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# Forest Lakes Metropolitan District Rules, Regulations and By Laws

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**RULES  
&  
REGULATIONS**

The graphic consists of a dark grey rectangular background. The words "RULES" and "REGULATIONS" are written in a large, white, sans-serif font. A large, light grey ampersand "&" is positioned between the two words, overlapping them.

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Adopted 1985,  
Effective May 1, 2020

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**APPENDICES**

**(Coordinate with the District Manager for the Appendices Documents)**

A. Sewer and Water Service Line Construction and Main Line Specifications

## **ARTICLE I**

### **GENERAL**

1.1 Authority. The District is a governmental subdivision of the State of Colorado and a body corporate with those owners of a public or quasi-municipal corporation, that are specifically granted for carrying out the objectives and purposes of the District.

1.2 Purpose. The purpose of this consolidated body of rules, regulations and By-laws is to ensure an orderly and uniform administration of water, sewer, road, recreation, and fire protection operations in the Forest Lakes Metropolitan District.

1.3 Policy. The Board of Directors of the District hereby declares that the rules, regulations and by-laws hereinafter set forth will serve a public use and are necessary to promote the health, safety, prosperity, security, and general welfare of the inhabitants of the District.

1.4 Scope. These rules, regulations and by-laws shall be treated and considered as new and comprehensive regulations governing the operations and functions of the District, and shall supersede all prior rules, regulations and by-laws of the District.

1.5 Intent of Construction. It is intended that these rules, regulations and by-laws shall be liberally construed to affect the general purposes set forth herein, and that each part thereof is separate and distinct from all other parts. No omission or additional material set forth in these rules, regulations and by-laws shall be construed as an alteration, waiver or deviation from any grant of power, duty or responsibility, or limitation or restriction, imposed or conferred upon the Board of Directors by virtue of statutes now existing or subsequently amended, under any contract or agreement existing between the District and any other governmental entity. Nothing contained herein shall be so construed as to prejudice or affect the right of the District to secure the full benefit and protection of any law, which is now enacted or may subsequently be enacted by the Colorado General Assembly pertaining to the governmental or proprietary affairs of the District.

1.6 Amendment. It is specifically acknowledged that the District shall retain the power to amend these rules, regulations and by-laws with respect to the District to reflect those changes determined to be necessary by the Board of Directors of the District. Prior notice of these amendments shall not be required to be provided by the District exercising its amendment powers pursuant to this Section.



## **ARTICLE II**

### **DEFINITIONS**

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

2.1 Applicant. Any person who applies to the District for a service connection or service disconnection, main line extension or other such service agreement or who attempts to have real property included within, or excluded from the District, as the case may be.

2.2 Board and Board of Directors. The Board of Directors of the District.

2.3 Constructor. The landowner, developer, sub-divider, or agency actually paying for the construction of the lines.

2.4 Contractor. Any person, firm or corporation authorized by the District to perform work and to furnish materials within the District.

2.5 Customer. Any person, company, corporation, homeowners' association, or similar entity authorized to connect to and use the public water or sewer system under a permit issued by the District.

2.6 Developer. Any person who owns land and/or is sub-dividing land for resale and seeking to have the land served by the District.

2.7 District. The Forest Lakes Metropolitan District.

2.8 District Engineer. That person or firm that has been authorized by the District to perform engineering services for the District.

2.9 Dwelling Unit. One or more habitable rooms arranged, occupied, or intended or designed to be occupied by not more than one family with facilities for living, cooking, sleeping and eating.

2.10 Equivalent Dwelling Unit or Single-Family Equivalent Dwelling Unit. A use which is estimated to have an impact upon the water or sewer system equal to that of the average dwelling unit.

2.11 Licensed Contractor/Drain Layer. "That person authorized by the District to perform services which physically affect the public water or sewer system of the District.

2.12 Inspector. That person under the direction of the superintendent or District Manager who shall inspect all water and sewer connections, excavations, installations of and repairs to the public water or sewer system and facilities of the District to ensure compliance with the rules and regulations.

2.13 Main Line. Any pipe, piping or system of piping used as a conduit for water or sewerage in the District's system and owned by the District. A water main line shall be six inches (6") or more in diameter and a sewer main line shall be eight inches (8") or more in diameter.

2.14 Manager or District Manager. The person retained by the Board, or his/her duly authorized deputy, to administer and supervise the affairs of the District and its employees, including enforcement of the District's Rules and Regulations.

2.15 Permit. The written permission to connect to the water or sewer main of the District pursuant to the rules and regulations of the District and shall be revocable upon the change of use of the property being served by such main.

2.16 Person. Any individual, firm, partnership, corporation or other entity of any nature, whether public or private.

2.17 Pretreatment Facilities. Structures, devices or equipment for the purpose of removing from the sewer system any wastes which would be harmful to the District's sewer mains or to the sewage treatment works.

2.18 Public Sewer, Sewer System or Water-System. Any sewer or water line, appurtenances, accessories or portions thereof owned and maintained by the District.

2.19 Service Line. Any pipe, line or conduit used to provide water or sewer service from the main to a building. A service line is not the property of the District, and the District shall have no liability whatsoever in respect thereto from the point of, and including, the tap onto the main line.

2.20 Shall-May. It shall be construed as a mandatory direction; whenever "may" is used herein, it shall be construed as a permissible, but not mandatory direction.

2.21 Superintendent. That person appointed by the District Manager to supervise the operation and maintenance of District facilities.

2.22 Tap or Connection. The connecting of the service line from the structure which it is to serve to the public water or sewer system, either directly to a public water or sewer system, either directly to a public main line or indirectly through a private main line.

2.23 Tap Fee. The payment to the District of a fee for the privilege of connecting a particular use to the water or sewer system. The tap fee may also be known as a "Use Fee" and is dependent upon the impact of a use or expanded use. Physical tapping is not the criteria for the obligation of paying a Tap Fee.

2.24 Any Other Term; not herein defined shall be defined as presented in the "Glossary - Water & Sewage Control Engineering" A.P.H.A., A.W.W.A., A.S.C.E. and F.W.S.A., latest editions.

**ARTICLE III**

**BY-LAWS**

3.1 Place of Business

3.1.1 District Office. The principal office of the District shall be at 271 N. Mountain View Drive, and the mailing address is P.O. Box 440 Bayfield, Colorado, 81122. The board may, from time to time, designate, locate and relocate its executive and business office and such other offices as, in its judgment is necessary to conduct the business of the District.

3.2.1 General Powers. All powers, privileges and duties vested in, or imposed by, the District by law, shall be exercised and performed by and through the Board, whether set forth specifically or implied in these by-laws. The Board may delegate to officers and employees of the District any or all administrative and ministerial powers.

3.2.2 Qualification and Terms of the Directors. Board members shall be qualified electors of the District. The term of each member shall be determined by relevant statutory provisions with elections held in even-numbered years and conducted in the manner prescribed by Title 32, Part 8, of Article 1, C.R.S. 1973, as amended.

3.2.3 Directors' Oath of Office. Each member of the Board, before assuming the responsibilities of their office, shall, at the expense of the District, furnish a faithful performance surety bond in no less sum of \$1,000.00 and shall take and subscribe an oath of office in the following form, to-wit:

OATH OF OFFICE  
OF  
DIRECTOR

STATE OF COLORADO}  
LA PLATA COUNTY}

I, \_\_\_\_\_ will faithfully support the Constitution of the United States and the State of Colorado, and the laws made pursuant thereto, and will faithfully perform the duties of office of Director of the Forest Lake Metropolitan District, upon which I am about to enter.

\_\_\_\_\_  
Signature

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_.

\_\_\_\_\_  
County Clerk, President of the Board  
of Directors, or Notary Public

3.2.4 Vacancy on Board. Any vacancy occurring on the Board shall be filled by majority vote of the Board until the next election when the vacancy shall be filled by election for the remainder of the term or for a new term, as applicable.

3.2.5 Conflict of Interest. Any member of the Board who has a substantial direct or indirect interest in any nongovernmental entity participating in a transaction with the District shall disclose a "potential conflicting interest", and if possible, refrain from participating in the transaction. If not possible, a disclosure of the potential conflict of interest shall be made by providing seventy-two (72) hours actual advance written notice to the Secretary of State or to the governing body of the District, in accordance with C.R.S. 1973, 18-8-308.

3.2.6 Compensation. Each board member shall be compensated as stipulated in C.R.S. 32-1-902 (3) as amended rate to be set board at annual meeting.

### 3.3 Officers

3.3.1 Election of Officers. The Board of Directors shall elect one of its members as Chairman of the Board and Vice President of the District, one of its members as a Treasurer of the Board, and a Secretary who may be a member of the Board. The election of the officers shall be conducted biennially at the first regular meeting of the Board following the regular biennial election of the directors held in May of even-numbered years. Each officer so elected shall serve for a term of two years, which term shall expire upon the election of their successor or upon their reelection to that office.

3.3.2 President. The president is the chairman of the Board and presides at all meetings. he/she also is the chief executive officer of the District. Except as otherwise authorized, the president shall sign all contracts, deeds, notes, debentures, warrants and other instruments on behalf of the District.

3.3.3 Secretary. The secretary shall keep the records of the District; shall act as secretary at meetings of the Board and record all votes; shall compose a record of the proceedings of the Board in a minute book kept for that purpose, which shall be an official record of the Board; and shall perform all duties incident to that office. he/she shall be custodian of the seal of the District and shall have the power to affix such seal to all contracts and instruments authorized to be executed by the Board.

3.3.4 Treasurer. The treasurer is chairman of the Budget Committee and of the Auditing Committee. he/she shall supervise the financial records of the District and shall, before assuming the duties of their office, furnish. A faithful performance surety bond at the expense of the District, in such amounts as the Board may direct, but for not less than \$5,000.00.

3.3.5 Additional Duties and Other Officers. The Board may appoint such other members of the Board as vice president and assistant secretary/treasurer as it deems appropriate. The officers of the Board shall perform such other duties and functions as may, from time to time, be required by the Board, by the by-laws or rules and regulations of the District or by special circumstances, which actions may later be ratified by the Board.

### 3.4 Board Meetings.

3.4.1 Regular Meetings. Regular meetings of the Board shall be held once each month at a time and place as is established and duly posted by the Board. Such regular meetings may be cancelled, postponed, or continued by the Board as it deems appropriate.

3.4.2 Special Meetings. Special meetings of the Board may be called upon three days notice which shall be posted three places within the District and at the County Offices.

3.4.3 Notice of Meetings. The established monthly regular meeting time for the Board shall constitute formal notice of regular meetings and no other notice shall be required to be given to the Board. All meetings of the Board, other than executive sessions, shall be open to the public.

### 3.5 Conduct of Business.

3.5.1 Quorum Required. No business of the five-person Board of Directors shall be transacted except at a regular or special meeting at which a quorum consisting of three Directors shall be present.

3.5.2 Voting on Business Matters. Any formal business of the Board shall require the affirmative vote of a majority of the Directors present and voting. When special or emergency circumstances affecting the health, safety and welfare of the District's residents so dictate, actions by those Directors available at the time may be ratified at the next meeting of the Board.

3.5.3 Resolutions and Orders. Each and every action by the Board necessary for the governing and management of the affairs of the District, for the execution of the powers vested in the District, and for carrying into effect the statutory provisions applicable to the District, should be taken by the passage of motions, resolutions and/or orders.

3.5.4 Minutes Book. Within a reasonable time after the action, all orders, resolutions, motions and other actions shall be recorded in a book kept for the purpose and shall be attested by the secretary for the meeting.

3.5.5 Order of Business. The business of all regular meetings of the Board shall be transacted as practicable in the following order:

- a. Roll call.
- b. Approval of minutes of previous meeting.
- c. Unfinished business.
- d. Reports of officers, committees and professional consultants.
- e. Approval of disbursements.
- f. Hearings; resolutions; elections matters; etc.
- g. New business and special orders; and Adjournment.

### 3.6 Other Personnel.

3.6.1 District Manager. The Board may appoint a Manager to serve for such term and upon such conditions, including compensation and benefits, as the Board may establish. The manager shall have general supervision over the administration of the affairs, employees and business of the District and shall be charged with the hiring and discharging of employees and the management of District properties. he/she shall supervise the care and custody of all funds of the District and shall have deposited the same in the name of the District in such bank or banks as the District may select. he/she should approve all vouchers, orders and checks for payment and shall see that regular books of account of all District transactions are kept.

3.6.2 Personnel Selection and Tenure. The selection of agents, employees, engineers, accounts, attorneys and special consultants of the District by the Board will be based upon the relative qualifications and capabilities of the applicants and shall not be based on political services or affiliations. Agents and employees shall hold their offices at the discretion of the Board. Contracts for professional services of engineers, accountants, attorneys and special consultants may be entered into on such terms and conditions as the Board may deem reasonable and proper.

3.6.3 Employee Manual. The Employee Personnel Policies adopted by the Board of Directors on February 8, 2000, and last updated on April 14, 2020, is incorporated into and made a part of these bylaws and may be amended with Board of Directors approval.

3.7 Indemnification of Directors and Employees. The District will defend, save harmless and indemnify an officer, agent or employee, whether elective or appointive, against any tort or professional liability, claim or demand, whether groundless or otherwise, arising out of any alleged act or omission occurring in the performance of duty. The District will compromise and settle any such claim or suit and or pay the amount of any settlement or judgment rendered thereon.

a. For the purposes of this Section only, the following definitions shall apply:

1. Employee. "Employee" shall refer to an officer, employee, servant or any other person employed by the District who works under the control of the District as well as any elected or appointed official, whether compensated. The term "employee" specifically excludes any person or organization contracting to perform services or acting for the District as an independent contractor.

2. Performance of Duty. The term "Performance of duty" shall be interpreted as broadly as possible to include any situation in which a District employee could conceivably be deemed to be acting within the scope of their employment. It shall specifically extend to all employees who are providing service on a voluntary basis or otherwise to any private, corporate, or governmental agency other than the District when doing so with the express or implied consent or authorization from the District. The term "performance of duty" shall not include any act or omission constituting deliberate and intentional tortuous or criminal conduct, or malfeasance in office, or willful or wanton neglect of duty.

b. The District reserves the right to designate the attorney appointed to defend any employee *in any* tort or professional liability action instituted pursuant to this Section.

c. The District agrees to indemnify any employee up to, but not to exceed, the amount of \$150,000.00 per person with an aggregate limit of \$400,000.00 for any number of claims arising out of a single occurrence, or in the maximum amounts otherwise specified under the Colorado Governmental Immunity Act (Title 24, Article 10, C. R.S. 1973, as amended). The District specifically reserves any defenses which are made available to employees by said act.

d. All claims to be paid pursuant to this Section shall be paid by the District or its insurer. Any judgment or settlement in a claim against the District shall be paid in accordance with the provisions of said Governmental Immunity Act.

e. No defense or indemnification shall be provided by the District to any employee in any of the following circumstances:

1. If the employee fails to use due care in reporting to the District any incident which he/she might reasonably expect to result in a claim of tort liability against him or the District.

2. If any employee fails to notify the District of any notice of claim or summons and complaint served upon him commencing a suit for damages reimbursable pursuant to this Section; such notice shall given the District within: (10) business days of its service upon the employee.

3. If an employee fails to exercise reasonable effort s to notify the District of any claim which is informally asserted against him for damages reimbursable pursuant to this Section.

4. If an employee refuses to cooperate with an investigation or defense of any lawsuit by the District, or its insurer, or by any private attorney employed by the District to furnish the defense to said employee, or any private investigator hired by the District to investigate such tort or professional liability claim.

f. If the District or the employee against whom a claim reimbursable hereunder is asserted has by other valid insurance, bond or indemnification plan available covering the loss or damage alleged against him, such insurance, bond or other plan will first be applied to the payment of any claim. In this event, the obligation of the District to indemnify and save harmless the employee shall exist only for liability incurred in excess of such other coverage.

g. In the event of any payment made pursuant to this Section, the District shall be subrogated to all of the employee's rights of recovery therefore against any person or organization, and the employee shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights of subrogation. The employee shall do nothing to prejudice such rights.

h. No assignment of indemnification shall be permitted without the written consent of the District, signed by the president and no such assignment shall bind the District unless such written consent is given prior to assignment. If, however, the employee shall die, the benefits of this Section shall be available to, and apply fully to, the employee's legal representative, but only while acting within the scope of their duties as such.

i. Any defense and indemnification available to an employee under this Section shall continue to be available after the termination of their employment if the act or omission causing such liability occurred during the course of their duties while an employee of the District. Such defense and indemnification shall not be available to a former employee, however, in the event that the tort or professional liability claim against him is asserted as a counterclaim or offset in any suit brought by the employee, except to the extent that the liability of such employee may exceed the amount of their own claim or suit.

j. The provisions of this Section shall be subject to and, to the extent of any inconsistency therewith, shall be modified by, said Colorado Governmental Immunity Act.

### 3.8 Bidding and Contracting Procedures.

Except in cases in which a district will receive aid from a government agency, a notice shall be published for bids on all construction contracts for work or material, or both, involving an expense of \$25,000.00 or more. The District may reject all bids, and if it appears that the District can perform the work or secure material for less than the lowest bid, it may proceed to do so.

A Notice or Invitation to Bid shall be published in a newspaper of general circulation within the District boundaries once per week for three consecutive weeks. Notice will request sealed proposals for the construction to be done, or for the materials needed. The specifics of the contract will be stated; where and when the plans and specifications may be examined; and the time and place the sealed proposals will be opened and publicly read.

The Board retains the right in its sole discretion to reject any or all proposals; determine the proposal and sub-contractors that will serve the best interests of the District, and determine the proposal and sub-contractor which is most responsible to perform the work.

Bids must be accompanied by an acceptable bidder's bond, or a certified check payable to the District, in an amount equal to 5% of the bid. If, within the time designated in the Notice of Award, the contract is not executed, and a Performance Bond and Certificates of Insurance are not provided, the District shall keep the bid bond as liquidated damages, and assess such other damages as the District may determine.

Ten percent of all pay estimates shall be withheld during the construction until 50% of the contract work has been performed, thereafter, no additional sums may be



withheld. For any contract exceeding \$80,000.00 the contractor may deposit acceptable securities *in lieu* of such retained amounts in accordance with law.

### 3.9 Financial Administration.

3.9.1 Fiscal Year. The fiscal year of the District shall commence on January 1 of each year and end on December 31.

3.9.2 Budget Committee. There shall be a permanent committee, known as the Budget Committee, composed of the treasurer, a member of the Board appointed by the president and the manager, which shall be responsible for preparation of the annual budget of the District and such other matters as may be assigned to it by the president and/or the Board.

3.9.3 Budget. On or before October 20th of each year, the Budget Committee shall prepare and submit to the Board of Directors a proposed budget for the ensuing fiscal year. Such proposed budget shall be accompanied by a statement which shall describe the important features of the budget and by a general summary wherein shall be set forth the aggregate figures of the budget in such manner as to show the balanced relation between the total proposed expenditures and the total anticipated income or other means of financing the proposed budget for the ensuing fiscal year. Said summary shall also include the final figures for the last completed fiscal year and the corresponding estimated figures for the current fiscal year. It shall be supported by explanatory schedules or statements classifying the expenses contained therein by services, subjects, and funds. The anticipated income of the District shall be classified according to the nature of receipts.

3.9.4 Notice of Budget. Upon receipt of such proposed budget, the Board of Directors shall cause to be published a notice that the proposed budget is available for inspection by the public at the business office; that the Board of Directors will consider the adoption of the proposed budget on a certain date; and that any interested taxpayer may inspect said budget and file or register any objections thereto at any time prior to its final adoption. Notice shall be published in compliance with Section 29-1-108, C.R.S. 1973, as amended.

3.9.5 Adoption of Budget. On the day set for consideration of such proposed budget, the Board of Directors shall review the proposed budget and revise, alter, increase or decrease the items as it deems necessary in view of the needs of the District and the probable income of the District. The Board shall then adopt a budget setting forth the expenditures to be made in the ensuing fiscal year. The Board of Directors shall provide for enough revenues to finance budget expenditures with special consideration given to the proposed ad valorem tax levy.

3.9.6 Filing of Budget. Upon the adoption of the budget, the Board shall cause a certified copy of such budget to be filed with the Division of Local Government at the Department of Local Affairs.

3.9.7 Levy and Collection of Taxes. On or before January 1st of each year, the Board shall certify to the Board of County Commissioners of the County the mill levy established for the ensuing fiscal year, in order that, at the time and in the manner

required by law for the levying of taxes, such commissioners shall levy such tax upon the assessed valuation of all taxable property within the District.

### 3.9.8 Appropriating Resolution.

a. At a meeting held before January 1st of the ensuing fiscal year, the Board of Directors shall enact a resolution making appropriations for the ensuing fiscal year. The amounts appropriated there under shall not exceed the amounts fixed therefore in the budget previously adopted.

b. The income to the District, as estimated in the budget and as provided for in the Tax levy resolution and other revenue and borrowing resolutions, shall be allocated in the amounts and according to the funds specified in the budget for the purpose of meeting the expenditures authorized by the appropriation resolution.

c. The Board of Directors may make an appropriation to and for a contingent fund to be used in cases of emergency or other unforeseen contingencies.

3.9.9 No Contract to Exceed Appropriation. The Board shall have no authority to enter into any contract, or otherwise bind or obligate the District to any liability for payment of money for any purposes, for which provision is not made in the appropriation for that fiscal year. Any contract, verbal or written, contrary to the terms of this subsection shall be void and no District funds shall be expended in payment of such contracts, except as authorized by the voters of the District and as provided in the following sub-section.

### 3.9.10 Contingencies.

a. In cases of emergency caused by a natural disaster, public enemy, or some contingency which could not reasonably have been foreseen at the time of the adoption of the budget, the Board of Directors may authorize the expenditure of funds in excess of the budget by resolution duly adopted by a two-thirds vote of the entire membership of the Board. Such resolution shall set forth in full the facts concerning the emergency and shall be included in the official minutes of that meeting.

b. If so enacted, a copy of the resolution authorizing additional expenditures shall be filed with the Division of Local Government at the Department of Local Affairs and shall be published in compliance with the state statute.

### 3.9.11 Annual Audit.

a. In accordance with Colorado Revised Statutes, as amended, the District shall cause an annual audit each year to be made of all financial affairs of the District from January 1st through December 31st of the prior fiscal year. The audit report must be submitted to the District within six months of the end of the fiscal year unless otherwise granted a time extension by the Colorado State Auditor. Said audit shall be made by a registered or certified public accountant, who has not maintained the books, records and accounts of the District during the subject fiscal year.

b. In accordance with Colorado Revised Statutes, as amended, a copy of the audit report shall be maintained in the District offices as a public record and made available for public inspection at reasonable times.

c. In accordance with Colorado Revised Statutes, as amended, the District or their auditor shall forward a copy of said audit report to the Colorado State Auditor upon completion and receipt of said audit.

d. Copies of the audit and all management or governance letters prepared by the District or auditor shall be provided to the District Board of Directors upon receipt.

## **ARTICLE IV**

### **RULES AND REGULATIONS**

#### 4.1 Ownership and Operation of Facilities.

4.1.1 Responsibilities of District. The District is responsible for the operation and maintenance of the sewage collection system, water distribution systems and treatment work, which operation and maintenance shall be carried out in a sound and economical manner, in accordance with these Rules and Regulations. It shall not be liable or responsible for inadequate treatment or interruption of service brought about by circumstances beyond its control. The District is generally responsible for providing capital facilities, and shall endeavor to plan for, capitalize and build adequate capital improvements as rapidly as possible consistent with fiscal responsibility and the best interests of the District; but the District shall not be liable or responsible for failure to approve additional service when capacity is exceeded by demand or funds are not available for the construction.

4.1.2 Liability of District. It is expressly stipulated that no claim for damage shall be made against the District by reason of the following: Blockage in the system causing the backup of effluent; damage caused by "smoking" of lines to determine drainage connections to District lines; breakage of service mains by District personnel; for interruption of service and the conditions resulting there from; breaking of any service or supply line, pipe, cock, or meter by any employee of the District; failure of the water supply; shutting off or turning on water in the water mains; making of connections or extensions; damage caused by water running or escaping from open or defective faucets; burst service pipes or other facilities not owned by the District; damage to water heaters, boilers, or other appliances resulting from shutting water off, or for turning it on, or from inadequate or sporadic pressures; or for doing anything to the systems of the District deemed necessary by the Board of Directors or their agents. The District shall have no responsibility for notification to customers of any of the foregoing conditions. The District hereby reserves the right to cut off service at any time, for any reason deemed appropriate. This paragraph shall not relieve the District from liability for negligence of its employees if such liability would otherwise have existed.

4.1.3 Ownership of Facilities. All existing and future mains and treatment works connected with and forming an integral part of the water or sewage system shall become and are the property of the District unless any contract with owner or customer provides otherwise. Said ownership will remain valid whether the mains and treatment works are constructed, financed, paid for, or otherwise acquired by the District, or by other persons. That Portion of all existing or future service lines extending from the main to each unit or building for each customer that is connected with and forms an integral part of the District's system, shall become and is the property of the customer. This principle shall not be changed by the fact the District might construct, finance, pay for, repair, maintain or otherwise affect the customer's service line.

4.1.4 Inspection Powers and Authority of District Agents. The Manager, superintendent, and other duly authorized employees of the District, bearing proper credentials and identification, shall be permitted to enter upon all properties for the purpose of inspection, observation, measurement, sampling, and testing, in accordance with the provisions of these Rules and Regulations.

4.1.5 Modifications, Waiver and Suspension of Rules. The Board or the Manager acting on instructions of the Board shall have the sole authority to waive, suspend or modify these rules, and any such waiver, suspension or modification must be in writing, signed by the Board or the Manager. Such waiver shall not be deemed an amendment of the Rules.

4.1.6 District's Power to Compel Connection: Unless otherwise agreed to by the Board, the owner(s) of any house, building, improvement or property used for human occupancy, employment, recreation or other purposes situated within the District where the District's water supply and central sewer service is available shall be required, at the owner(s) expense, to install suitable water and wastewater facilities directly with the District's public water and wastewater systems for the protection of the health, safety and welfare of the inhabitants and visitors of the District in accordance with the provisions of these Rules and Regulations, within 20 days after written notice is sent to do so, provided that the public water or wastewater main is within 400 feet of the owner(s) property line.

Where a public sewer or sewer main is not available, the sewer shall be connected to a private sewage disposal system complying with the provisions of these regulations and the rules and requirements of San Juan Basin Health Department.

If such connection is not commenced within such period and completed with reasonable diligence, all expenses incurred by the District for the completion of the connection, including any legal fees, installation costs, or unpaid connection fees. The District shall have a first and prior perpetual lien on the premises for such costs and fees, and such lien shall be enforceable in accordance with the provisions of CRS 32-1-1006(1)(a).

## 4.2 Use of Sewer and Water System.

### 4.2.1 Classification of Sewage Wastes.

a. Purpose. This section of the Rules, Regulations and By Laws shall provide the basic policies of the District for classification of wastes and for control of discharge of wastes into the sanitary sewerage system.

b. Policy Statement. It shall be the policy of the District to classify wastes into three main categories, termed "Normal Sewage", "Special Sewage" and "Prohibited Sewage", which are generally defined herein. The classification of wastes shall be the responsibility of the Manager and shall follow recommended procedures of the State Board of Health, and subject to approval of the Board, shall be final and binding.

c. Normal Sewage. Normal sewage shall mean sewage which can be treated at the District's Sewage Treatment works without pretreatment and within normal

operating procedures, and which, when analyzed, shows by weight a daily average of not more than 250 (new) parts per million of suspended solids and not more than 250 parts per million five (5) day Biochemical Oxygen Demand (BOD).

d. Special Sewage. Special sewage shall mean any sewage which does not conform to the definition for Normal Sewage, but which can be treated by the District after pretreatment by the user or by utilization of special operating procedures by the District at the Sewage Treatment Works.

e. Prohibited Sewage. Prohibited sewage shall mean any sewage which may reasonably be anticipated to have a deleterious effect upon the sanitary sewage system, or any persons or property, and, therefore, in the opinion of the District, cannot be serviced by the District.

Prohibited sewage shall include water injected into the sewage system by means of a drainage collection system. Said drainage water is detrimental to the sewage system since it interferes with the District's volume capacity and with the biological process necessary to proper treatment.

f. Analyses of Sewage. The manager shall be responsible for all sampling, testing, analysis and classifying of sewage.

Testing and analyses shall be determined in accordance with "Standard Methods for the Examination of Water and Wastewater", latest edition. Results of tests shall be made available to the customer at the District's office.

#### 4.2.2 Unauthorized Tampering with System.

a. No unauthorized person shall uncover, make any connection with, or opening onto, use, alter, or disturb any sewer or water main or appurtenance without first obtaining a written permit from the District.

b. No person shall maliciously, willfully, or negligently, break, damage, destroy, uncover, deface or tamper with any portion of the District's system.

c. Any person who shall violate the provisions of this Section shall be charged with a misdemeanor and upon conviction thereof, shall be fined in an amount as established by the court for such violation and/or shall be assessed a fee by the District in the amount of actual costs, but not less than the fee listed in the rate structure as amended from time to time.

d. Any person violating any of the provisions of these Rules and Regulations shall become liable to the Board for any expense, loss or damage occasioned by reason of such violation.

4.2.3 Responsibilities of the Customer. The customer is required to notify the District upon change of ownership. Every customer shall have additional responsibilities to the sewer or water system as follows:

a. Sewage System.

1. Each customer shall be responsible for maintaining the entire length of the service line serving their property. Leaks or breaks in the service line shall be repaired by the property owner within seventy-two (72) hours of obtaining knowledge of a leak or from the time of notification of such condition by the District. If satisfactory progress toward repairing the said leak has not been completed within the same time period, the Manager shall shut off the service until the leaks or breaks have been repaired; in addition, the District shall have the right to effect the repair and collect the cost therefore from the customer, and shall be entitled to place a lien against the property of such customer, securing payment of such cost. Service line blockage attributed to the main shall be paid by the District after attempted cleaning of the service line by a licensed plumber has failed. Plumber shall bill the property owner who shall pay the bill submitted to the District.

2. No person shall discharge, or cause to be discharged, any storm water, surface water, ground water, roof runoff, subsurface drainage, cooling water, or unpolluted industrial process waters to any sanitary sewer. No public or private swimming pool shall be connected with the sanitary sewer system without first obtaining a special permit therefore from the District, which permit shall define and specify the hour or hours during which water may be discharged from such pools into the sanitary sewer system and prescribe the fees and charges therefore, if any.

3. No person shall discharge, or cause to be discharged, to any sewer main, any special or prohibited sewage or any harmful waters or wastes, whether liquid, solid, or gas, capable or causing obstruction to the flow in sewers, damage or hazard to structures, equipment and personnel of the sewage works.

4. The admission into the public sewers of any special sewage shall be subject to the review and approval of the Board, which may prescribe limits on the strength and character of such sewage. Where necessary, in the opinion of the Board, the owner shall provide, at their expense, such pretreatment facilities as may be necessary to treat such special sewage prior to discharge to the sewer main. Plans, specifications, and any other pertinent information relating to proposed pretreatment facilities shall be submitted for the approval of the District and of the State Board of Health, and no construction of such facilities shall be commenced until such approval is obtained in writing. Where pretreatment facilities are provided for any special sewage, they shall be maintained continuously in satisfactory and effective operation by the owner, at their own expense.

5. When required by the District, the owner of any property served by a service line carrying special sewage shall install and maintain, at their expense, a suitable control manhole in the service line to facilitate observation, sampling and measurement of the wastes. The manhole shall be installed by the customer and maintained at their expense. All measurements, tests, and analyses of the characteristics of waters and wastes shall be determined in accordance with "Standard Methods for the Examination of Water and Sewage", and shall be determined at the control manhole, or upon suitable samples taken at said control manhole.

If no special manhole has been required, the control manhole shall be the nearest downstream manhole in the sewer main to the point at which the service line is connected. Grease, oil and sand interceptors of a design recommended by the Colorado State board of Health shall be provided when, in the opinion of the said Inspector, they are necessary for the proper handling of special sewage or liquid wastes containing grease in excessive amount:, or any flammable wastes, sand and other harmful ingredients: except that such interceptors shall not be required for Private living quarters or dwelling units. Where installed, they shall be maintained by the owner, at their expense, in continuously effective operation always.

b. Water System. Every Customer shall take note that there is no waste way in the shut-off at the curb box, nor at the main, and that any water standing in the pipes when water is turned off at shut-off, if any, will remain there unless drained out by the customer. Employees of the District are expressly forbidden to manipulate shut off and drain valves in the customers building or do any other plumbing work whatsoever except on facilities owned by the District, except as specially directed. It is expressly stipulated that the District will require that each building have a shut off valve and drain valve installed and failure of any property owner to so equip their property will, under no circumstances, alter the liability of the District. Each person having boilers and/or other appliances on their premises depending on pressure or water in pipes, or on a continual supply of water, shall provide, at their own expense, suitable safety devices to protect themselves and their property against a stoppage of water supply or loss of pressure.

1. It shall be unlawful for any person other than authorized personnel to have in their or her possession a hydrant wrench or valve shut-off key: any police officer, personnel of the District or fire department are hereby authorized to confiscate any hydrant wrench or valve shut-off key found in the possession of an unauthorized person.

2. All water meters shall become and are the property of the District. Said ownership shall remain valid whether the meters are installed, financed, paid for, repaired, or maintained by another person. The District shall have the right to test, remove, repair, or replace all water meters. It shall be the duty of each customer to notify the District office if their water meter is operating defectively. If any meter shall fail to register in any period, the customer shall be charged the average period consumption during the two preceding periods as shown by the meter when deemed by the District to be in working order.

#### 4.3 Application for Service.

4.3.1 Inclusions. Service will be furnished only to a person whose property is included within and subject to the Rules and Regulations and taxation by the District, subject to the provisions of these Rules and Regulations. An Agreement must be signed by the resident.

It shall be incumbent upon the applicant to furnish satisfactory evidence of inclusion whenever such evidence is requested by the District. Satisfactory evidence shall consist of tax receipt, or certification in lieu thereof, received from and signed by the County Treasurer.



A person owning land within or without the exterior boundaries of the District who desires service must include all their land serviceable by the system contiguous to the parcel on which service is desired into the District. A formal request for inclusion within the District shall be made to the District, on its standard form, by the applicant, accompanied by a non-refundable payment of \$1,000.00 for administrative and engineering costs necessary to do the required analysis of the impact of the proposed inclusion on the District's facilities. The District's staff will determine if the inclusion would impair the District's ability to serve its existing commitments and will prepare a cost/benefit analysis. Submitted with the petition for inclusion, and the \$1,000.00 payment, will be the proposed development plans for said property.

a. The applicant, who petitions for inclusion, shall also deposit \$500.00 for legal costs and publication fees (payable to the District from which the District will make disbursements). The applicant shall be responsible for the total costs, which must be paid in full prior to approval of the inclusion.

b. Applicant shall also be responsible for paying to the District an inclusion fee, which shall be paid in full prior to the inclusion being approved, although the inclusion fee shall be refunded if the petition for inclusion is rejected by the Board of Directors of the District. The inclusion fee shall be calculated by multiplying the anticipated density, of the development in equivalent units, by \$1,000.00.

c. The Applicant may also be required, by the Board of Directors, to make certain improvements to the District's water and sewer facilities as a part of the inclusion.

d. The Applicant shall be responsible for conveying, to the District, free and clear title to sufficient water rights to provide service to the proposed or existing development. Said determination of the adequacy and quantity of the water rights required shall be made by the District's engineer.

e. All Proposed Inclusions to the District shall be approved by and at the sole discretion of the Board of Directors of the District.

f. Any owner of land within the boundaries of the Forest Lakes Metropolitan District, who makes application to the La Plata County Commissioners, for a change in the land use, density, or other form of re-subdivision, shall notify the Board of Directors of the District of the changes that are being requested. The Board of Directors shall evaluate the impact which the change shall have on the services of the District and shall require the landowner to sign a service agreement with the District. Said service agreement shall detail the responsibilities of both parties to the agreement including, but not limited to the donation of water rights required by the District to provide service to the development, facilities contribution fees as may be required by the Board of Directors, and the responsibilities of the land owner to construct water and sewer improvements to District standards and convey title to the facilities to the District upon completion.

4.3.2 Water Meter Required. No connection shall be made to the District's system without a water meter having been installed to serve the subject unit. 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 District. All existing water service connections which are not metered shall pay for and have an approved water meter installed by the Forest Lakes Metropolitan District upon transfer of ownership of the property. Failure to conform will result in the termination of the water service until it is brought into compliance with the Forest Lakes Metropolitan District Rules, Regulations and By Laws.

Any existing water service connection which is not currently metered and is not changing ownership, shall have the option to prepay for a water meter. The meter shall be paid prior to installation. Should the property be prepaying a meter and change ownership before it is paid, the balance shall become due and payable upon transfer. The monthly rate shall be established by dividing the current service connection charge by the number of months to be paid over. The maximum payment period allowed shall not exceed 12 (twelve) months.

Once established the District shall add the monthly payment to the property utility billing. No interest shall be charged on the balance unless the account becomes delinquent as defined by the districts Rules, Regulations and By Laws pertaining to the collection of users' rates. Should the property fail to make the payments under the prepayment plan, the District shall have the right to bill the remaining balance and collect the same as any other utility billing.

4.3.3 Water Saving Device Required. All new connections are required to install water saving devices as follows:

- a. All toilets shall have a maximum flush of 1.5 gallons.
- b. All showers shall have a shower restrictor device installed. The type of toilet and shower restrictor shall be specified on the permit and shall be subject to approval by the Board.

4.3.4 Service Outside the District. No service shall ever be provided to property outside of the District, except upon the express written consent of the District. Charges for furnishing service outside of the District shall be at the discretion of the Board of Directors, and in compliance with the most current Rate Sheet.

In every case where the District furnishes service to property outside the District, the District reserves the right to discontinue when, in the judgment of the Board of Directors, it is for the best interest of the District to do so, and such license shall be considered a revocable license

4.3.5 Application for Service. Application for service must be filed with the District on forms provided by the District and accompanied by appropriate fees prior to any action to connect to the system. Only upon authorized approval of the application and a receipt, therefore, may a connection to the system be made. A duplicate copy of the receipt, or approved application, must be filed with the Building Department of La Plata County.

The location of the water meter and the remote reading device are required on all applications for service. If a water sprinkler system for fire protection is to be used, a plan of the system is to accompany the application and is subject to approval of the District. All water sprinkler systems shall meet NFPA requirements and additionally shall meet the requirements of all applicable District, county or state building and fire protection codes. If a water sprinkler system for lawn irrigation is to be used it must be tapped beyond the water meter.

No taps will be permitted or made between November 1<sup>st</sup> and April 15<sup>th</sup>, without specific, formal approval of the Board. All information requested on the tap application form must be completed, and a diagram of the stop box location included.

4.3.6 Cancellation of Application & Refund of Fees. The District reserves the right to revoke any application previously granted before service has been provided.

Application for service does not bind the applicant to "use the service". Such applications shall be retained, along with fees paid, by the District, for a period of twelve (12) months. If the applicant has not then requested service, the application will be deemed to be cancelled. The District may retain the fees paid until refund is requested, without interest; or may continue assessment of minimum service charges.

4.3.7 Denial of Application. The District reserves the exclusive right to deny application for service when, in the opinion of the Board, the service applied for would create an excessive seasonal, or other, demand on the facilities. Denial may also be based upon an unresolved obligation between the District and the applicant, inadequate documentation of easements for main lines serving the property, or other valid reasons.

4.3.8 Change in Customer's Equipment or Service. No change in the customer's equipment or service shall be made without the prior approval of the District being first obtained. Any change in a customer's equipment or service which increases the service provided by the District, shall require a re-determination of the tap fee, monthly service charge and payment of any additional tap fee and monthly service charge, and the customer shall then be responsible for payment of any additional tap fee and service charge so determined. The re-determined tap fee shall allow a credit for previously paid tap fees. Changes in a customer's equipment or service which result in a decrease in the service provided by the District shall not result in a reduction or refund of tap. When buildings are moved or destroyed the tap authorization is terminated.

4.3.9 Unauthorized Connection Fees. An unauthorized connection fee equal to twice the normal tap fee due shall be payable by persons tapping on to the District's lines without prior payment of connection fees, approval of application or adequate inspection of lines.

4.3.10 Revocation of Service. Service shall be revocable by the District upon non-payment of valid fees owing to the District. In the event of said non-payment of valid obligations, the customer shall be given ten (10) days notice, in writing, of the disconnection, which notice shall set forth:

- a. The reason for the disconnection.
- b. The way the District may be contacted for the purpose of resolving the obligation.

If the obligation is not resolved within the time prescribed, service to the property shall be revoked by blocking or disconnecting the appropriate water or sewer line, either public or private, serving the property. Costs of the disconnection will be assessed to the customer.

#### 4.4 Construction of Service Lines.

4.4.1 Inspection and Tapping Charges. All taps must be made by the District and all service lines must be inspected. Constructors of service lines shall call the District Superintendent (Operations & Maintenance) for an open ditch inspection of all service lines. If said inspection is not made within twenty-four (24) hours of the call, construction may proceed. There shall be a charge as listed on the fees listing which may be amended from time to time.

4.4.2 Construction of Service Lines. Construction of all service lines shall be done by plumbers licensed in accordance with local codes.

4.4.3 Construction by the Property Owner. A separate and independent service line shall be provided for every building, and except as otherwise provided herein, shall be installed at the expense of the property owner.

There shall be one water meter installed for each separate building. The District maintains to the meter or property line, whichever comes first.

The applicant for the connection shall notify the Superintendent when the service is ready for inspection and connection to the public main. The connection shall be made by bonded plumbers or pipe layers under the Superintendent's supervision, but plumbing contracted for by a licensed master plumber may be performed by him through journeymen plumbers or apprentices under their direction.

4.4.4 Existing Service Lines. Existing service lines (water and sewer) may be used only when found, upon examination by the District, to meet all requirements of these Rules, Regulations and By Laws.

4.4.5 Revocation of Plumber's Licenses. The violation of any of these Rules and Regulations, or District's installation specifications, shall constitute sufficient grounds for revocation of the license. Whenever it appears a violation has been committed, the plumber shall be sent a written notice.

4.4.6 Plumber's License Not Transferable. No licensed plumber shall permit their license to be used by any other plumber, but plumbing work contracted for by a licensed plumber may be performed by him through journeymen plumbers or apprentices, under their direct supervision. Work performed through journeymen plumbers or apprentices shall not relieve the licensed plumber from any responsibility.

4.4.7 Compliance with Regulations. All contractors, plumbers and others doing work on any main, service lines, or structures in the District shall comply with District, County, State Highway Department regulations on excavation, backfill, compaction and restoration of surfacing.

4.4.8 Permits, Fees & Licenses. All permits, fees and licenses shall be paid for by the contractor, plumber, or others doing work in the District prior to start of construction.

4.4.9 Excavations. All excavations for service installation shall be adequately guarded with barricades and lights to protect the public from hazard. Streets, sidewalks, parkways, and other public or private property disturbed in the course of the work shall be restored in a manner satisfactory to the Superintendent.

4.4.10 Daily Inspection Fees. All daily inspection fees on sewer construction required by the County or the State Highway Department shall be paid by the plumber, contractor, or others doing work for the District.

4.4.11 Service Line Maintenance. District maintains to the meter, clean out or property line whichever comes first starting from the main.

4.4.12. Property Pins. It is the property owner's responsibility to locate and identify all property pins on the property. This is not a responsibility of the District.

#### 4.5 Main Extensions.

4.5.1 Requirements in these Rules and Regulations are also applicable to this Section.

4.5.2 It shall be unlawful for any person to construct a main within the jurisdiction of the Board without having first made formal application to the Board for approval and having complied with the regulations of the Board.

4.5.3 All main extensions within the jurisdiction of the District must have the prior approval of the Board of Directors. Plans for such extension shall be submitted to the District's engineer, along with the Application for a line extension. The staff shall then submit the recommended plans, with appropriate documentation, to the Board for final approval. Said plans shall be reviewed for compliance with the District's specifications and with other specifications and requirements appropriate to the situation, and such study for compliance shall be at the applicant's expense. Property Owners must agree to the following before submitting the Main Extension Application to the District:

a. To construct and live in an approved primary dwelling which such extension is to serve.

b. To be in the framing stage by June 1<sup>st</sup> of the year extension is approved or extension cancels automatically, and reapplication is prohibited for two years.

c. That if the property changes ownership prior to, during or within eighteen months after extension completion, the extension will be canceled and/or

they will pay for the full cost of the extension plus penalties which constitutes a lien on the property until paid.

d. By April 1<sup>st</sup> of the year extension is approved to obtain and comply with a building permit from La Plata County prior to construction of the extension and to obtain a certificate of occupancy before occupancy of the dwelling.

e. To obtain an individual sewage disposal system permit (when required) from San Juan Basin Health and provide a copy of the final approved permit to Forest Lakes Metropolitan District (FLMD) before occupying dwelling.

f. By April 1<sup>st</sup> of the year extension is approved to execute an FLMD service agreement and pay all fees due FLMD.

g. To immediately notify FLMD upon discovery of any changes affecting this process.

h. That if they do not advise FLMD of cancellation by April 1<sup>st</sup> and do not build, they cannot apply for five years.

4.5.4 Processing of Sewer Extensions with the State of Colorado. The District assumes no responsibility for the processing of, or decision not to process, an application for main line extension before the Colorado Department of Health or any other agency. The decision to process or not to process such an application rests solely with the developer or constructor of the mainline, and the District assumes no responsibility or liability for that decision.

4.5.5 Locations of Main Extensions and Additions. Mains shall be installed in roads or streets which the District, County, State Highway Department, or other public agency has accepted for maintenance as a public right-of-way, as well as in easements granted to the District.

4.5.6 Procedure for Main Extension Construction. If the applicant has agreed to the engineering layout or design and preliminary cost estimated for the work shall enter into a standard line extension contract with the District, covering standard regulations and specifications for line extensions and the option of the District shall either:

a. Deposit in advance with the District an amount equal to the cost of the contract to be let, including engineering expenses, so that the District can construct the line extension through contract or with its own forces, or shall

b. Obtain bids directly from contractors for the work and furnish the District with a performance bond guaranteeing the performance of the work, holding the District harmless for the payment to the contractor, and one (1) year's maintenance bond. All such bids and contracts are subject to the approval of the District.

If (a) above is elected, and the cost of the work shall increase through change order, the applicant shall be so notified, and no change order shall be approved until the deficiency is added to the deposit. Upon completion of the work, the final cost shall be

certified by the engineer and any overage refunded, or deficiency made up by the applicant.

4.5.7 All main and lateral extensions which are approved and are to be constructed by the District may be contracted for by the Board, with the contractor installing the mains being responsible to the Board. Construction of these lines, and consulting engineering fees as established herein, shall be paid by the Board, subject to the reimbursement provisions of this Section.

4.5.8 A performance and maintenance bond equal to one hundred (100%) percent of contract (or construction cost) shall be furnished to the District on all main construction contracted for by the District.

4.5.9 All daily inspection fees on sewer mains required by the County, the State Highway Department, or local governments, shall be paid by the plumber, contractor, or others doing work in the District.

4.5.10 Special structures such as pumping stations, pressure reducing valves, meter vaults, etc., required to ensure proper operation of the extensions, shall be constructed from designs of the Board's engineers or such other engineers as may be approved by the Board.

4.5.11 The constructor shall be responsible for "over-sizing" main line extensions as required by the District.

4.5.12 Applicants who have completed construction of mains shall, before the se lines are accepted by the District for taps, deed these lines and appurtenances to the District, free and clear of all liens and encumbrances, and the bond furnished shall cover all maintenance for one (1) year from the date of acceptance of the lines by the District.

Also, prior to the acceptance of the lines by the District, all easements necessarily accompanying these lines shall be duly recorded and provided for.

Prior to the District's acceptance of the lines, or any taps made, "as built" drawings shall be provided by contractor or reasonable provision for such drawings made.

4.5.13 Where required facilities must cross land not being subdivided, or where such land is under the applicant's control for the granting of public rights-of-way, each applicant who desires service will, in consultation with, and with the approval of the District, plat and grant to the District appropriate rights-of-way and easements in which will be constructed such facilities.

4.5.14 The District may, in its discretion, extend mains under such conditions as the Board deems appropriate; and may delay reimbursement, if any is required under previous agreements, for main extensions when the overall benefit of the District is at stake.

4.5.15 Main Sizes. The size of the main required to serve any area of the District shall be determined by the District.

4.5.16 Reimbursement. No reimbursement or recovery of costs shall be permitted for main line extensions except as provided by existing contracts.

#### 4.6 Rates and Charges.

4.6.1 General. The information contained in this Section is pertinent to all charges of whatever nature to be levied for the provision of sewer and/or water services. Said rates and charges as published in the most current Rate Sheets are in existence and effect at this time, and shall remain in effect until modified by the Board under the provisions of these Rules and Regulations, and under the applicable statutes of the State of Colorado. Nothing contained herein shall limit the Board from modifying rates and charges, or from modifying any classification.

4.6.2 Application of this Section. The rates, charges and other information shown herein shall apply only to customers inside the District and shall in no way obligate the District with respect to services provided outside the District boundaries.

4.6.3 Classification of Customers. For levying fair, reasonable, uniform and equitable charges, the following classifications, and appropriate definitions are provided:

a. Single Family Dwelling. A single family dwelling shall be construed as a living unit suitable for occupancy of one or more individual s of a family, and forming a separate structure from any other dwelling unit.; consisting of one or more habitable rooms arranged, occupied, or intended or designed to be occupied by not more than one family with facilities for living, sleeping, cooking, and eating. Additional fees may be due for exceptionally large dwelling units, in such amounts as may be determined by the Board.

b. Multiple Family Dwelling. A multiple family dwelling shall consist of a single structure or structures otherwise unattached to any other dwelling unit, and wherein more than one Single Family Unit exists.

c. Hotels and Motels. A hotel, motel or lodge shall be defined as a unit providing overnight sleeping facilities for transient usage. The charges shown herein for hotel, motel, or lodge units shall be charges levied only for the sleeping accommodations, and shall not include units which include provisions for cooking and eating, nor reflect charges for attendant facilities included at the hotel, motel, or lodge, such as, but not limited to, restaurants, bars, swimming pools, automatic laundries, etc. The charges shown herein shall be on a per double bed basis, with single bed facilities being at one-half (1/2) the rate for double bed facilities.

d. Mobile Homes. Mobile homes shall be classified as any unit capable of being transported on wheels behind a standard power unit, and which can be moved on normal streets, roads, and highways. Said unit must be suitable for living quarters and provide for normal domestic sanitary conveniences.

e. Cafes, Restaurants, Bars and Private Clubs. Cafes, restaurants, bars and private clubs shall include any establishment providing food or beverage service to the



public or to private membership, and whereby charges for such service of goods and beverages are secured. Such units shall be classified by the square footage therein.

f. Filling Stations and Garages. Filling stations and garages shall be defined as service outlets providing for the servicing of vehicular units. Under the basic definition of filling stations and garages, no provision is made for automatic washing or wash rack facilities. Separate charges will be provided for facilities providing wash rack or manual washing facilities, and said charges are provided based on each wash rack or manual washing facility.

g. Laundry. Public laundries, as used herein, shall refer to coin operated laundries and drying facilities for clothing and textile usage.

h. Schools. Schools shall be defined as any private or public institution established and utilized the instruction of any individuals, and where said units are to be operational for a period of six (6) months or longer on a normal five (5) day a week. Charges will be based on student enrollment as determined from the school records and representing the average enrollment during the last full school year,

i. Hospitals. Hospitals shall be defined as either private or public institutions with overnight facilities provided for serving of patients. Charges shall be based on a per bed basis.

4.6.4 Tap Fee. A tap fee shall be charged to all customers of the District. Such fee shall represent a "privilege to serve" fee assessed and paid before the permit for service is issued. Tap fees must be prepaid prior to the actual physical tap being made. The District shall not allow tap fees to be paid on "payment plans" after January 1, 1984. Tap fees shall be assessed as provided for in the listing of Fees and Charges in the most current Rate Sheet.

4.6.5 Monthly Service Charge. Upon the securing of a permit for service and upon payment of the tap fees, service charges shall begin to be billed at the minimum rate, as of the date of issuance of a permit to any structure connecting to the water or sewer system. No reimbursement of service charges shall be provided during the period of non-occupancy. The owner of the building shall be obligated to pay the service charges during this period of non-occupancy or be subject to delinquent account procedures stated elsewhere in resolutions of the Board of Directors

When a condominium or homeowner's association exists for several units receiving service from the District, said association shall receive an invoice for all units serviced by the association. In no instance shall the District bill individual owners within an association. The District shall have the right to issue only one bill for a multi-unit structure or development.

4.6.6 Availability of Service Fees. The District shall assess an availability of service fee upon each lot which has water and/or sewer available. The term available shall be defined as a residential lot or residential lot equivalent which has water and/or sewer service lines within 100 feet of the property line and where such service line is ready for connection. Availability of service fees shall be as reflected in the most current Rate Sheet.

4.6.7 Amended Tap Fees. In those situations where a prospective user applies for a permit for service to a structure or use not defined in the preceding article; or where, in the Board's opinion, said structure represents a classification not contemplated in the establishment of the previously defined tap fees, the Board shall, in its sole discretion, establish a fair, reasonable, and equitable tap fee for said structure.

4.6.8 Amended Service Charges. In those situations where, in the Board's sole discretion, the service charges shown in the previous articles do not represent a fair, reasonable, and equitable charge for the intended use, the Board, in its sole discretion, may adjust said rates.

4.6.9 Payment of Service Charges of the Forest Lakes Metropolitan District Rules, Regulations and By Laws:

a. Commercial and multi-unit customers may be billed a flat rate service monthly.

b. The customer shall pay to the District, no later than twenty fifth (25) of the month in which the statement was received, the full amount of that statement. Where the customer believes said statement is in error, the customer must file, in writing, a notice to the District of the presumed error, and request a clarification from the Manager. Upon review by the Manager, and resubmittal and or revision of the statement, payment shall be due no later than ten (10) days from the postmarked date of the resubmitted.

4.6.10 Penalty for Late Payment. At any time the customer is twenty (20) days delinquent in payment of any charges due the District, the District shall have the right to assess an interest charge at a rate of two (2%) percent per month on the unpaid balance. The District shall further have the right, in its sole discretion, to terminate service to any customer who becomes thirty (30) days or more delinquent in payments to the District.

The District has the right to assess to any customer who is tardy in payment of their account all legal, court, disconnection and other costs necessary to or incidental to the collection of said account.

a. Liens for Unpaid Charges and Fees: All charges and fees shall be charged against the owner or customer of the property served and shall be a perpetual lien upon the property to which said service is provided or requested from the time when due. For each account that is at least sixty (60) days delinquent in payment and which has a lien filed The District shall assess a lien collection fee of \$25.00 to each account which is at least sixty (60) days delinquent in payments and which has a lien filed against the property, the District shall assess a lien collection fee equal to \$100 or all costs and attorney fees the District incurs in relation to filing the lien, whichever is greater. The District may but shall not be obligated to file a lien against the property of the delinquent owner.

b. Collection and Foreclosure: The District may foreclose on its lien(s) in the same manner as provided under Colorado law for the foreclosure of mortgages or

mechanics' liens. The District may also file a personal action against the delinquent owner to collect any outstanding fees. In either a personal or foreclosure action, the District shall be entitled to recover from the delinquent owner as a part of the action, all costs or attorney's fees the District incurs in relation to such action(s), and all such costs and attorney fees shall be assessed against the delinquent owner.

In the event the District files any court or other action to address any violation or inappropriate or unlawful conduct, including but not limited to any actions for collection, injunction, foreclosure, or restraining order(s), the District shall be entitled to recover from the delinquent owner and/or other responsible parties as a part of the action, all costs and attorney fees the District incurs in relation to such action, and all such costs and attorney fees shall be assessed against the responsible property owner and/or other responsible parties. All such costs and attorney fees shall be a perpetual lien against the property of the responsible owner and the District may include such charges in any lien statement, collection foreclosure action filed as further described in Sections 4.6.10 (a) and (b) above.

4.6.11 Out of District User Fees. The provision of water and/or water service to properties outside the District shall be made upon approval of the Board of Directors of the District of a Service Agreement with such property owners. The Out-Of-District user fee shall be in addition to the fee the District charges users of its water and sewer facilities within the District boundaries as determined by reference to the schedule of fees and charges published by the District in the most current Rate Sheet.

The Out-Of-District user fee shall be assessed as follows:

a. The total amount due shall be assessed as a fee of the District and shall be immediately due and shall be accorded the same status as all other fees assessed by the District.

b. Each owner of property so assessed may, at their option, pay the out-of-district-user-fee in twelve equal installments, together with interest at the rate of one percent (1%) per month on the unpaid balance.

c. The out-of-district-user-fee may be adjusted and reassessed annually to account for changes in assessed value, and changes in the District's mill levy, as described above.

#### 4.7 Inspection of Public Records.

4.7.1. Public Records "Public records" means and includes all writings made, maintained or kept by the Forest Lakes Metropolitan District for use in the exercise of functions required or authorized by law or administrative rule or involving the receipt or expenditure of public funds. "Writings" means and includes all books, papers, maps, photographs, cards, tapes, recordings, or other documentary materials, regardless of physical form or characteristics. Excluded from this definition are records prepared in connection with the conduct or in anticipation of litigation and such records subject to an attorney-client privilege and such records as to which inspection may be denied pursuant to C.R.S. 24-72-204.

4.7.2. Open Access. Public Records Open to Inspection and/or Copying. All public records of the District as qualified above shall be open for public inspection by any person at reasonable times upon submission of request therefore to the District Manager in the required form.

The District Manager shall then make appropriate arrangements with the party requesting the records and the official custodian of such records for inspection and/or copying. Under ordinary circumstances inspection and/or copying shall be afforded to the requesting party within three business days of receipt of the request by the District Manager.

4.7.3. Inspection and Fees. Inspection shall take place in the presence of the official custodian of the requested records or an authorized agent thereof. Inspection requiring more than one hour may be required by the official custodian to be continued on a day-to-day basis. A standard copying fee will be charged unless actual costs exceed that amount. A reasonable research and retrieval fee may be charged in accordance with the most current Rate sheet and Board-approved Resolution.

4.7.4 Certification, Copying and Pre-payment. Will be performed by the official custodian upon designation of the records to be copied by requesting party at a charge allowed by Colorado Law and confirmed by resolution by the Board of Directors. The official custodian may provide the requester with a time and cost estimate, which may require a pre-payment before processing the payment. If the requestor pays for more time than is spent processing the request, the requestor will receive a refund.

4.7.5. Timelines. Within three working days of receiving the request, the official custodian will notify the record requestor that a copy of the record is available but will only be sent once the custodian either receives payment or makes arrangements for receiving payment for all costs and fees associated with the request for and transmissions of the public record, unless the custodian has waived all or some of the fees. If the three working days cannot be met, the official custodian will provide the requester with written notice that extenuating circumstances exist and that the records request will be delayed. Extenuating circumstances impacting the Response Time are as defined in accordance with C.R.S. 24-72-203(3)(b).

4.7.6 Absence of Records. If the public records requested are not in the custody or control of the official custodian, notification of this fact will be made to the requesting party in writing if requested. In such notification the official custodian shall state in detail to the best of his/her knowledge and belief the reason for the absence of the records from their custody or control, their location, and what person then has custody or control of the records.

4.7.7 Denial of Public Records. The Open Records Act permits (and in some cases requires) the official custodian to deny public access and disallow inspection of specific documents and under specific conditions in accordance with C.R.S. 24-72-204(1).

4.8 Road Maintenance Fee.

4.8.1 Monthly Service Charge. A monthly road maintenance and improvement fee based upon water service size shall be assessed upon each lot in Units 1, 2, 4 and 5 and upon each lot in Unit 3 contracted for service by the District in accordance with District Rules and Regulations. The fee is listed in the most current rate Sheet.

4.8.2 Procedures. Lots that are not served by the District water system shall be charged the minimum 5/8" service size or vacant lot rate. Vacant Non-Single lot road maintenance and improvement fee shall be the minimum service size or vacant rate multiplied by the number of single-family equivalent (units) stipulated in the Forest Lakes Metropolitan District service plan and covenants. All units, whether accepted for service by the District or not, are subject to the road maintenance and improvement fees.

4.8.2 Exempted Lots. Lots owned by the Forest Lakes Metropolitan District and/or as exempted herein shall not be assessed the fee.

#### 4.9 Trash Disposal Fee.

4.9.1 Monthly Service Charge. A trash disposal fee shall be assessed monthly upon each property based on their single-family dwelling water service in accordance with the most current Rate Sheet.

4.9.2 Commercial Generators. All commercial generators shall provide for their own trash disposal and shall not utilize the facilities provided for household trash.

4.9.3 Acceptable Trash. Only household trash shall be accepted for disposal. No commercial, construction, appliances, mattresses, furniture, hazardous or yard materials will be accepted for disposal.

4.9.4. Exempted Lots. Lots owned by the Forest Lakes Metropolitan District and/or as exempted herein shall not be assessed the fee.

#### 4.10 Key Fobs.

4.10.1 Key Fob Policy and Procedure. A key Fob will be issued to provide resident access to the Trash and Brush/Slash Piles. No more than (1) key fob will be issued per household at a time. A District Key Fob Agreement will be signed by the resident. Only those that have Trash Disposal access fees in accordance with paragraph 4.9 above, will be issued a Key Fob.

4.10.2 Key Fob Charges. The first Key Fob will be free; there will be a charge in accordance with the published Key Fob Agreement to replace subsequent Key Fobs. Any Key Fobs that are replaced will be deactivated and no longer usable.

4.10.3 Key Fob Agreement Terms. The signer agrees to abide by all posted signs regarding garbage and slash drop off. They agree that they understand that the garbage facilities are for household refuse only and the slash pile is for yard material, and not to use these facilities for items such as: appliances, tires, carpets, construction waste, mattresses/furniture, batteries, hazardous chemicals, etc.

4.10.4 Penalties for Illegal Dumping. The Forest Lakes Metropolitan District enacted penalties in accordance Resolution 2020-07 for those that abuse their Key Fob privileges and dump illegal materials. These new penalties that are dependent upon severity and the number of infractions will be enforced by District personnel.

## 5.0 Transfer of Ownership Fees.

5.0.1. A transfer of ownership fee shall be collected upon all changes of ownership to property within or serviced by the Forest Lakes Metropolitan District. The fee is as published in the most current Rate Sheet.

## 5.1 Mail Stop Maintenance and Improvement Fee.

5.1.1 Monthly Service Charge. A monthly mail stop box maintenance and improvement fee per lot per month shall be assessed upon each occupied lot in units 1, 2, 4 and 5 for mail stop maintenance and improvement services provided by the District in accordance with the District Rules and Regulations.

5.1.2 Exempted Lots. Lots owned by the Forest Lakes Metropolitan District and/or as exempted herein shall not be assessed the fee. Lots consolidated through the La Plata County lot consolidation process shall be treated as one lot for the purposes of applying this fee. Lots in common ownership shall pay the fee for each lot unless consolidated.

5.1.3 Vacant Non-Single-Family lot mail stop box maintenance and improvement fee shall be the monthly fee multiplied by the number of single-family equivalents (units) stipulated in the Forest Lakes Metropolitan District service plan and covenants. All lots whether the units are accepted for service by the District or not are subject to the mailbox maintenance and improvement fee.

## 5.2 Set Back Requirements

5.2.1 Covenants. The construction of any new building shall follow all covenants.

5.2.2 District ROW and Set Back. The road right-of-way averages 25 feet from the centerline of the roadway. This area is needed for snow storage, drainage, and signage. At times, it is necessary to plow snow well off the road into the right-of-way to make room for the next storm. Homeowners and residents should be cautious about landscaping and placing objects in the right-of-way (trash containers), which could be damaged by snowplows. While snowplow drivers are careful to avoid contact with items in the right-of-way whenever possible, citizens are solely responsible for any damage which may result to trash containers or other items which are in the right-of-way and obstruct snowplows. This is both a safety and efficiency issue: plowing your roads takes longer when snowplow drivers must work around obstructions.