

## ARTICLE 7

### FEES AND CHARGES

#### 7-1 GENERAL:

- 7-1-1 Purposes. The purpose of the fees and charges provided in this Article is to provide for the payment of all actual costs of operating, maintaining, repairing, replacing, and expanding the District System, including the funding of reasonable reserves to accomplish any or all of said purposes in the future, for contingencies, and for future water supplies. Except for extraterritorial fees charges, all such fees and charges shall be based upon the approximate cost of providing the service for which such fees and charges are made and have been determined by the Board of Directors to be reasonable and necessary for the recovery of all such costs. Fees and charges for extraterritorial service, if any such service is provided by the District, shall be at such rates and fees as may be determined by the Board in its discretion. The intent of disparate fees and charges for extraterritorial service is to ensure that properties serviced outside of the District's boundaries do not pay a cumulative total of fees and charges which are equal to or less than the cumulative total of fees, charges and taxes which are paid by in-District customers.
- 7-1-2 Liability. The fees and charges provided in these Rules and Regulations are the personal, joint and several obligation of the owners of the property for which the applicable service is furnished or the charge is made, but the full amount of any such fees and charges shall also be a perpetual lien against any such property, as provided by Section 32-1-1001(1)(j), C.R.S. The District assumes no responsibility for any agreement made between Property Owners and tenants, regardless of how made and regardless of whether the District has notice thereof. Notwithstanding the foregoing, however, any Plan Review, Observation/Inspection, or Disconnection/Reconnection Charges shall also be the personal obligation of any person who orders or requests the District to perform such work, even though such person may have acted in a representative capacity when doing so.
- 7-1-3 Equivalents Defined. For the purposes of these Rules and Regulations, the term "Equivalent" shall mean equivalent 3/4-inch taps. The number of Equivalents represented by the size of a Tap is determined according to the following schedule:

<u>TAP SIZE</u>	<u>NUMBER OF EQUIVALENTS</u>
¾"	1
1"	2
1½"	4
2"	8
3"	18
4"	36
6"	94

7-1-4 Schedule of Fees and Charges. The Board shall establish by resolution a schedule of all fees and charges authorized by these Rules and Regulations, such resolution to remain in effect until modified by passage of a subsequent resolution establishing a new schedule of fees and charges.

7-2 SYSTEM CHARGES:

7-2-1 District Charges.

A. There is hereby imposed a System Charge which shall be due and payable in full at the time application for a License is made. The amount of the System Charge shall vary with the size of the Tap for which application is made, according to the schedule adopted by the Board.

B. Refunds.

(1) Expired or Canceled Authorizations. Except as provided in Subparagraph (2) below, the District will not refund a System Charge or any portion thereof upon cancellation or expiration of a License. All sums collected by the District as a System Charge for any Tap shall be credited toward the amount of the System Charge to be collected at the time of any subsequent application for service at the premises for which the original Tap was authorized.

(2) Valid Current Authorizations. Upon written application of any Property Owner holding a valid, current License for a new Tap (not reissues), either from the District or from the Denver Water Department, the District will cancel its License and refund the System Charge paid therefor, subject to the retention of an administrative processing fee per tap, regardless of size. If a License for the Tap was issued by Denver, the applicant shall

furnish proof that the Denver License has been canceled before the District will refund its System Charge. If the Denver Water Department did not issue its License for such Tap, the applicant shall surrender the District's License therefor before the District will cancel the same or refund its System Charge.

- C. Administrative Fees: In order to defray the costs and expenses incurred in processing applications, issuing Licenses and maintaining accurate records in connection with Tap sales, there is hereby imposed an administrative fee per Tap, regardless of size and regardless of whether the Tap is new or a reissue. Such fee is in addition to any and all other fees and charges imposed by the District, and shall be paid in full at the time application for the Tap is made.

7-2-2 Denver Charges. The above figures do not include System or other charges payable to Denver. An applicant for a License must pay these additional fees directly to Denver in addition to those set forth above payable to the District.

7-2-3 Highlands Reservoir Participation Charges. There is hereby imposed a charge in an amount equal to the amount of the charge imposed upon the District by Denver from time to time pursuant to Paragraph 3B of the Participation Agreement between the District and Denver dated January 26, 1982 for storage at Highlands Reservoir. The said charge shall be based upon the number of Equivalentents for which application is made, and shall be due and payable, in full, at the time application for a License is made.

7-3 HYDRANT USE FEE: There is hereby imposed a fee per calendar quarter or any portion thereof for any hydrant permit issued by the District, which fee shall be payable initially upon application for the permit and thereafter pursuant to invoice issued by the District.

7-4 MAIN EXTENSION REVIEW/OBSERVATION FEES: Any person who is required to obtain District review of plans or design or District observation of construction in connection with a Main Extension shall pay a review/observation fee. Such fee shall be paid in full at the time the plans or design are presented to the District for review.

7-5 OBSERVATION/INSPECTION FEE: Any person who is required to obtain District construction observation other than in connection with a Main Extension shall reimburse the Actual Costs incurred by the District for such observation or inspection, calculated in accordance with the rates set forth in Appendix 1 hereto. If required by the District, such person shall deposit an amount reasonably estimated by the District to cover the fee for such observation when the request for or notice of the needed observation is made. Any

unused portion of the deposit will be refunded, and any deficit will be invoiced to the person liable therefor within 30 days after the observation.

7-6 SERVICE CHARGES:

7-6-1 District. There is hereby imposed a Service charge per Equivalent per calendar year upon each and every Tap active within the District as of April 15 of the year for which the charge is imposed; provided, however, that for the purposes of this subsection, each single family detached residence shall be treated as a single Equivalent, regardless of the size of the Tap serving it. Service charges shall be invoiced no later than May 15 of each year and shall be payable in two equal installments each due on June 15 and September 15. At the option of the payor, the entire annual charge may be paid in a single installment due June 15.

7-6-2 Denver. Any and all charges for water service imposed by Denver shall be paid by the persons liable therefor as provided in the Denver Operating Rules. If any unpaid service charges are invoiced by Denver to the District, such charges shall immediately be deemed District charges and shall be due and payable to the District by the Property Owner immediately upon presentation of the District's invoice therefor.

7-7 INCLUSION/EXCLUSION FEES: Any person who petitions for inclusion of his property into or exclusion of his property from the District shall pay the following fees and charges in connection therewith:

7-7-1 Processing Fee. A processing fee shall be paid in full at the time the inclusion or exclusion petition is filed with the District.

7-7-2 Per-Acre Inclusion Fee. A fee per acre of property to be included, prorated by square footage if less than whole acres are included, shall be paid in full at the time the inclusion petition is filed with the District. If the inclusion is denied by the District the Per-Acre Inclusion Fee shall be refunded.

7-8 SPECIAL SERVICES/REIMBURSEMENT FEES: The following fees and charges are imposed and assessed for the purposes set forth below pursuant to contractual or other obligations of the District:

7-8-1 Williamette Water Group Reimbursement Charge. (These charges were imposed pursuant to an Improvements Agreement dated July 16, 1986 between the Williamette Water Group, a Colorado non-profit corporation, and the District; Charge repealed July 22, 2002 by expiration of the approved duration.)

- 7-8-2 East Ida Circle Hydrant Reimbursement Charge. (Reimbursement charge repealed 5/1/2000.)
- 7-8-3 Garden Lane Reimbursement Charge. (These charges were imposed pursuant to an Improvements Agreement dated August 13, 1991, Charge reaffirmed by Resolution No. 95-06, 9/12/95; Charge repealed 8/13/01 by expiration of the approved duration.)
- 7-8-4 Other Unique Circumstances. The Board may establish from time to time, additional fees and charges to be assessed against licensed properties to defray any identifiable costs and expenses which may be incurred to service a particular area or zone of the District, including without limitation, pumping costs, storage costs, or other similar costs and expenses incurred to service that particular area or zone.
- 7-9 DISCONNECTION/RECONNECTION CHARGES: Whenever any water service is physically disconnected, interrupted, or reconnected by the District for any reason, the Property Owner or any other person liable therefor shall reimburse the actual costs (2-1) incurred by the District for such work, calculated in accordance with the rates set forth in Appendix 1 hereto.
- 7-10 CURE CHARGES: Whenever the District cures any defect, deficiency, nonconformity or violation as provided in these Rules and Regulations, any person who is responsible under these Rules and Regulations to cure such condition, or whose act or omission resulted in the necessity for the curative action, shall be liable and obligated to reimburse the actual costs (2-1) incurred by the District for such undertaking, calculated in accordance with the rates set forth in Appendix 1 hereto.
- 7-11 CIVIL FINES PASSTHROUGH: Any person who, by act or omission, causes the District to incur any fine or penalty assessment imposed by any governmental authority having jurisdiction, shall be fully liable to the District for the total amount of the fine so assessed.
- 7-12 DELINQUENCY CHARGES; COLLECTION COSTS; LIEN: Full payment of any and all fees or charges imposed or assessed by the District is due upon presentation of the District's invoice, unless these Rules and Regulations provide otherwise for notice or payment of any specific charge. The invoice shall be conclusively deemed presented to a Property Owner if personally served upon him, or if mailed postage prepaid by first class mail addressed to the service address of the property or any other address for the Property Owner known to the District. Any amount so invoiced or otherwise due and payable will become delinquent 30 days thereafter, and the full amount of any delinquent balance shall thereafter bear interest at the rate of one percent (1%) per month, compounded

monthly. Further, the District may impose a \$10 penalty and add the same to any unpaid indebtedness after 60 days from the invoice or due date. Any person liable for such fees and charges shall also be obligated to pay any and all costs of collection, including reasonable attorney fees and court costs, actually incurred by the District. Until paid, all rates, tolls, fees, charges, interest, penalties, and costs of collection shall constitute a perpetual lien on or against the property served.

- 7-13 WITHHOLDING APPROVALS AND PERMITS: Notwithstanding any provision of these Rules and Regulations to the contrary, the District may withhold permits, approvals, or other authorizations from any person until all sums then due to the District from such person are paid in full.
- 7.14 RIGHTS AND REMEDIES PRESERVED. Nothing in this Article 7 shall be construed as a limitation or as an alternative to any right or remedy of the District regarding collections, termination of service, or other enforcement rights and remedies set forth in Article 9.

10/28/02