

**WATER SYSTEM RULES AND REGULATIONS
FOR
CALLICOTTE RANCH OWNER'S
ASSOCIATION INC.**

**Callicotte Ranch Owner's Association
Carbondale CO**

Adopted on June 27, 2024

ARTICLE I GENERAL

1.1 Purpose

The purpose of these consolidated Water Rules and Regulations is to ensure an orderly and uniform administration of water operations for the Callicotte Ranch Owners Association, Inc. (the “Association”) located in Garfield County, Colorado. These rules are adopted by the Board of Directors and are applicable to all of the lots and their owners within the Callicotte Ranch Subdivision, without exception, and are to be used, implemented and enforced to administer the use, operation, maintenance and repair of the water system. The Board of Directors of the Association (the Board) hereby declares that these Rules and Regulations hereinafter set forth are reasonable, ordinary and necessary to operate a fully functioning, fair, efficient and compliant water system and are necessary to promote the health, safety, prosperity, security, and general welfare of all of the members of the Association.

1.2 Association and Authority

The Callicotte Ranch Owner’s Association, Inc. (the “Association”) is a nonprofit corporation organized under the laws of the State of Colorado as a homeowner entity subject to the laws set forth in the statutes for Homeowners Associations, namely §§33.3-1-101 C.R.S. 1973, as amended, et seq. Any rule herein that does not comply with these statutory provisions shall be interpreted as compliant and if necessary revised, to be compliant with said statutes.

1.3 Scope

These Rules and Regulations are applicable to the members of the Callicotte Ranch Subdivision as it is platted by Garfield County as shown on Reception Nos. 754313 and 833320 of the Garfield County Clerk and Recorder, CO. These rules shall be effective and enforced as to all lots, lot owners and members of the Association on the date approved by the Board of Directors of the Association and shall supersede any and all prior drafts, editions, orders and/or publications adopted for the purpose of regulating operating funding and maintaining the Association’s Water system. These Rules and Regulations are also applicable and determined to be consistent with the Declaration of Covenants regulating use of the lots and property within the property. The Association is the owner of the water rights, augmentation plan, and all water facilities, including the distribution system for the benefit of all of the owners and as such has the duty and the power to regulate such use for the benefit of all of the owners.

1.4 Amendment

The Association, through its Board of Directors shall retain the power to modify, change and amend these Rules and Regulations. Prior notice of amendments shall be required to the members however only in the form in which board meetings are to be noticed to the membership including the distribution of an agenda containing generally the subject matter to be discussed and/or amended timely sent to the members, when considering or adopting any amendment or addition to these rules.

1.5 Waiver, Suspension, or Modification of Rules

The Board of Directors shall have the sole authority to waive, suspend, or modify these Rules and Regulations. Any such waiver, suspension, or modification must be taken at a duly noticed and held meeting and shall be in writing authorizing the specific action. Such waiver, suspension or modification is an exception to the Rules and Regulations for the specific instance and shall not be construed as continuing for future instances. Waivers, suspensions, or modifications are not deemed to be a permanent amendment of the Rules and Regulations.

ARTICLE II DEFINITIONS

The Callicotte Ranch Owner's Association is hereinafter called "Association". Unless the context specifically indicates otherwise, the meaning of the terms used herein shall be as follows:

2.1 Connection

A water connection is defined as a device that allows a member to obtain water from the Association's main, through a meter assembly, and into a pipeline connected to a residence (and to an irrigation system).

2.2 Private line

"Private line" is a water distribution pipeline or ditch that is connected to the Association's main water line or ditch but is not owned or maintained by the Association and that serves more than one residence. Generally, private lines are designated as private if they are located on private property, however lines may also be considered to be private if it is not in the best interest of the Association to accept the mains because of special and/or mitigating circumstances; *or* if the title of the mains cannot be transferred free and clear to the Association. Before any such shared private lines are installed or replaced, plans of said system shall be submitted to and reviewed by the Board and only approved by the Board if there are no reasonable alternatives to sharing the use of such line. All shared lines shall have a written agreement in place for the continued use, operation, repair and maintenance of said shared line and each lot shall be separately metered.

2.3 Service Line

"Service Line" is any pipe, line, or conduit used or to be used to provide water service from a water main to a residence for in house and irrigation uses. A water service line and all appurtenances, except the corporation stop, is owned and maintained by the lot owner for the lot it services. The point of connection of each service line onto the main line, or "corporation stop" is owned by the Association but the cost of repair and replacement shall be paid by the lot owner(s). After the corp stop connection the water service line shall be the sole of the lot owner. Water lines constructed by the lot owner shall be done in accordance with these Rules and Regulations and according to specifications recommended the Association's engineer.

2.4 Association Water Main

"Association Water Main" is any distribution line or transmission line used as a conduit for water in the Association's water system and is owned and maintained by the Association.

2.5 Water Meter

"Water Meter" is defined as a fully functional mechanism which measures all the water taken by a lot -owner through its the service line and is capable of being read remotely through the use of a remote read device. The Board shall designate the brand and model of all meters that are acceptable to the Association.

2.6 Water System

"Water System" is the entirety of the supply system including but not limited to wells, intakes, tanks, diversions, water main lines, water treatment facilities, appurtenances, accessories, or any portion thereof owned and maintained by the Association which makes water diversion, treatment and delivery to each lot possible.

2.7 Corporation stops.

"Corporation Stop" or "Corp stop" is the connection of a lot owners water service line to the Association's Main water line. This is owned by the Corporation or the Association, however the cost to repair or replace incurred by the Association may be charged to and shall be the responsibility of the lot owner.

2.8 Notify

Notify, when used in these rules or by the Association shall mean that the Owner/property owner or property owners agent or adult inhabitants of the property serviced is contacted by the Association or its agents through any means and contact includes without limitation in person or by email, text, letter, notice placed on a door to

the house or by telephone call. Owners are responsible for providing all contact information to the association and to update such information whenever it is changed.

2.9 Curb Stop

“Curb stop” is the water service control valve, typically located at the property line or on the property, used to shut off water service. This is owned by the Owner.

2.10 Water fees.

Water fees are those fees that are determined by the Association to be necessary, ordinary and incurred for the operation, maintenance, repair and replacement of the water system and for delivery of water to members. These fees may also have amounts to be held in reserve for anticipated repairs and replacements to the components of the system. These fees are not considered to be part of the HOA assessments or dues and are specifically charged to each and every lot owner for the use or contemplated use of domestic water on his/her lot.

2.11 Vacant, unbuilt and unoccupied lot or residence.

Any individual lot that is unimproved, not built upon, and has no residence is considered to be an undeveloped lot. If the residence on the lot is built but the residence is not occupied, such lot is not considered to be vacant. Requirements for the operation of the water system are the same whether all of the lots are built upon or occupied. Operators’ fees, testing requirements, treatment requirements, facilities etc. must be repaired maintenance and replaced for the benefit of the entire subdivision and not just the lots using water. Undeveloped lots are charged a standby fee. Vacant lots are charged the a minimum of the base amounts for Water.

2.12 Covenants or Declaration of Covenants

Document recorded at Reception No. 723322 and amended at Reception No. 739174 Garfield County Clerk and Recorder’s office as they may be amended in the future, and which applies to and controls the uses and building on every lot in the Callicotte Ranch Subdivision.

2.13 Residence or unit

A residence or unit is a structure that is used in its entirety as a home occupied or to be occupied as a whole, with persons sharing the facilities located therein as a family or group including sharing the kitchen. An additional dwelling unit (hereinafter “ADU”) is defined by the Garfield County development code and is a separately accessible and separately used unit generally to the exclusion of the residents of another residence or another portion of the residence. In order for an ADU to be built in the Subdivision, ADU’s must be specifically authorized by the amendment of the covenants.

2.14 Any Other Term

Any other term not herein defined shall be as defined by the American Water Works Association (AWWA) and Wastewater Pollution Control Federation (WPCF). The use of singular may also refer to plural. The use of the masculine gender includes the feminine gender.

ARTICLE III OWNERSHIP

3.1 Ownership of Facilities

All existing Association pipes and pipelines, ditch and ditch rights, ponds and pond rights, wells and well rights, pumps, treatment facilities, storage facilities and all other facilities connected to or together with form an integral part of the water system and are the property of the Association, unless declared otherwise by the Board in an official action.

The point of connection of each tap onto the main line (corp stop) is also owned by the Association however the maintenance, repair and replacement are to be responsibility of the Association and the cost of such is chargeable to and reimbursable by the lot owner to the Association.

3.1.1 Service Lines

All lots within the subdivision are entitled to have one tap connection onto the Association's water lines. Such connection shall be constructed so that it is capable of being turned off by the Association. The maintenance, operation, repair and replacement of any portion of the water system may require that service to individual lot owners be temporarily disabled, to ensure equipment is operating properly (such as the meter or connection) and for enforcement of payment and/or restrictions for each separate lot.

No private water lines or mains can be built, maintained or replaced in a location that are under a building on any lot or open space property, or otherwise in a location that presents a situation that makes it subject to damage or makes it difficult to maintain and repair. Should this situation exist, the relocation of such a line by an owner may be required by the Association.

3.1.2 Existence of Easements

An easement for location of any Association owned water facility including ponds, treatment facilities, storage facilities, wells, ditches and pipelines, pump houses, whether recorded or not, and whether located within a recorded or written easement document or not, is deemed to exist in favor of the Association. The width of such an easement for any pipeline shall be in a width of minimum of 30 feet and the size of the easement for other structures shall be 20 feet from the outside perimeter of such structure along with a

vehicular access route to said facility. Lot owners may not deny the Association access to any of its facilities. The Association shall have access to and /or through said easement to operate the water system including but not limited to effect repairs, maintenance, replacement and compliance with these rules and regulations.

3.1.3 Liability of Association

The Association shall not be liable or responsible for inadequate supply, inadequate treatment, inadequate pressure or interruption of service brought about by circumstances either beyond its control or beyond its immediate capabilities due to finances or other circumstances. No claim for damage shall be allowed against the Association by reason of the following conditions: damage caused to lines to determine connections to Association lines; breakage of main lines; interruption of water service and the conditions resulting therefrom; damage from the breaking of any main, private main, or service line and service line appurtenances,; failure of the water supply; shutting off or turning on water; installation of connections or extensions; damage caused by water running or escaping from open or defective faucets; burst service lines or breakage of other facilities not owned by the Association; damage to water heaters, boilers, or other appliances resulting from shutting water off, or from turning it on, or from inadequate, excessive, or sporadic pressures; or from doing anything to the systems of the Association deemed necessary by the Board of Directors or its agents.

3.2 Responsibility for Notification

The Association will do its best to notify Members of any significant change in water issues including delivery but has no responsibility to notify of any occurrence of the foregoing conditions.

3.4 Conditions of Ownership

The member's ownership of his/her service line shall not entitle the Member to make unauthorized uses of the water provided, the Association's systems or to make alterations to the service line and the system once the service line has been connected to an Association main line. All uses or changes in use of the service line, any appurtenances thereto, or changes in use of the property served at any time after the initial connection to the Association system shall be subject to these Rules and Regulations.

ARTICLE IV OPERATION AND MAINTENANCE OF WATER SYSTEMS

4.1 Responsibilities of Association

Except as otherwise provided by these Rules and Regulations, the Association is responsible for the operation, maintenance, repair and replacement of the water systems

in accordance with local, state and federal laws, the covenants and these Rules and Regulations.

4.2 Inspection Required

Any Owner believed to have changed equipment, service, or use of his/her property, in violation of these rules or the covenants, shall be notified of such by the Association, and shall be afforded thirty (30) days from the date upon which the notice is mailed in which to respond to the Association's notice. Any response by the member must recognize or include permission to inspect the property as the Association may deem necessary to establish clearly the nature of equipment, service and use of the property. Failure to respond may result in the Association discontinuing service to the property.

4.3 Use of Water System

4.3.1 Lot-Owner Responsibility

Each member shall be responsible for all costs associated with the maintenance of his/her private service line.

4.3.2 Turn-On/Turn-Off Service

All water service lines shall have a turn off/on valve that is properly functioning. Routine turn-on and turn-off water service at a curb stop may be performed only by Association personnel. During emergencies only, a member may turn off the water service at his/her curb stop valve. The Association is the only person or entity that is allowed to turn water on or back on to a lot. The Association shall be notified of the turn-off and the circumstances at the earliest time.

Should the member fail to pay assessments or fail to maintain or timely repair a leak on his line, and the service is suspended by the Association a turn-off service fee will be assessed to the owner. A turn-on service fee shall be charges to the owner for all turn-ons. Payment of all charges and fees are required in full prior to turn-on of the water service. Requests for a turn-off or turn-on of water service shall be made to the Association.

The Association will provide turn-on service for a tap for new construction, one time prior to the occupancy of the building served. At the first time the water service is used service charges begin. If the Association was requested to or did perform a turn-off, the owner will be charged a turn on fee when service is turned back on.

4.3.3 Water Meters

All connections to the Association's water system shall have a fully functioning and operating remote read water meter of the brand and model as designated by the Board. All water meters shall have devices for remote reading. The type of water meter and location of the meter shall be subject to the approval of the

Association and shall be accessible for inspection and maintenance. The Association shall have the right to test, remove, repair, or replace all water meters. Any meter not installed in accordance with Association specifications shall be immediately replaced upon notification by the Association by the Association at the cost of the lot owner and the member may be subject to turn off of his water connection and/or a fine for illegal tampering of the water system.

Each Member is responsible to notify the Association if his/her water meter is operating defectively. The member shall be responsible for immediate repair or replacement of the meter.

Failure to have meters installed, and approved and/or fully operational shall result in a fine charged each month until the meter is installed, functioning and approved.

4.3.4 Repair of Service Lines

Repair of leaks, breaks and general maintenance of the service line and appurtenance shall be the responsibility of the lot owner/member. The Member shall be notified of a leak or potential leak on his service line when the Association becomes aware. The Member may also be notified when the Association determines that his/her water service line is defective and in need of repair. The member shall institute repair or maintenance immediately. Time is of the essence in the repair of all leaks. Plans to fix the leak must be made immediately and communicated to the Association. If not made immediately or if the repair is not scheduled to be completed in a timely manner or if the Board determines in its sole discretion that there could be a loss of water to the system that could impair delivery to other members or environmental or property damage could occur the Association may shut off the water service until the service line has been repaired. In the event that the Association cannot isolate the leak to any specific property, or should the member not make the necessary repair in a timely manner, the Association shall have the right to make the repair, and to charge the member for the cost.

4.3.5 Repair of Mains and Other Water System Components

The Board may contract with one or more person(s) or organization(s) as necessary to assure the proper repair and maintenance of the Association's water system, to monitor the supply and quality of the water delivered, to protect and defend the Association's water rights, and to take such measures as are reasonably necessary to comply with all requirements of government agencies (local or otherwise) pertinent to the water system. Nothing shall prevent the Association from contracting services with a person or persons who are members, so long as the terms of any such contract are determined by the Board to be fair and in the best interests of the Association.

4.3.6 Safety Devices

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

4.3.7 Fire Hydrants

It is unlawful for any person to operate Association valves or fire hydrants without prior written authorization by the Board of the Association. Law enforcement officers, personnel of the Association, or personnel of a fire department are authorized to confiscate any hydrant wrench or valve shut-off key found to be used without written Association authorization. Any violation shall be considered "Unauthorized Use" and will be subject to a fine of \$200 per instance.

4.3.8 Clearances Around Hydrants

No landscaping, retaining walls, or buildings may obstruct the access of any fire hydrants connected to the Water System. Minimum clearances must be maintained around fire hydrants to facilitate their use. The Association is authorized by all Owners to maintain and repair such hydrants and is responsible to maintain a seven-foot (7') clearance on either side (where 2½" connectors are located), four-foot (4') clearance (including landscaping, retaining walls) on back, ten-foot (10') clearance in front (where steamer connection is located), and twenty-five-foot (25') clearance above all fire hydrants. The breakaway collar must be six inches (6") above the finished grade.

4.4 Water Use Restrictions

The Association is responsible for protecting its supply of water for its members. The Association recognizes that certain conditions may occur from time to time causing the water supply to be temporarily limited. At the sole discretion of the Board, water use restrictions may be implemented upon notification to members.

4.4.0 Waste

Each lot owner is responsible to ensure that he/she is not wasting water. A waste of water occurs when more water is diverted and used than is necessary and prudent to accomplish the purpose. For example, no owner may have a bypass or bleeder valve to protect their line from freezing in the winter (lines must be buried to protect against freezing). A constantly running toilet or other water appliance is a waste of water. Excessive irrigation is also a waste of water. Any instance of

excessive use of water may be considered a violation of these Restrictions and subject to the penalties provided for herein. Water for irrigation of lawns and other outside uses shall be limited to the base amounts set forth by the Association in these rules. While there are charges for the overuse of water the Association is limited by its augmentation plan and should there be a continuing threat that the diversions will exceed the amount allowed under the decree limitations (even of the amounts set forth in Table 1) may be imposed by the Board for going above these amounts.

4.4.1 Restrictions of Use

If conditions of supply so limit the water supply of the Association's water system that unrestricted water use may endanger the adequacy of that supply, the Board of Directors, exercising its discretion in the protection of the public health, safety, and welfare, may impose the following emergency water use restrictions and such additional restrictions as are reasonably calculated under all conditions to conserve and protect that supply and to insure a regular flow of water through that system. Emergency water use restrictions shall remain in force and effect until the Board determines that the conditions requiring their imposition no longer exist.

The Board may designate the time periods in which water may be used for lawn irrigation or other purposes outside the residence or other structure (hereinafter referred to as the "Building"). The following manner of restriction is specifically authorized:

1. Premises with even-numbered addresses may use irrigation water on said premises outside said buildings on Sundays, Wednesdays, and Fridays.
2. Premises with odd-numbered addresses may use irrigation water on said premises outside said building on Tuesdays, Thursdays, and Saturdays.
3. Swimming pools are limited to one filling per year unless draining for repairs is necessary.
4. Irrigation shall be by use of an underground sprinkler or hose with nozzle.
5. No ponds shall be constructed on any lot other than the ponds owned and operated by the Association RMM Pond Nos. 1 and 2.
6. Nothing herein shall prevent the imposition of a total ban on outside water use in the event of an extreme emergency, nor to further create an exception to meet a specific water supply condition.

4.4.2 Unauthorized Connection and Fees

No Owner shall be allowed to connect onto the water systems or to enlarge or otherwise change equipment, service, or use of property without adequate supervision and inspection of the installation of the curb stop, water service line, water meter and other appurtenances by the Association or its agents. Any such connection, enlargement, or change without payment, approval, supervision, and inspection shall be deemed an unauthorized connection.

Each lot is entitled to irrigate up to 2500 square feet of land only with the wells and domestic lines. Additional irrigation is not allowed by the water augmentation plan and any such excess irrigation use by any lot owner may be curtailed.

The Board may upon the discovery of any unauthorized use or connection require that, the Owner shall automatically be assessed an additional unauthorized connection fee as liquidated damages toward the Association's costs associated with such unauthorized connections. The Association shall send written notice to the Owner/owner of the property benefited by such connection stating that an unauthorized connection has been made between the Owner's property and the Association facilities. The Owner shall have thirty (30) days from the date the notice is mailed to pay the fee and service charges, if any. Such connection may also be ordered to be immediately removed by the Board. If not paid within this period, the Association shall proceed in accordance with the provisions allowing for the termination or suspension of service, imposition of lines and other remedies.

4.4.3 Suspended Service

When a service line is abandoned permanently, the Owner shall valve the water supply off at the main line (corporation stop valve). If the Owner is not responsive within a reasonable time (30 days) or as determined by the Board, the Association may act to valve off the water line. The cost shall be charged to the Owner and a lien may be filed on the property. Variances to this requirement will be considered on a case-by-case basis.

4.5 Tampering with Systems

4.5.1 Unauthorized Use

No Owner may uncover, alter, disturb, make any connection with, make an opening into, or backfill prior to inspection of the water system without a written authorization from the Association.

4.5.2 Violations

The violation of any water uses, regulation or restriction, or waste of water shall be considered grounds for the imposition of fines and/or costs, turn off and suspension of water service. The Owner shall be responsible for complying with

the rules and regulations and/or restrictions and violators of said regulations and/or restrictions will be subject to the following actions and penalties:

1. In the event of a first violation, the Member will be advised in writing of said violation (by letter, email, or other communication) and the Board may impose a monetary fine or charge will be added to the water bill for subsequent violations.
2. In the event of a second violation at the same location, the Owner will be advised in writing of said violations (by letter, email or other communication method).
3. In the event of a third or any subsequent violation at the same location, the Owner will be advised in writing of said violations (by letter, email or other method).
4. Continuing waste of water or willful violation of any regulation and/or restriction is cause for disconnection or suspension of water service.

4.6 Transfer of Rights Incident to Sale of Property

All uses of water are appurtenant to a lot and is automatically transferred along with the real property used upon. No member may transfer his/her right to use water to any other lot in the subdivision that he/she does not own or any other property that is not connected to and used upon such parcel or lot located in the Subdivision.

4.7 Line Locations

Upon request of an Owner, the Association will attempt to locate and mark the owner's water line connection to the Main line to the best of its ability by using available information. Basic line locations will be made free of charge, but the Association will not accept financial liability to any Owner for any costs incurred because of an inaccurate location.

4.8 Authority to Inspect

Authorized representatives of the Association shall be permitted to enter upon all properties at all reasonable times for inspection, observation, measurement, sampling, testing, and inspection of records of the water system, in accordance with the provisions of these Rules and Regulations. Should any owner/property owner refuse to permit such inspections, observations, measurements, samplings, and/or testing upon request by the Association, such refusal may be considered as proof that the violation (for which entry was requested) exists. The violation may then result in the suspension of service to the Owner/ property owner, subject to the hearing and appeal procedures set forth in Article VI, Hearing. *However*, in an emergency when the Association has not been able to

contact the owner the Association may enter the lot to shut off the water service to prevent waste and/or further damage to the lot or other lots.

4.9 Violators Fined

Any Owner violating any of the provisions of these Rules and Regulations shall be subject to a fine in addition to the loss or damage to the Association including attorney fees and engineering fees, and labor costs incurred by enforcement action occasioned because of such violation. If any Owner causes damage to the Association system by misuse, negligence, or other action on his/her part, the Association shall hold that Owner liable for the cost of repair including any study, investigation, or consultant fees incurred and may charge such Owner those costs incurred which shall be paid by the Owner within 30 days from billing. Late fees and interest consistent with those charged to Owners who fail to timely pay assessments shall be added to all fines that are not timely paid.

ARTICLE V CROSS-CONNECTION CONTROL

Each Owner is responsible for complying with the Colorado Department of Health's Cross Connection Control Manual.

5.1 Cross-Connection Control Authority

The authority to implement and maintain this backflow and on cross-connection control program is contained in the following legislative actions:

- 5.1.1 Colorado Revised Statutes (CRS), Section 25-1-114 and 25-1-114.1.
- 5.1.2 Colorado Primary Drinking Water Regulations (CPDWR), Article 12, Control of Hazardous Cross-Connections.
- 5.1.3 Cross-Connection Control Manual, Colorado Department of Public Health and Environment, latest edition. The Association's program is based on this manual and shall be utilized to determine compliance, for repairs, installations, and testing of backflow prevention devices.
- 5.1.4 Occupational Safety and Health Administration (OSHA).
- 5.1.5 No Name Creek Water Association Rules and Regulations.
- 5.1.6 Colorado Plumbing Code.

- 5.1.7 Uniform Plumbing Code of the International Plumbing and Mechanical Officials / International Plumbing Code.
- 5.1.8 Uniform Swimming Pool and Mineral Bath Regulations.
- 5.1.9 Uniform Solar Code.

5.2 General Requirements

All building plans must be submitted to the Board and approved prior to any connection is made for water service. Building plans must show:

- 5.2.1 Approved backflow prevention assemblies shall be installed on all commercial, industrial, mixed usage, and fire sprinkler systems to protect the domestic water system from potential cross connection contamination.
- 5.2.2 Approved backflow prevention assemblies shall be installed on any service connection that serves three or more residential units.
- 5.2.3 Approved backflow prevention assemblies that provide containment shall be installed on all new service connections, and shall be located downstream from the meter, prior to any other connection.
- 5.2.4 The Association requires that all building plans for new construction or remodels that involve plumbing be submitted to the Association for review and approval prior to construction.
- 5.2.5 All backflow devices as described in numbers 1 and 2 shall be tested at the time of installation and annually thereafter. Test results must be submitted to the Association on the Association's form and all information on the form must be completed and legible. Testing of devices must be performed by a Certified Cross Connection Control Technician, with a current and valid certification.
- 5.2.6 All assemblies used within the Association must conform to the latest edition of the Colorado Cross Connection Control Manual.
- 5.2.7 Backflow devices installed on fire sprinkler systems must meet the requirements of the local Fire Department and shall be Reduced Pressure Assemblies when the system contains glycol. The reduction of pressure through these devices must be incorporated into the design of the fire sprinkler system.
- 5.2.8 Backflow prevention assemblies shall only be installed by a Master Plumber or by a licensed plumber or Cross Connection Control Technician working directly under the supervision and authority of a Licensed Master Plumber. Double check type backflow prevention assemblies shall not be permitted on systems containing glycol.

- 5.2.9 Single Check Valves are not considered backflow prevention devices and shall not be permitted within the service area of the Association.
- 5.2.10 The Association reserves the right to require the installation, replacement, or modification of any backflow assembly that the Board deems to present a potential hazard to the domestic water system.
- 5.2.11 Backflow prevention valves are not to be used as the inlet or outlet valve of the water meter. Test cocks are not to be used as supply connections.
- 5.2.12 All costs for the design, installation, maintenance, repair, and testing of backflow prevention devices shall be borne by the owner.
- 5.2.13 The Association shall have the right of entry to inspect all property and/or buildings and premises for cross connections relative to possible hazards, or to verify proper installation, testing, or repair of backflow device assemblies.
- 5.2.14 The Association may discontinue service of water if an unprotected cross connection exists on any property that may pose a significant risk to the domestic water system. Failure of an owner to cooperate after proper notice in writing by the Association, pertaining to the installation, maintenance, testing, repair, relocation, or inspection of a backflow prevention assembly may result in the discontinuance of water service. A service connection may be left in service if the owner installs an approved air gap separation from the public water system. If a service is disconnecting, it shall not be restored until the Association inspects and approves the backflow prevention devices. If discontinuance of a water service poses a significant risk to public safety (meaning a physical cross connection has been verified between a non-potable source or hazardous source and the potable water system) the Association has the authority to fine Owners an amount not to exceed \$500 per day for each day the connection is out of compliance (meaning from the time the Owner was notified of being out of compliance, and once the time frame requiring the repair has expired) posing a significant risk to the other Owners uses of the water system.

ARTICLE VI RATES AND CHARGES

6.1 General

The rates and charges contained in this Article are applicable to all lots and all uses of water. The rates and charges for base water use are set by the Budget at the annual meeting or a subsequent meeting of the members. However, charges shall not be less than the annual operating expenses incurred by the Association to operate the water system per the requirements of law and the costs of administration plus an amount which is a

minimum of 20% of such charges to be held in reserve for later maintenance, repairs or replacement.

The excess use of water, more than the allotted amount to each lot, may be regulated by the Board to ensure compliance with the augmentation plan from year to year. Nothing contained herein shall limit the Board from modifying excess rates and charges.

6.2 Amount of Water Allocated Per Lot

The water allotted to each lot is as set forth in attached Table 1.

6.3 Payment of Service Charges

The members shall pay to the Association within fifteen (15) days after the billing date the full amount of that statement. If the Owner believes the billing statement is in error, the Owner must file, in writing, a notice to the Association of the presumed error, and request a clarification from the Association. Upon review by the Association and resubmittal and/or revision of the statement, payment shall be due no later than fifteen (15) days from the billing date of the resubmitted statement.

6.5 Assessments and Remedies for Nonpayment

a. The Secretary shall then prepare a written statement to each Owner identifying the amount of the fees due, the date such fee is due, and shall email, text and/or mail each Owner's statement to the Owner's mailing address of record with the Association, no later than fifteen (15) days prior to the due date. Only one statement need be sent to multiple owners of lots, to the address for such Owners of record with the Association. Bills may be sent at the frequency as established by the Board but no less than quarterly.

b. If an Owner fails to pay the full amount of any assessment by the date due as identified in the statement therefore, the balance due shall accrue interest and late fees at the rate set forth in the table attached commencing on the day after the date due until all amounts of principal and interest are paid in full.

c. When an Owner's fees are past due for over sixty (60) days, the Board shall notify the delinquent Owner in writing, by certified mail, return receipt requested, to the Owner's address of record with the Association, by email or other means such as hand delivery that the Board will consider at its regularly scheduled meeting (but no earlier than thirty days following the date of such notice), to consider suspension of delivery of water incident to said nonpayment. If such past due assessments and accrued interest thereon is not paid in full by the date of the Board meeting at which such remedies for nonpayment are before the Board, the Board may proceed to authorize the suspension of water service. In considering whether to suspend, the Board may consider all relevant circumstances, including such as may be brought to

the attention of the Board at the meeting thereof by the Owner or his/her designated representative or any other person.

6.6 Penalty for Late Payment

Any time an owner is fifteen (15) days delinquent in payment of any charges due the Association, the Association shall assess an interest charge at the rate of 8% per annum compounded monthly. The Association shall further have the right, in its sole discretion, to suspend water service to any owner who becomes sixty (60) days or more delinquent in payment for water service. The Association shall assess to any owner who is late in payment of his/her account all penalties and interest set forth herein and legal fees, court fees, disconnection, and other costs necessary to or incidental to the collection of the account. Reconnection of services will thereafter be according to these Rules and Regulations.

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

ARTICLE VII COMPLAINTS AND HEARINGS

7.0 Application

The hearing procedures established by this Article shall apply to all complaints concerning the interpretation, application, or enforcement of the Rules and Regulations of the Association, and contracts related thereto, as they now exist or may hereafter be amended.

7.1 Initial Complaint Resolution

Complaints concerning the interpretation, application, or enforcement of Rules and Regulations of the Association must be presented to the President or secretary of the Board, or his/her designated representative. Upon receipt of a complaint from a member, the Board shall make a full and complete review of the allegations contained in the complaint and shall take such action and/or make such determination as may be warranted. The decision shall be communicated to the Member and complainant by the Board after its meeting on said issue.

7.2 Hearing

In the event the decision of the Board is deemed unsatisfactory to the Lot Owner member, a written request for hearing may be submitted to the Board.

The Board shall then conduct a hearing within 30 days. At the hearing, the Board of Directors shall preside. The complainant (Member), his representative and any witnesses

and other members of the Association shall be permitted to appear in person, and the Member may be represented by any person of his/her choice, including legal counsel.

The Association Board shall have the right to present evidence and arguments; The Board may ask questions of any representative to clarify further an issue relevant to the complaint. The Board shall determine whether grounds exist to alter, amend, defer, or cancel the interpretation, application, and/or enforcement of the Rules and Regulations that are the subject of the complaint.

END OF RULES AND REGULATIONS