

**CALLICOTTE RANCH OWNERS' ASSOCIATION**  
**RULES RE: WATER SYSTEM**  
**WITH SCHEDULE OF WATER FEES**  
**EFFECTIVE: JULY 1, 2024**

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**1. Payment of Service Charges**

The policy of Callicotte Ranch is to set monthly fees for water service and to collect those fees on a monthly or quarterly basis as the Board may decide is most efficient and economical. All base water fees are collected for the upcoming month(s). All overage fees are collected in arrears.

The lot owner shall pay the charges to Callicotte Ranch within fifteen (15) days after the billing.

If the customer believes the billing statement is in error, the customer must file, in writing, a notice to Callicotte Ranch of the presumed error, and request a clarification from Callicotte Ranch. Upon review by Callicotte Ranch 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.

**2. Penalty for Late Payment**

Any time a customer is more than fifteen (15) days delinquent in payment of any charges due Callicotte Ranch, Callicotte Ranch shall assess a one-time late fee of \$50. Interest charges of 8% per annum shall also accrue be calculated starting on the day after charges are due.

Callicotte Ranch shall further have the right, in its sole discretion, to suspend service to any customer who becomes sixty (60) days or more delinquent in payment for scheduled services; suspension of service will follow the opportunity for a hearing as outlined in the policy of the Association.

Callicotte Ranch shall assess to any customer who is late in payment of his account, all bookkeeping, legal, court, turn off (disconnection), turn on (reconnection) expenses it incurred along with all other costs necessary to or incidental to the collection of the account.

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

**3. Residential Usage**

One single family dwelling unit is allotted up to 10,000 gallons of in house only use water at the base rate established herein. This usage includes a hot tub even if it is located on the outside of the unit. A hot tub is limited to up to 3000 gallons with one fill per year is allowed.

Each owner in Callicotte Ranch also has the right to use its water connection to irrigate landscaping on his/her/its lot in the irrigation season. The limitation on the number of square feet allowed to be irrigated per lot is currently 2500 square feet.

#### **4. Water Meters**

All connections to Callicotte Ranch's water system shall include a water meter. All water meters shall have devices for remote reading as well as a Meter Transceiver Unit (MXU) for automated radiometer reading. The type of water meter and location of the meter shall be subject to the approval of Callicotte Ranch and accessible for maintenance. Callicotte Ranch shall have the right to test, remove, repair, or replace any and all water meters. Any meter not installed in accordance with manufacturer specifications shall be immediately replaced upon notification by Callicotte Ranch and the owner may be subject to a fine for illegal tampering with the water system.

Each owner is responsible for notifying Callicotte Ranch if their water meter is operating defectively or not at all. If any meter is suspected to be defective or nonfunctioning, Callicotte Ranch shall diligently pursue inspection of the broken water meter. If a meter replacement is needed, the meter shall be obtained from Callicotte Ranch and the owner shall be responsible for the cost maintenance, repair or replacement and reimbursing Callicotte Ranch for the meter cost.

During the interim period prior to repair, the following procedure shall be enforced. The owner shall be given notice, by email and by first-class mail, that Callicotte Ranch suspects that the water meter is defective. The owner shall be given thirty (30) days in which to respond and schedule with Callicotte Ranch an appointment for a meter inspection and replacement. If the owner fails to respond, the owner will be placed on the unmetered water rate set forth below per single-family equivalent per month, effective with the following billing cycle.

The owner shall be given a second notice, by email and first-class mail and certified mail, that Callicotte Ranch believes that the water meter is defective or not working. The owner shall be given another thirty (30) days in which to respond to the second notice, which shall include the owner scheduling an appointment for a meter inspection and replacement. During this time fines may be imposed. If the owner fails to respond to the second notice, Callicotte Ranch, may suspend the water service but continue charging for unmetered water service. Service will be restored only upon payment of the turn off and turn on fees.

All meters will be repaired at the owner's expense. The owner shall also be charged for any out of pocket costs which Callicotte Ranch incurred as a result of such failure to operate or repair.

#### **5. Pressure Reducing Valve**

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

## **6. Repair of Service Line**

Leaks, breaks and general maintenance of the water service line shall be the responsibility of the property owner. The owner shall be given notice by email or text and first-class mail that the water service line is defective and in need of repair. Owner shall institute repair or maintenance immediately. If satisfactory progress toward repairing the service line has not been completed in a timely manner or Callicotte Ranch determines that environmental or property damage is being caused, Callicotte Ranch shall shut off the water service until the service line has been repaired. In addition, Callicotte Ranch shall have the right to make the repair, and the costs therefore shall be billed to the owner and if not paid within 15 days shall constitute a lien on the property as provided for by Colorado law.

## **7. Water Service Charges**

Monthly water service charges are collected and due in advance of the service. All water overage charges are billed in arrears.

### **For All Metered Accounts**

- Up to 10,000 gallons per month per EQR (Equivalent Residential Unit) will be charged at a base rate.
- Any owner using more than the base amount will be subject to an additional charge as outlined in the tables below.
- During the irrigation season (May through October) 5000 to 10,000 additional gallons per unit will be likely be used per month.
- The Association is limited to water diversions through its wells by its water augmentation plans decreed in 01CW182 and 01CW368 of the Division 5 Water Court. The maximum allowable diversions are 33.37 Acre Feet per year.
- The Association may limit the amount of water diversions per month to ensure that the amount decreed in its water augmentation plans are not exceeded. In addition, the Association may limit the amount of diversions to meet any shortage of water it is experiencing or anticipates in the near future.
- Thus, overage charges allow for each individual owner to exceed the base amount by paying additional charges for their water usage at the rates below. In no case, however, shall any individual owner exceed the maximum amounts set forth in the table or exceed the amount that may be imposed by the Board due to a water shortage or anticipated water shortage in the near future.
- Please see the attached table for rates for usage.

### **For Unmetered Accounts**

Accounts with non-existent, not connected, broken water meters, or unmetered accounts (such as during the construction period) shall be charged the rate of \$500.00 per single-family equivalent per month. The Board, may in its discretion, lower the payment to an amount consistent with historic use and charge such lower rate to the owner on a case-by-case basis, whichever the Board Callicotte Ranch deems most applicable based upon all of the facts and circumstances regarding said lot and construction and landscaping thereon.

## **8. Water Augmentation Plan and usage**

The maximum allowable diversion through the wells is a total of 33.37 AF which is 10,873,614 gallons per year. Should diversions be calculated to exceed this amount by the Association's operator, engineer or attorney for any one year the Association would not be in compliance with this plan. Despite the table outlining the costs for excess water use set forth below, the amount to be diverted by any homeowner or the entire subdivision may be curtailed by the Board in order to effectuate compliance with the Augmentation plans.

Any lot owner that exceeds the maximum amount set forth on the table above (40,001 or more) of water in any 30-day period may be fined in accordance with the fine schedule. This amount is necessary to pay the Association's professionals to undertake a review of the situation and propose a resolution to prevent this from happening. Any additional expenses incurred beyond the fine by the Association may be added to the fine and charged to the Owner. Reduction in a fine amount may be made by the Board of Directors if the homeowner can provide proof of a leak, as well as subsequent proof that the leak was fixed.

Standby charge: Any undeveloped lot not yet connected to the water supply shall be charged a standby fee. This standby fee shall be \$100 per month. This fee is reasonable and necessary for the Association's costs in maintaining, repairing and replacing all components of the water system and its operation, which benefits the unconnected owners as well as the connected ones.

Overage charges shall be billed to the owners within a reasonable time after the overage occurs. Such overage is based upon water meter readings which are done by the Association 6-12 times per year. Overage amounts shall be averaged over the months between meter readings. For example, if the owner has diverted 10,000 more gallons than the amount allowed in the table above and the meter readings are two months apart then 5000 gallons is attributed to the first month after the reading and 5000 gallons is attributed to the second month after the reading. Amounts due are to be paid within 30 days of the date of billing and late fees and interest may be added to any late or non-payments.

## **9. Water Use Restrictions**

Callicotte Ranch is responsible for protecting and insuring it maintains an adequate supply of water to its members. Callicotte Ranch recognizes that certain conditions may exist when water supply is temporarily limited. At the sole discretion of the Board, the Board may determine that water use restrictions will go into effect for limited periods of time.

If any conditions of supply (including pump issues or restrictions, groundwater level decline, augmentation plan amount is or may be exceeded in addition to other conditions) limit the water supply of Callicotte Ranch's water system such that that unrestricted water use may endanger the quantity, quality or adequacy of that supply, the Board of Directors, exercising its discretion in the protection of the public health, safety, and welfare, may by resolution adopt the following emergency water use restrictions and such additional regulations and restrictions as are reasonably calculated under all conditions to conserve and protect that supply and to insure a regular flow of water through that system. Emergency water use regulations and restrictions shall remain in force and effect until the Board determines that the conditions requiring their imposition no longer exist.

1. Irrigation is limited to nighttime and early morning hours only.
2. Premises with even-numbered lots may use irrigation water on said premises outside said buildings on Sundays, Wednesdays, and Fridays and premises with odd-numbered lots may use irrigation water on said premises outside said building on Tuesdays, Thursdays, and Saturdays.
3. Swimming pools and spas will be limited to one filling unless draining for repairs is necessary.
4. No irrigation shall be permitted at any time by use of free running hose without nozzle or sprinkler.
5. Nothing herein shall prevent the imposition of a total ban on outside water use in the event of an emergency, nor to further create an exception to meet a specific water supply condition.

## **10. Waste**

Water shall be used only for beneficial purposes and shall not be wasted. A waste of water occurs when, for example, house water fixtures are leaking or running constantly, irrigation sprinklers are aimed toward a roadway, driveway instead of or partially in addition to the landscaped area, or underground pipes are broken among others. Any instance in which household fixtures are not promptly repaired, sprinklers are not redirected, pipes are not fixed, resulting in excess losses will be considered a violation of these water use restrictions and subject to the penalties provided by the Association in addition to the water fees as set forth above.

## **DISCUSSION AND APPROVAL RESOLUTION**

These Rules re Water System were brought before the Callicotte Ranch Association's Board of Directors at the Board's request. The discussion of these rules was listed on the agenda for the meeting held on June \_\_\_, 2024 with notice provided to all. Owners/Members of the Association along with a copy of these Rules at least ten (10) days in advance. After the discussion, a motion was made and seconded to approve the Rules and by a vote of \_\_\_ in favor and \_\_\_ against the Board of Directors adopted these Rules to be effective as of July 1, 2024.

The Water rates set forth herein Were discussed and established at the annual meeting of the membership of the Callicotte Ranch Owner's Association held on \_\_\_\_\_, 2024 and were approved by a vote of \_\_\_\_\_ members (yes) to \_\_\_\_\_ members (no).

## ATTACHMENT

Table of Fees

Months	Gallons	Incremental amt/1000 gallons		Total Amt
Base charge per month	- 10,000			\$100.00
	- 15,000	\$10	$100 + (5 \times 10)$	150.00
	- 20,000	\$10	$100 + (10 \times 10)$	200.00
	20,001 – 25,000	\$25	$200 + (25 \times 5)$	325.00
	25,001 – 30,000	\$30.00	$325 + (5 \times 30)$	\$475
	30,001 – 35,000	50.00	$475 + (50 \times 5)$	\$725
	35,001 – 40,000-	75.00	$725 + (5 \times 75)$	\$1,100