

## RULES AND REGULATIONS TRES VALLES WEST WATER SYSTEM

### SECTION 1. GENERAL – EXPLANATORY MATERIAL

**1.1 Scope.** These Rules and Regulations, as the same may be amended from time to time, shall be treated and considered as a comprehensive regulation, governing the operations and functions of the Tres Valles West Water System. The Association reserves the right to adopt additional rules and regulations concerning matters not covered herein as and when appropriate, in the opinion of the Association.

**1.2 Authority.** These Rules and Regulations are adopted in accordance with Section 7.1(b) of the Amended and Restated Bylaws of Tres Valles West Owners Association.

**1.3 Policy and Purpose.** The purpose of these Rules and Regulations is to provide for the control, management and operation of the water supply and distribution system of the Tres Valles West Water System, including additions, extensions and Connections.

**1.4 Definitions.** In supplement of the definitions provided for in the (i) Second Amended and Restated Declaration of Covenants of Tres Valles West, and (ii) Amended and Restated Bylaws of Tres Valles West Owners Association, the following terms shall have the meaning set forth below, unless the context requires otherwise:

- a. **Collections Policy** shall mean the Tres Valles West Owners Association's Policy and Procedures for Collection of Unpaid Assessment. For purposes of the Tres Valles West Water System Rules and Regulations only, all amounts due thereunder shall be considered to be an unpaid assessment for the purposes of the Collections Policy.
- b. **Customer** shall mean any person, company, corporation or governmental authority or agency authorized to use the Tres Valles West Water System under a Permit issued by the Board.
- c. **Delivery Point** shall mean the downstream outlet of the check valve in the metering facilities providing service to a Lot; if there is not a check valve, then the downstream outlet of the water meter.
- d. **Single Family Unit** shall mean a free-standing living unit located on a separate and distinct parcel or ground containing only that unit.
- e. **Tres Valles** shall mean the Tres Valles West subdivision as approved by the Huerfano County, Colorado Board of County Commissioners.
- f. **Tres Valles West Water System** shall mean that water system serving Tres Valles.

- g. **Unit** shall mean a building or portion thereof used for a single family residence or which is provided with separate service.
- h. **Water Main** shall mean a water pipeline owned by the Association capable of carrying potable water to a Water Service Line.
- i. **Water Service Line** shall mean the piping, water meter, valves, check valve, meter box and associated facilities extending from a Water Main to the Delivery Point of a Customer.

**1.5 Powers and Authority of Tres Valles West Water System.** Representatives of the Board or the Association shall be allowed access at all reasonable hours to any Lot or any building or premises for the purpose of inspection, observation, measurement, sampling, reading meters and testing, in accordance with the provisions of these Rules and Regulations.

**1.6 Regulations By Other Governmental Entities.** Any limitation, restriction or prohibition validly placed upon the Tres Valles West Water System or Association by any governmental entity or by an agreement between the Board and any governmental entity is hereby incorporated into these Rules and Regulations by this reference and shall constitute a limitation, restriction, and/or prohibition on each Customer of the Tres Valles West Water System.

**1.7 Severability.** The invalidity of any section, clause, sentence, or provision of these Rules and Regulations shall not affect the validity of any other part of these Rules and Regulations which can be given effect without such invalid part or parts, and to this end the provisions of these Rules and Regulations are hereby declared to be severable.

**1.8 Board Action.** Any action required or permitted to be taken by the Board may be taken by any representative so authorized by the Board.

## **SECTION 2. CONDITIONS FOR USE OF WATER SYSTEMS**

**2.1 Who May Use.** Water service can be furnished only to Lots, except pursuant to Section 2.2 hereunder.

**2.2 Service Other Than Lots.** The Association shall not provide service to parties outside Tres Valles, except as required by prior agreements with Travis Crawford and Bud Kreutzer and in accordance with the decree dated April 2, 2001, Case No. 97CW108(B), Water Division 2

**2.3 Water System.** The Tres Valles West Water System is intended to provide potable water for conventional domestic uses and limited irrigation, all in accordance with the decree dated in April 2, 2001 in Case No. 97CW108(B), Water Division 2. Irrigation is limited to 1,000 square feet per Lot.

**2.4 Water Service.** No water service shall be provided to a Customer until the Association has been reimbursed for all costs associated with the construction of the Customer's Water Service Line.

**2.5 Water Restrictions.** While it is the purpose of the Board to provide an adequate water supply to meet the requirements of its Customers within the restrictions of the decree dated April 2, 2001 in Case No. 97CW108(B), Water Division 2, there are many factors which make it uncertain that the supply can always be adequate for all purposes. Therefore in times of extreme shortages or operational difficulties, water service for irrigation shall be curtailed by such restrictions and/or methods as are deemed necessary by the Board. In the event such curtailment is not sufficient to resolve the difficulty, the Board may further restrict water usage as it deems reasonably necessary.

### **SECTION 3. SERVICE LINES AND CONNECTIONS**

**3.1 Construction and Cost Responsibility.** The Association shall be responsible for the construction of the Water Service Line and Customer shall reimburse Association for all such costs. Customer shall be responsible for the construction of all water lines and plumbing downstream of the Water Service Line and all associated costs. Customer's reimbursement for Water Service Line costs is due and payable to the Association no later than thirty (30) days after the Association bills Customer for such costs.

**3.2 Maintenance.** The Association shall be responsible for maintaining the Water Service Line. Each Customer shall be responsible for maintaining all water lines and plumbing downstream of the Water Service Line. Should a leak or break occur in such downstream portion, the Board may notify the Customer and shut off the water supply at the water meter. After satisfactory repair has been completed, and accepted by the Board, the Board will turn on the water supply.

**3.3 Water Service Line Ownership; Easement.** The Association shall own the Water Service Line. Customer shall own the water lines and plumbing downstream of the Water Service Line. By the acceptance of water service, the Owner grants the Association an easement on Owner's Lot to provide the water service described in these Rules and Regulations to the Owner's Lot. Should Owner question or deny the Association's easement, the Association may terminate water service. The Customer shall be responsible for any damage to, or loss of, the Water Service Line or any portion thereof due to the actions or activities of Customer or Customer's contractor, agent, representative, invitee, guest or family member.

**3.4 Contamination Prohibited.** The Customer is responsible for preventing pollutants and contaminants from entering the Tres Valles West Water System through the water service connection due to the back-flow of contaminated or polluted water.

The Customer's responsibility starts at the Delivery Point and includes all of such Customer's water systems. The Customer shall indemnify the Association against, and hold the Association harmless from and against, any and all claims arising from such contaminated or polluted water, in addition to the liability provisions of Sec. 5.2.

**3.5 Installation of Check Valve.** All Water Service Lines constructed by the Association on or after January 1, 2017 shall include a check valve to prevent the back-flow of water from Customer's lines. On all existing Water Service Lines which do not already have a check valve installed, the Association shall install a check valve, at the expense of Customer, which shall become part of the Water Service Line. Such construction and cost responsibility shall be handled as a Water Service Line under Section 3.1. The Association recommends that whenever a check valve has been installed, that the Customer install an expansion tank at each hot water heater to manage thermal expansion.

The cost of inspecting and/or testing check valves shall be billed to the Customer and be subject to Section 4.5 and Section 4.6 as a Water Service Charge.

## **SECTION 4. RATES AND CHARGES**

**4.1 Water Service Charges.** Water service charges shall be in the amounts set forth in Exhibit A, as the same shall be amended from time to time by the Association.

**4.2 Unauthorized Turn On.** It shall be a violation of these Rules and Regulations for any person other than officials of the Association to turn on water service. The Board may institute appropriate civil proceedings in court should such violation occur. In addition, and whether or not it has instituted any such proceedings, the Association shall have the right to recover all expenses incurred by the Association in connection with such illegal turn on as well as any other remedies available under these Rules and Regulations or at law.

**4.3 Construction Water.** A Customer may be provided with water service to draw water for construction purposes from the system. All water taken for construction purposes must be used only for work in the construction of a Single Family Unit and associated outbuildings on the Customer's Lot.

**4.4 Protection From Damage.** No unauthorized person shall intentionally or negligently break, damage, destroy, open, uncover, deface, operate, tamper, with or remove any structure, appurtenance, or equipment which is part of the Tres Valles West Water System, including removal of manhole covers or putting any material into a manhole. The Association shall have the right to recover all expenses incurred in connection with any violation of the immediately preceding sentence.

**4.5 Late Pay; Failure to Pay.** For the purposes of these Rules and Regulations, the reimbursement cost for the Water Service Line, water service charges, and all other

costs and fees shall be considered to be an assessment subject to the Collections Policy, except to the extent that a due date is provided herein for Water Service Line reimbursements.

**4.6 Disconnection.** In the event that a Customer is delinquent in any payment, the Board may issue a “disconnection” notice and mail such notice to the Customer. The notice shall provide an additional thirty (30) calendar days for payment of all outstanding fees and charges, after which period, if complete payment has not been made, the Board shall disconnect the Customer’s water service. If disconnection is accomplished, a disconnection fee of fifty dollars (\$50.00) shall be applied to the Customer’s account. If the disconnection of service results in any additional expense to the Association, such expense shall also be applied to the Customer’s account. Water service will not be reconnected until payment of all outstanding fees and charges have been received.

## **SECTION 5. PROVISIONS**

**5.1 Delinquent Payment, Lien on Property Served.** No water service will be available until all fees, rates, tolls, penalties and charges have been paid. Until paid, all fees, rates, tolls, penalties, and charges made or imposed by the Board, whether with respect to water facilities or services, shall constitute a perpetual lien on and against the property served and such lien may be foreclosed in the manner provided by law.

**5.2 Liability.** Any person violating any of the provisions of these Rules and Regulations shall be liable to the Association for any expense, loss, or damage to the Association or its property occasioned by reason of such violation, and shall indemnify the Association against, and hold it harmless from and against any expense, loss or damage occasioned by any other person by reason of such violation. The Association shall not be liable for, and no claim shall be made against the Association by reason of damage to water heaters, boilers, appliances or any other personal or real property of whatever nature or description resulting from any water; or from turning such on or off; from excessive, inadequate or sporadic pressures; or caused by water escaping from open or defective faucets; or caused by burst or leaking service pipes; disruption of service stemming from breaking of any supply line, pipe, valve, cock, or meter; or other facilities not owned by the Association. The Owner and the occupant of the premises being served shall be liable for all expense, loss, or damage resulting from failure to repair any leaks or breaks in the water lines and plumbing downstream of the Water Service Line to the premises and owned by Customer. Any Board member or representative, charged with enforcement of these Rules and Regulations, acting in good faith on behalf of the Association, shall not thereby render himself personally liable for any damages which may accrue to persons or property resulting from any act committed in the discharge of such duties.

**5.3 Binding Effects of Operating Procedures, Rules and Regulations: Violations.**

By having accepted water service from Tres Valles West Water System, every Owner and occupant is deemed to have consented to and accepted these Rules and Regulations. Each violation of these Rules and Regulations is a separate offense, and each day that any Rule or Regulation is violated is a separate. In addition to any criminal penalty which may be applicable, and in addition to any other specific remedy elsewhere provided in these Rules and Regulations, the Board may institute appropriate civil proceedings in court to recover all damages suffered and expenses incurred by the Association in connection with enforcement of these Rules and Regulations or by reason of such violation. The Board may assess a monetary penalty, in an amount not to exceed \$250.00 for any violation of these Rules and Regulations, after providing the alleged violator with notice of its intent to assess a penalty and an opportunity for a hearing with the Board.

**5.4 Revisions.** These Rules and Regulations, including all schedules of service charges, and other rates, fees, tolls, penalties and charges may be altered, amended, repealed, or re- enacted at any meeting of the Association, as provided herein. Such alterations, amendments, and re-enactments shall apply to all Owners, Customers and occupants then or thereafter using the facilities or services of the Tres Valles Water System.

**5.5 Adoption.** These Rules and Regulations are hereby adopted by the Tres Valles West Owners Association to be effective August 5, 2017.

**EXHIBIT "A"**  
**WATER SERVICE CHARGES**  
(Effective August 5, 2017))

1. This schedule of charges may be changed by the Association at any time, pursuant to the Rules and Regulations.
  
2. Water Service Availability Fee
  - a. The Water Service Availability Fee shall be paid by all lot owners on a monthly basis whether or not the lot has a water tap.
  - b. The fee shall be as specified in the Annual TVW Operating Budget as approved by the POA.
  
3. Water Usage Fees
  - a. Water Usage Fees are applied on a tiered usage basis (metered usage in gallons per month)
  - b. The Water Service Availability Fee covers water use for the first tier.
  - c. Overage charges apply for usage in excess of the first tier.
  - d. The definition of the usage tiers and overage charges shall be as specified in the Annual TVW Operating Budget as approved by the POA.
  - e. Overage charges are incurred for leaks that occur on the Owner's side of the Delivery Point.
  - f. Once a leak is identified TVW may elect to turn off the water until the leak is repaired.
  - g. Water meters are read every month March through October. Meters may be read during the months of November through February depending on weather. .
  - h. Overage charges for months when a meter is not read are calculated by averaging the metered usage over the number of months between readings.