sanitary sewer system. Said water is detrimental to the sanitary sewer system, since it interferes with the District's designed volume capacity and with the biological processes necessary for proper treatment of normal sewage and special sewage.

10.3 Special Sewage: The admission into the sanitary sewer system of any special sewage shall be subject to the prior written review and approval of the District Manager. The District may prescribe limits on the strength and character of such special sewage, or require such other procedures the District deems necessary, in its sole discretion.

10.3.1 **Pre-Treatment:** In accordance with the District's Engineering Standards and Specifications, the owner shall provide, at the owner's expense, such pre-treatment facilities as may be necessary to treat special sewage prior to discharge to a sewer main. Plans, specifications and any other pertinent information relating to proposed pre-treatment facilities shall be submitted for the approval of the District and CDPHE, and no construction of such facilities shall be commenced until such approval is obtained in writing. Where pre-treatment facilities are provided for any special sewage, such facilities shall be maintained continuously in satisfactory and effective operation by the owner, at the owner's expense.

10.3.2 **Control Manhole:** When required by the District, the owner of any property served by a service line carrying special sewage shall install and maintain, at the owner's expense, a suitable control manhole in the service line to facilitate observation, sampling and measurement of the special sewage. All measurements, tests, and analyses of the characteristics of the special sewage shall be at the owner's expense and determined

based upon suitable samples taken at the control manhole, in accordance with most current edition of "Standard Methods for the Examination of Water and Sewage," A.P.H.A., A.W.W.A., and W.E.F. In the event that no control manhole has been required, the control manhole shall be considered to be the nearest down-stream manhole in the sewer main to the point at which the service line is connected.

10.4 Analysis of Sewage: The District Manager, or authorized representative, shall be responsible for all sampling, testing and analysis of sewage. Testing and analysis shall be determined in accordance with the most current edition of "Standard Methods for the Examination of Water and Waste Water," A.P.H.A., A.W.W.A., and W.E.F. Results of tests shall be made available to the customer at the District's office.

10.5 Grease, Oil, and Sand Interceptors: All sanitary sewer service lines from any commercial, industrial or other facilities that produce grease, oil, sand, or any substance deemed harmful to the District's sanitary sewer system shall contain interceptors of a design meeting the standards of the District and PCWRA. All sanitary sewer service lines containing interceptors shall be designed and specified by a licensed professional engineer. Once installed, the District or PCWRA may inspect the interceptors on an ongoing basis, and such interceptors shall be maintained by the customer, at the customer's expense, in continuously efficient operation at all times. The customer shall send a copy of the applicable invoice to the District or PCWRA every time an interceptor is serviced, if requested by the District or PCWRA. Additionally, the customer shall file with the District copies of any agreement with hauling companies for the disposal of the intercepted grease, oil, sand, or other substance, if requested by the District or PCWRA.

ARTICLE 11.
PERMITS, RATES, FEES, AND CHARGES

11.1 Policy: The rates, fees, charges and other requirements contained herein shall apply only to Customers within the District's boundaries and shall in no way control the rates, fees, charges and other requirements applied to service that the District may choose to provide outside of the District. Rates, fees and charges for temporary or intermittent volume-based water or sanitary sewer service for customers within or without the District shall be determined by the Board, in its sole discretion, on a case-by-case basis. Rates, fees and charges, as herein established, including, but not limited to, those set forth in the District's Schedule of Rates, Fees, Penalties and Charges, shall remain in effect until amended by the District in accordance with these Rules and Regulations and applicable state law.

11.2 Connection Permit: Any person requesting service, or a change in service, shall file a connection permit application with the District and pay the applicable water connection fee and/or sanitary sewer connection Fee. No connection permit shall be issued until an application, properly completed and signed, is filed with the District by the owner(s). Prior to issuance of a permit, the applicant shall, at the District's request, submit for approval by the District the

engineering design and construction plans for the proposed connection. At the District's request, for all structures, other than single family residences, building plans shall be submitted, which must include the applicable building requirements for potable water, fire protection and sanitary sewer services. In every case, no service shall be allowed until all connection and other applicable fees have been paid.

11.3 Change in Permitted Use: Any time a connection permit is issued, and subsequent thereto, the water demand under said Permit increases or is planned to increase, the customer or owner shall be required to contact the District. The proper connection calculation shall be based upon the District's Engineering Standards and Specifications to update by the number and type of fixtures served at the property.

11.3.1 The District may recalculate the number of SFEs for a customer account based on: (1) data obtained from the building department of the City of Castle Pines, or Douglas County, if available; or (2) estimates made by the District. In either case, the customer's account will be amended to reflect the change in fixture count after thirty (30) days written notice.

11.3.2 **Reassessment of Fees:** If the District's recalculation of water demand based on the fixture count indicates that total water demand for a property has increased 0.5 SFEs or more, the installation of a larger meter may be required, along with payment of installation costs and all applicable fees. For example, an increase from 1.5 SFE to 2.0 SFE may necessitate installation of a larger meter, assessment of the then applicable connection fee, meter replacement costs and assessment of RWRF, if applicable. In addition, such an increase will result in increased monthly service charges, in accordance with rates associated with a larger meter. Any fees and charges assessed as a result of the changes in permitted use shall be assessed in accordance with the District's Schedule of Rates, Fees, Penalties and Charges.

11.4 Service Charges: After issuance of a connection permit and payment of the connection fee and all related costs, service charges shall commence at the time of service line inspection by the District. Service charges will be billed to the owner, who remains ultimately liable for such charges. When a condominium, townhome, or other association exists for a number of units receiving service from the District through one meter, said association shall be billed for all units serviced by the association. In the event the District is unable to obtain a meter reading on an account for any billing cycle, the District may estimate water usage.

11.5 Calculation of Service Charges: Service charges shall be paid by all customers in accordance with the District's Schedule of Rates, Fees, Penalties and Charges.

11.5.1 **Payment of Service Charges:** Statements for service charges shall be provided to customers on a monthly basis. Charges for late payments, turn-on, turn-off and other various charges shall be added to monthly statements. All statements shall be payable

on the due date stated on the statement. Service charges shall continue to be imposed after service is turned off, regardless of the reason for disconnection.

11.5.2 **Leakage Adjustment:** The leakage adjustment rate is the lowest District treated water volume rate (Tier 1) per billable usage volume in effect at the time a request to apply this rate is received by the District. If the request is approved by the District, the leakage adjustment rate will be applied to the amount of water measured by the customer's meter that exceeds the allotted usage volume (known as the "budget") for the same meter and the same billing cycle and the customer's account will be adjusted accordingly. Leak adjustments are limited to no more than two consecutive months' usage and no more than once in any two-year period.

11.5.3 Water leakage volume must be at least double the normal (average) usage for the same billing cycle based on the previous two years' customer meter data.

11.5.4 A request must be made to the District from the owner, tenant or property manager, which includes the location of the leak, the date of repair and the billing cycle for which consideration is requested. Documentation evidencing proof of repair must be provided to the District at the time of the request.

11.6 Turn-Off Service Fee: Whenever service is turned off for involuntary reasons, such as delinquency of payment or violation of the District's Rules and Regulations, a turn-off service fee shall be charged. If the turn-off is made voluntarily and requested during normal operating hours (8:00 a.m. - 4:00 p.m., every day, including weekends), no fee shall be charged. If voluntary turn-off is requested at any time other than normal operating hours, the turn-off service fee shall apply.

11.7 Reconnect Fee: When service has previously been turned off by the District for involuntary reasons, a reconnect fee shall be charged prior to turning on the service.

11.8 Availability of Service Fees: The District may assess availability of service fees, upon providing notice of the board meeting to consider such fees, pursuant to state statute. Availability of service fees shall be assessed solely for the purpose of paying principal and interest on any outstanding indebtedness or bonds to mature and accrue during the annual period within which such fees are payable. Property shall be considered as having water or sanitary sewer service available for the purpose of assessing availability of service fees when District water and sewer mains are installed in a public right-of-way, easement, private drive, or common area within 100 feet of a property line or corner.

11.9 Connection Fee and Renewable Water Resources Fee: The connection fee and RWRF are distinct fees when any application for a connection is made to the District, or when water use is expanded through an existing connection.

11.9.1 **Connection Fees:** The connection fee is a fee designed to allocate the cost imposed by, and benefit received from, each new connection, or increase in water use through an existing connection to the District's facilities.

11.9.2 **Application of the Connection Fee:** Application of the connection fee shall be based on the number of SFEs served by new or increased water use of an existing connection. Assessment of the connection fee allows the District to plan capital improvements necessary to serve new connections or an expansion of water or sanitary sewer use. Payment of the connection fee shall be due no later than at the time of application for a connection permit, or when the District learns of, or independently determines, an expanded use through an existing connection.

11.9.3 **Application of the RWRF:** The RWRF shall be based on the number of SFEs served by the property pursuant to Resolution 2013-006 as may be amended. Payment of the RWRF shall be due no later than at the time of application for a connection permit or when the District learns of, or independently determines, an expanded use through an existing connection. For new property included in the District, payment of the RWRF is required no later than the time of connection permit.

11.9.4 **Applicability of Connection Fee and RWRF:** In determining the applicable Connection Fee and RWRF, the following criteria shall apply:

- The fees and charges reflected in the District's Schedule of Rates, Fees, Penalties and Charges are based upon the number of SFEs served. The District shall review the Connection Fee and RWRF annually, based upon new information regarding the costs of capital improvements and inflationary factors affecting the costs of such improvements, and may increase such fees and charges in its discretion.
- Any increase in meter size, water usage, SFEs served or sewage generated within a commercial establishment may result in the assessment of additional Connection Fee or RWRF, as described herein.

11.10 Billing Procedure:

11.10.1 **Service Charges:** Statements for service charges are mailed monthly. All service charges are due upon the date printed on the statement. Service charges begin when a customer connects to a main, prior to meter installation.

11.10.2 **Delinquent Charges and Fees:** Unless otherwise provided in these Rules and Regulations, all monthly fees and charges imposed by the District, billed to the owner/customer and delinquent sixty (60) days, may be assessed a late charge on the delinquent amount at the maximum rate allowed by law, plus all costs and attorneys' fees associated with collection. All fees and charges billed by the District and not paid within sixty (60) days shall be considered delinquent. If any fees or charges are delinquent by more than sixty (60) days, or two billing periods, whichever is later, the District may shut

off service to the property, after providing notice. The account must be paid in full to avoid discontinuance of service; however, a payment plan for delinquent amounts may be approved by the District Manager. In addition, the District may certify the delinquency to the county treasurer in accordance with Section 32-1-1101 (1), C.R.S. Notice of the District's certification hearing shall be provided pursuant to statute. If the District intends to certify the delinquency to the county treasurer, a collection fee shall be automatically added to the delinquent amount to be collected. The District assumes no responsibility for agreements between owners and occupants and vendors and vendees. The District may impose a reconnection fee on any account for which service has been stopped in accordance with this section.

11.10.3 **Liens for Unpaid Charges and Fees:** All charges and fees shall be charged against the customer or owner of the property served and shall be a statutory perpetual lien upon the property to which said service is provided, or has been requested, from the time such charges and fees become due.

ARTICLE 12.
WATER CONSERVATION

12.1 Waste: Water is a valuable and precious commodity in the state and within the boundaries of the District. Waste of water is prohibited. Runoff of water from landscaped and irrigated properties and overspray from irrigation systems to impervious surfaces is prohibited. Customers are required to maintain sprinkler or irrigation systems or hoses in such a manner as to avoid runoff, overspray, leaks and/or waste. Any District employee who observes waste occurring shall notify the customer. In the event the customer fails to cease the activity resulting in waste, or in the event any District employee observes such waste again, the Board may terminate service to such property until such waste is corrected or ceases.

12.2 Conservation Orders: Upon a determination by the Board that the District is facing an immediate shortage in its supply of water, which threatens the health, safety and welfare of the property owners, inhabitants of, and visitors to the District, and requires immediate action, the Board is empowered to institute orders regulating or curtailing uses of water by those served by the District. If necessary, the Board may order immediate restrictions, or complete curtailment, of irrigation use. Any conservation orders shall be uniformly applied to all similarly situated customers within the District's service area. Conservation orders may be modified as the conditions causing the water shortage change. The conservation orders shall be effective immediately upon being adopted, or as otherwise provided.

12.3 Enforcement: The person billed for water service to any given property shall be responsible for compliance with any conservation orders and proscription against water waste. Violations, as determined by the District Manager, will subject such persons to actions and

penalties, as described in the conservation order, and any appeals of such penalties and charges may be made to the Board.

ARTICLE 13.
INSPECTIONS

13.1 Powers and Authority of Inspectors: After reasonable notice, the District Manager, or authorized representative, shall be permitted to enter any property within the District for the purpose of performing testing related to discharge to the sanitary sewer System, or for the purpose of inspection, observation, measurement, sampling, repair, or maintenance of any portion of the District's facilities lying within said property.

13.2 Construction Inspection: The District Manager, or authorized representative, shall have the right to inspect any and all work during construction to ensure installation in accordance with the District's Engineering Standards and Specifications. After completion of construction of water or sanitary sewer lines, the District Manager, or authorized representative, shall make a final inspection of construction.

ARTICLE 14.
PROTECTION OF DISTRICT FACILITIES

14.1 Compliance with Statutes and Regulations: For any activity that requires digging, boring, directional drilling, or any excavation around District facilities, the person, contractor, or excavator wishing to dig or excavate around said facilities shall comply with all applicable statutes and regulations of the state, including, but not limited to, Section 9-1.5-101, *et seq.*, C.R.S. ("Locate Statute"), requiring notification to the Utility Notification Center of Colorado (UNCC) at 1-800-922-1987 to locate District facilities. For purposes of this section, in emergency situations, including ruptures and leakage of pipelines, explosions, fires, and similar instances where immediate action is necessary to prevent loss of life or significant damage to property, including but not limited to underground facilities, and where advance notice of proposed excavation is impracticable under the circumstances; any person performing emergency excavation shall take such precautions as are reasonable under the circumstances to avoid damage to underground facilities, and shall notify the District of such excavation as soon as possible thereafter, and shall comply with all additional notice requirements as provided by law.

ARTICLE 15.
CROSS-CONNECTION CONTROL AND BACKFLOW PREVENTION

15.1 Purpose. The purpose of this Article is to protect the District's public water supply from contamination or pollution due to backflow from cross-connections, in compliance with Section 11.39 of the Colorado Primary Drinking Water Regulations (Regulation 11), 5 CCR 1002-

11, administered by the Colorado Department of Public Health and Environment ("CDPHE"). This Article establishes the District's Backflow Prevention and Cross-Connection Control Program ("BPCCC Program").

15.2 Definitions. For purposes of this Article, the following definitions apply in addition to those set forth in Article 2:

(a) Backflow: The undesirable reversal of flow of water or other substances through a cross-connection into the public water supply.

(b) Cross-Connection: Any actual or potential connection between the District's public water supply and any source or system containing non-potable water or other substances, through which backflow may occur.

(c) Backflow Prevention Assembly: A testable mechanical device installed to prevent backflow, including but not limited to reduced pressure zone assemblies, double check valve assemblies, and pressure vacuum breaker assemblies.

(d) Certified Cross-Connection Control Technician: A person holding a valid certification from an organization approved by CDPHE to test, inspect, and repair backflow prevention assemblies.

15.3 Applicability. This Article applies to all service connections to the District's water system. Commercial, industrial, multi-family, irrigation, fire line, and other non-single-family residential service connections shall be required to install, maintain, and annually test approved backflow prevention assemblies. Single-family residential connections may also be subject to backflow prevention requirements where the District determines a cross-connection hazard exists.

15.3.1 **Site specific deviation criteria.** Multi-family connections are those served by a single service line that supplies three or more separate residential dwelling units. Connections that serve more than two but fewer than six dwelling units, do not provide water for irrigation, do not have a pool, hot tub or similar, do not have a fire sprinkler system, do not have any connection to a non-potable or alternative water source, and are free from other hazards that are not typical of a single family residence, are exempt from annual testing, and device tracking. An initial survey to verify conditions is still required.

15.4 Customer Responsibilities. Each customer shall:

(a) Permit the District or its designee to perform cross-connection surveys of the customer's water system;

(b) Install, at the customer's expense, backflow prevention assemblies required by the District;

(c) On at least an annual basis, allow access to the District representative(s) to perform testing on the Customer's backflow prevention assembly. A monthly surcharge will be added to the customer's bill to pay for the costs of testing;

(e) Repair or replace, at the customer's expense, any backflow prevention assembly that fails testing, within thirty (30) days of the failed test, and allow the district access to retest the device. However, repair and replacement of internal components of the backflow device will be done by the district or its authorized representative; and

(f) Notify the District of any backflow incident or any known or suspected cross-connection.

15.5 District Authority. The District shall have the authority to:

(a) Conduct or require cross-connection surveys of customer premises;

(b) Access customer premises at least annually to conduct testing, and if necessary, repair or replace components internal to the device.

(c) Collect rates tolls and fees in the form of a monthly surcharge added to the monthly bill to recover all, or a portion of the costs for testing and repairs.

(d) Require the installation of backflow prevention assemblies of a type and degree of protection commensurate with the degree of hazard, as determined by the District or applicable law;

(e) Establish and enforce testing schedules and reporting requirements;

(f) Deny or discontinue water service to any premises where a cross-connection hazard exists and the customer has failed to install, or maintain a required backflow prevention assembly; and

(g) Take such other actions as necessary to protect the public water supply and comply with CDPHE requirements.

15.6 Termination of Service for Noncompliance. If a customer fails to comply with the requirements of this Article, including failure to install a required backflow prevention assembly, failure to allow access for annual testing, or failure to repair or replace a failed assembly within 120 days of discovery, the District shall, after providing written notice and a reasonable opportunity to cure, discontinue water service to the premises as provided for within these Rules. Service shall not be restored until the customer has demonstrated compliance and paid any applicable fees or penalties.

15.7 Uncontrolled Cross Connections. All uncontrolled cross connections must be controlled within 120 days of discovery. Either through the installation of the appropriate device, method, or discontinuation of service until the connection is properly controlled.

15.8 New Construction and Renovations. Plans for all new construction and major renovations requiring a connection to the District's water system shall be submitted to the District for review. The District may require backflow prevention assemblies as a condition of service based on the intended use of the premises and the degree of hazard.

15.9 Records and Reporting. The District shall maintain records of all cross-connection surveys, backflow prevention assembly installations, and test reports as required by CDPHE Regulation 11.39 and CDPHE Policy 7. The District shall prepare and submit annual reports to CDPHE as required.

ARTICLE 16.
ENFORCEMENT

16.1 Violations: In case of violation of the Rules and Regulations, and in addition to any other applicable fees, penalties, and charges, the Board may revoke a permit, revoke, disconnect, require disconnection, and/or require the District's facilities be returned to original condition, and shall require payment of all applicable fees, penalties, and charges and all costs associated with the violation, including attorneys' fees. This section shall not be construed to limit the rights of the District to pursue other fees, charges, penalties, remedies or forms of relief it determines to be applicable.

16.2 Penalties: The District may impose the following penalties against any violator:

16.2.1 **Illegal Discharge:** Any person making an illegal discharge into the District's water, sanitary sewer or stormwater system shall be penalized a minimum of $2,000.00, plus all costs incurred by the District as a result of such discharge. In addition to the foregoing, each day that the illegal discharge occurs shall constitute a separate violation, for which the violator shall be subject to a daily penalty equal to $2,000.00 per day.

16.2.2 **Unauthorized Connection or Water Use:** Any person who has made an unauthorized use of District water or an unpermitted connection to the District's water, sanitary sewer, or stormwater system, shall be penalized a minimum of $1,000.00, plus any costs incurred by the District, and any other outstanding fees or charges, including a Reconnection Fee, if applicable. In addition to the foregoing, each day that the unauthorized use or unpermitted connection occurs shall constitute a separate violation, for which the violator shall be subject to a daily penalty equal to the greater of (a) $250.00 per day or (b) three (3) times the highest tier of the District's water rate schedule then in effect, applied to the estimated daily volume of unauthorized use as reasonably determined by the District.

16.2.3 **Unauthorized Use of Fire Hydrants or Blow-Off Valves:** Any person who has tampered with or made an unauthorized use of a District fire hydrant or blow-off valve shall be penalized a minimum of $500.00, plus any costs incurred by the District to repair any damage to District facilities. In addition to the foregoing, each day that the

unauthorized use occurs shall constitute a separate violation, for which the violator shall be subject to a daily penalty equal to the greater of (a) $250.00 per day or (b) three (3) times the highest tier of the District's water rate schedule then in effect, applied to the estimated volume of unauthorized use as reasonably determined by the District.

16.2.4 **Unauthorized Use of Water Meters or Facilities:** Any person who has tampered with or made an unauthorized use of a District meter or other District facilities shall be penalized $2,000.00, plus any amount necessary to repair or replace such Meter or other District facilities, and may be subject to criminal prosecution.

16.2.5 **Criminal Offenses:** The District will notify law enforcement of any person who maliciously, willfully, negligently or criminally damages, destroys, defaces, or tampers with any part of the District's facilities. Such person may be subject to criminal charges, which shall be in addition to penalties and/or charges imposed by the Board.

ARTICLE 17.
HEARING AND APPEAL PROCEDURES

17.1 Initial Complaint – Resolution. Complaints must be presented in writing to the District Manager concerning the interpretation, application or enforcement of these Rules and Regulations. The District Manager shall complete a review of the allegations contained in the complaint and take such action and/or make such determination as may be warranted and shall notify the appropriate person in writing within five (5) business days. The District will maintain an annual record of all such complaints, including those details relevant to the matter.

17.2 Application. The hearing and appeal procedures established by this section shall not apply to the following complaints:

17.2.1 Complaints arising out of the interpretation of the terms of District contracts;

17.2.2 Complaints that arise with regard to personnel matters; and

17.2.3 Any other complaints that do not concern the interpretation, application or enforcement of the Rules and Regulations.

17.3 Hearings Before the Board. In the event a person disagrees with the determination of the District Manager, that person may, within fifteen (15) days from the date of receipt of the determination, file a written request for a hearing before the Board. The request for a hearing shall set forth with specificity the facts and/or exhibits to be presented at the formal hearing. The Board shall hold a hearing on the complaint at the next regularly scheduled meeting held no earlier than twenty (20) days after the filing of the request for a hearing. At the hearing, the Manager and the

person requesting the hearing shall present evidence. The Board may establish rules and procedures governing the hearing. A record of the hearing shall be maintained.

17.4 Final Determination. The Board shall issue a written decision and shall cause notice of the decision to be hand delivered or sent by certified mail within fifteen (15) days of the hearing. The Board's determination shall be the final District action.