

Rules and Regulations of Animas Water Company

I. Purpose and Scope

- **Purpose** – The purpose of these Rules and Regulations is to facilitate efficient quality control, administration, operation, distribution, and maintenance of the Animas Water Company Water System ("Water System").
- **Scope** – These Rules and Regulations shall govern the operations of the Water System and shall be binding on all users of the Water System, their successors, and assigns.
- **Intent of Construction** – It is intended that these Rules and Regulations be liberally construed to affect the purpose set forth herein. In the event of a conflict between these Rules and Regulations, and the Bylaws of the Company, the Bylaws shall control.

II. Definitions

- **Board** – shall mean the Board of Directors, which is the governing body of Animas Water Company.
- **Company** – shall mean Animas Water Company ("AWC")
- **Member** – is any person, partnership, corporation, or other entity deemed the Owner of the Property, supplied with water for domestic or commercial use by AWC and has purchased a tap either by paying a Plant Investment Fee or by purchasing property with an existing tap.
- **Main Lines** – are the principal water lines (arteries) of the Water System owned and operated by AWC to which service lines are connected.
- **Service Line** – is the pipeline extending from the water meter to the consumer's building or point of use and is owned by the Member.
- **Meter Pit** – contains a meter and yoke. The contents of the meter pit are the property of AWC.
- **Plant Investment Fee (P.I.F.)** – Plant investment fees support infrastructure associated with new development and modification of current service.
- **Meter Installation Fee** – meter installation charges for AWC employee labor, equipment, and materials.
- **Residential Property** – is defined as a property with structures or parts of structures located thereon containing at least one habitable room, sanitary facilities and a kitchen or kitchenette (whether or not a stove/oven is present). If a property has additional structures or parts of structures meeting this definition that are intended to or may be used separately from the main residence, it will be deemed an additional residential unit. Actual use of the additional structure or partial structure is not dispositive of the classification. The additional structure may be connected by a breezeway, common roof line or door or be unconnected. Examples include a single building designed as a multi-family home, duplexes, and single-family homes with accessory dwelling units (ADU's). Property may be owner occupied or rented and includes any property which does not fit the definition of commercial property. Residential property includes (R1) and multi-(R2) service connections, such as condominiums, apartments, and mobile home parks as described on Appendix A. R2 Properties with three or more units may require a testable backflow preventer and annual testing will be required. The Company will review each construction project, assess the risk, then decide whether a backflow device is required.
- **Commercial Property** – is defined as property with structure(s) located thereon that may be used for revenue generating purposes, and/or structures that require water use other than normal residential use. All commercial properties will require a testable backflow preventer, and annual testing will be required. The Company has the discretion to determine which service is appropriate.
- **Consecutive Systems** – A Consecutive System is any Water System served by AWC that re-distributes water received from AWC to other users. These include, but are not limited to, mobile home parks, apartments, campgrounds, and other Members that re-distribute AWC water received from a single meter. The Colorado Department of Public Health and Environment (CDPHE) Colorado Primary Drinking Water Regulations (CDPHE Regulations) and the Colorado Statutes also define Consecutive Systems. This definition may be different than the definition provided for herein, and Consecutive Systems should familiarize themselves with the CDPHE definitions to determine applicability to their systems.

- **Mixed Use Property** – is defined as property that contains both residential and commercial uses located thereon. AWC will determine the primary and secondary uses for the structure in determining the appropriate tap(s) needed to serve the property. All mixed-use properties will require a testable backflow preventer, and annual testing will be required. The Company has the discretion to determine which service is appropriate.
- **Wholesale System** – A Wholesale System is defined in the CDPHE Drinking Water Regulations. AWC is a Wholesale System for the purposes of delivery of water to all Consecutive Systems as defined above.
- **Monthly Billing Cycle** – The length of time from the beginning of the meter reading period to the end of the meter reading period on a monthly basis.
 - Water meters are usually read during the final week of each month.
 - Meter reading dates may vary on a monthly basis and therefore, there may be as few as 25 days or as great as 35 days in the Monthly Billing Cycle.

III. Water Tap / Meter Requirements

3.1 Applications for Membership / Water Service / Tap Reservations

- All applications for Water Service, Tap Reservations, and requests for the discontinuance of Water Service shall be presented, in writing by the applicant or authorized agent of the applicant, to the General Manager of AWC for review. A P.I.F., Meter Installation fee, and an administrative fee shall be submitted with the application. (See Appendix A for PIF and Meter Installation Fee, and Appendix B for administrative fee costs.)
- Approval of a Water Service Application or a Tap Reservation will be determined by the general manager, who shall consider, among other factors, the needs of users who may already be members, whether the Company has an adequate supply of water and storage capacity to serve the applicant, whether service to the applicant would create hardship, inconvenience or expense to the Company, and the need for additional infrastructure. The Manager shall have authority to impose conditions upon the granting of any application including a determination of the type and size of tap needed.
- If a Water Service Application or a Tap Reservation Agreement is approved, upon payment of the fees due, an account will be created, and the monthly base rate fee will be determined by the size and type of tap purchased, and the number of units served.
- Taps are non-severable from the real property for which the account is created, except in limited circumstances as may be approved by the Company in its discretion. Severances if granted are subject to the conditions and charges assessed by the company. Water lines shall not be carried across property or lot lines for use outside the specific property serviced.
- In order for the Company to sign a subdivision plat, and/or agree to provide water to a subdivision, the applicant must complete a Tap Reservation Agreement and pay the reservation fee together with the monthly applicable base rate. Reservation fees and base rates are non-refundable and may not be applied towards the purchase of a tap. Tap reservations are granted for specific parcels of land and may not be moved to other lands. Upon sale of the property for which a tap reservation applies and payment of the applicable Transfer of Ownership Fee, the reservation will be transferred to the new owner of the land. Delinquent reservation accounts will accrue interest and penalties in accordance with Paragraph 4.3 of these Rules. Reservations may be terminated after thirty days' written notice of the past due account to the Applicant and failure to bring the account current.
- Upon the sale, conveyance, or transfer of property, members shall notify the Company of any sale or transfer of the property. And follow AWC procedures to transfer the membership to the new owner.

3.2 Metering and Costs

- All water will be metered except for firefighting flows through fire hydrants. The base rate fee will be charged on a monthly basis once an account has been established, whether or not a tap has been installed, and whether or not there is any metered water use.
- Unless otherwise determined by the Board of Directors, each residence, qualifying group of residences, or business shall require a separate tap, and each such connection shall be metered and carry with it an obligation to pay the base rate and usage charges.
- In the event that the Company requires the installation of a larger tap and meter for a particular use, the Member shall be responsible for the plant investment fees, and meter installation charges for said tap and meter.

- The Company reserves the right to determine the classification of any property as commercial, residential, mixed-use, or consecutive system and shall designate the size of meter required. If the Member refuses to purchase the meter required, the Company may refuse to approve the application and service the property.

3.3 Meter Installation Charges

- Meter installation charges shall cover the cost of the Company's employee labor, equipment, and materials. In the event there is any additional construction, further charges may be assessed. Additional construction costs which may apply include, but are not limited to, the following:
 - Outside contractor services, road crossings, main line extensions, mainline upgrades, easement acquisition, county road permits, extraordinary depth level excavation.

3.4 Ownership and Maintenance

- The Water System including, but not limited to, wells, pumps, pumping stations, storage tanks, water mains, distribution lines, fire hydrants, meters, meter pits and all other infrastructure and facilities used in conjunction with the Water System is owned and maintained by the Company. The Company is responsible for the distribution of water for use within the area served, and for the maintenance, repair and replacement of all facilities owned by the Company, except that the Member may be responsible for the cost of repairs in the meter pit.
- **Meter Pit access is limited to Animas Water Company personnel ONLY** – The meter pit and all improvements thereto shall remain closed at all times. No person shall uncover, make any connection with or opening to, use, alter, or disturb any water main, service line, meter pit, or other appurtenance owned by the Company. Any violation hereof shall be deemed a trespass and may subject a Member to fines and penalties, including a disconnection or suspension of service, and liability for damage to company structures, as well as criminal charges, if applicable. If it becomes necessary for a member to access the meter pit, the Member must provide advance notice and obtain the Company's permission, which may be denied in its discretion.
- It is the responsibility of the Member to maintain access to the Company's meter pit and curb stop at all times. The inability to read a meter could result in an inaccurate bill and a disturbance to your landscaping.
- No landscaping (trees, shrubs, rocks, boulders, mulch, etc.) shall cover up the Company meter pits, and curb stops, nor may they be painted any color other than the color the Company designates.
- Any meter pits and/ or curb stops found covered or altered will be exposed or restored to meet AWC specifications and the Member may be responsible for any associated costs.

3.5 Member Responsibilities

3.5.1 Inspection

- A Member, by accepting water, agrees that the duly authorized agents of the Company bearing proper credentials and identification shall be permitted to enter the member's property during reasonable hours for the purpose of inspection, observation, measurement, sampling, and testing, in accordance with the provisions of these Rules and Regulations.
- The Company may reassess any property user type at any time, including but not limited to the transfer of ownership, line locate requests, applications for building permits, and remodeling of existing residential and non-residential structures on a property.
- In the event the authorized agent is refused admittance to any premises, AWC's General Manager may cause the water to be shut off.

3.5.2 Construction of Service Lines

- Service lines shall be installed, maintained, and owned by the Member, and the Company assumes no responsibility for the inspection thereof. However, the Member shall comply with all local, state, and federal health laws and applicable plumbing codes.
- All service line installations may be inspected and approved by the Company prior to Service connection. Thereafter, the Company reserves the right to inspect service lines at all reasonable times and to require corrections where necessary.

3.5.3 Consecutive Systems

- The Member has the responsibility for determining if it is a Consecutive System within the definition of the CDPHE Regulations. If the Member is a Consecutive System, the Member has the responsibility for determining whether the Member is exempt from the CDPHE Regulations. AWC takes no responsibility for the Member's compliance or non-compliance with the CDPHE Regulations.

3.5.4 Cross Connections

- A cross connection is any actual or potential connection between the Water System and any other source of water through which it is possible to introduce into any part of the Company's system any chemical, biological, or radiological contaminants or other substance not meeting drinking water requirements. Bypass arrangements, jumper connections, removable sections, swivel, or changeover devices and other temporary or permanent devices through which or because of which "backflow" can or may occur are examples of cross connections.
- No member may make, install, maintain, or permit any cross connection between AWC water lines and any other water lines without the installation of an approved backflow prevention device.
- A backflow prevention device must be installed at every potentially hazardous service connection to the Water System to prevent contaminated water from entering the Water System. No backflow devices will be allowed to be installed in the meter pit.
- Because different back flow prevention devices may be needed at different connections, the Manager must approve, in writing, the specifications for all back-flow prevention devices prior to installation. The Company may develop minimum standards for design and installation of back flow prevention devices, with which Members must fully comply.
- All new water service installations will be inspected for compliance with these requirements for backflow and cross-connection prevention. Any existing uncontrolled hazardous service cross connections identified by the Company shall be corrected within the time frame set by the company to comply with these requirements.
- Members must have all backflow prevention devices tested by a certified backflow prevention technician on an annual basis and it is the members' responsibility to ensure the Company has been provided a copy of the test results on an annual basis on or before the annual due date.
- Testing and maintenance records must be retained for three years. In specific instances where the Company deems the hazard to be great, inspections and tests at more frequent intervals may be required. The Company reserves the right to test or otherwise check the installation and operation of any backflow prevention assembly at any time.
- All costs for design, installation, maintenance, repair, and testing are the responsibility of the Member.
- Failure to cooperate in the installation, maintenance, testing or inspection of backflow prevention assemblies required by the company shall be grounds for the discontinuance of water service to the premises.
- Service of water to any premises may be discontinued by the Company if unprotected cross connections exist on the premises. When any defect is found in an installed backflow prevention assembly or if backflow prevention assembly has been removed or bypassed, the service may be discontinued. Service shall not be restored until such conditions or defects are corrected.
- Discontinuance of service may be summary, immediate, and without written notice, whenever in the judgment of the Company, such action is necessary to protect the potable water supply or the distribution system.
- The Member is responsible for any and all contamination that occurs as a result of its Consecutive System/Cross Connection and shall reimburse AWC any costs incurred in having to remediate or test due to contamination caused by the Consecutive System/Cross Connection.

3.5.5 Member Owned Service Lines

- The Company shall not be liable or responsible for service lines and facilities owned by the Member. Each Member shall be responsible for maintaining the entire length of the Member's service line. Leaks or breaks in the service line shall be repaired promptly by the Member.
- If the Company has knowledge of a line break or leak, it may, but is not obligated to, shut off the water supply to the said service line until properly repaired or replaced.
- If the Company has knowledge of a deteriorating service line, and/or there is a history of leaks at the same property, it may request the Member replace the water service system and may shut off the water supply to the said service line until properly repaired or replaced.

3.5.6 Pressure Reducing Valves

- Each Member shall install an adequately sized and properly located pressure reducing valve on his system. The Company will not be liable for damage to plumbing caused by high, low, or fluctuating water pressure or pressure pulses or the effects of the water hammer.

3.5.7 Fire Protection

- For any new or replacement taps, the Company may consider fire protection needs in determining the appropriate size or type of tap necessary. In making this determination, the Company may consider the recommendations of the local fire department. However, the Company is under no obligation to provide fire protection flows and does not imply there is sufficient fire flow for suppression services.

IV. Billing

4.1 Monthly Water Bills

- The Monthly billing statement will be mailed via the US Postal Service to the address on record. Monthly billing statements are rendered on regularly printed forms and issued in the name of the Company. It is the responsibility of the Member to ensure the proper mailing address is on file with the Company.
- Monthly bills will contain the previous monthly meter reading and the current monthly meter reading, the consumption amount, the amount of the bill with a breakdown of the Base Rate and Usage fees, Late Payment Penalties, the Member account number, the Total Balance due, the current due date, any the past due amount and the current due date by which payment shall be received by the Company in order for the account to remain at a current status.
- Generally, bills will be mailed during the first week of each month.
- The billing statement has a detachable stub located on the bottom of the form which is to be returned when payment is rendered. The top of the billing statement is to be retained by the Member for their records.
- Due to winter related issues, there may be certain months where monthly water bills may be estimated. If necessary, billing adjustments will be made the month following the resumption of actual meter reading.
- A member may choose to assign a tenant, and or a property manager the ability to receive and pay monthly water bills. Invoice, in that event member must submit a signed rental transfer form and / or a signed property management agreement. Notwithstanding the foregoing, member shall remain responsible for any and all unpaid costs.

4.2 Payment for Water Use

- All payments made by check and/or Money Order shall be made payable to Animas Water Company. The Company will not accept two party checks for payment of a bill. Should payment be made on an account that fails to clear due to insufficient funds, closure of account, no account or any other reason, a fee may be assessed, and the Member will be required to pay future bills with a Money Order, or Cashier's Check until otherwise determined by the Company.
- Payments are due by the 25th of each month.
- Should a party other than the Member make a payment for the bill, the maker shall clearly identify payment as being for the owner or agent of record. In all cases, the Member is responsible for the timely payment for water use.

4.3 Past Due Accounts

- If full payment has not been received by the due date, the account will be considered past due.
- A 10% late payment penalty will be assessed the next business day on the total amount due.
- Payment arrangements may be requested and must be approved by the General Manager of the Company. All arrangements must be made PRIOR to the scheduled disconnection date.
 - If a payment arrangement is approved, any late payment will be considered a termination of the arrangement and water service will be immediately disconnected.
- If payment has not been received by the 15th of the Month following the due date, either a telephone call to the member, or an email, and a Past Due / Notice of Intent to Disconnect Water Service will be mailed via the US Postal Service.

- Payment must be received in the Company's office before the estimated disconnect date or the water service will be shut off.
 - Disconnects generally occur during the last week of the month and will coincide with Meter Reading.
- Once water service has been disconnected, a payment must be made in the Company office located at 7271 CR 203 during normal business hours.
 - The payment due must include all past due balances and penalties on the account as well as a \$50.00 reconnect fee, which will be assessed once service has been disconnected.
 - **All non-emergency calls to the emergency pager due to disconnection of water service due to non-payment of your water bill are not considered an emergency and will result in a \$60.00 fee.**
- Reconnection of water service may take up to 24 business hours.
- The Company may take legal action as prescribed by law and the Bylaws to recover delinquent accounts.
- In addition to all other remedies available, and in accordance with the bylaws, any delinquent assessment or charges to a member shall constitute a lien on the real property on which the tap is located, effective the due date of the assessment or charge. To evidence the lien, the Company may, but shall not be obligated to, prepare a written lien statement, setting forth the name of the Owner, the legal description of the property, the name of the Company, and the delinquent assessment or charge amounts then owing.

4.4 Water Charges for Leaks

- The Company realizes that uncontrollable situations occur which may result in abnormal levels of water use for the Member.
- All metered water usage shall be considered billable and will be charged according to the Company's Fee Structure.
- Members may request the Company consider a billing adjustment if a leak occurs.
- All Billing Adjustment requests must be made prior to the due date which appears on the billing statement usage in question.
- Billing adjustments for leaks are limited to one adjustment, per property, every two (2) years there will be NO billing adjustments given for leaks within one (1) year of completion of new construction or main line extensions.
- If a billing adjustment is allowed, the Company shall review the Member's water usage history and will determine an appropriate adjustment, in its discretion.
- In the event the Member is not satisfied with the decision made regarding the leak adjustment, the Member may submit an appeal letter to the Board of Directors to be reviewed by the Board at the next scheduled Board of Directors meeting. If the Board upholds the decision, the Member will be responsible for paying any past due penalties assessed due to nonpayment on the account.

4.5 Suspended Account

- In the event a payment has not been made on an account in six (6) months by the Member, the Account will be deemed a suspended membership. AWC reserves the right to require payment made in full of any past due amount including any penalties which may have been assessed. There may also be a fee to re-initiate the Account (see Additional Fees and Service Charges).
- After twelve (12) months, the Account may be deemed terminated. Once terminated, service may only be re-established through a new application for membership which will include the payment of a new PIF fee, meter installation fee, administrative fee, and a re-initiation fee at the rates applicable at the time of application.

4.6 Contesting Meter Reading

- If a Member feels their meter is inaccurate, the Member may request an additional Meter Reading by a licensed water operator and will be charged a Meter Reading Request Fee. This fee is non-refundable unless it is determined that the meter reading was inaccurate.
- If a Member feels the meter reading is still inaccurate, the Member may submit a complaint in writing indicating the belief that the meter is inaccurate. A new meter will be installed, and the meter removed will be tested using industry accepted standards. If the meter is found to be accurate in accordance with industry accepted standards, the Member will be required to pay all costs incurred by the Company in acquiring and installing the new meter and the testing of the old meter, including transportation, removal charges and time spent.

4.7 Limitation of Water Service

- The Company shall use reasonable diligence to provide a constant and uninterrupted supply of water. However, interruptions in service can happen for various reasons, including but not limited to a failure of the legal or physical water supply, drought, accident, fire or other acts of nature, an act of God, and curtailment due to a senior water rights call, administration by the Division of Water Resources or other governmental agencies, and other circumstances. The Company makes no representations or warranties that water will not be interrupted. The Company shall be relieved from any liability for shortage of water or interruption provided it has discharged its responsibilities in good faith.
- In addition, the water service / supply may at any time be shut off from AWC supply or mains without notice due to emergencies or for the purpose of making repairs, extensions, or other necessary work. Members who require a continuous supply of water are solely responsible for ensuring such continuous supply by taking necessary steps such as installation of a water storage facility on their premises.
- Members who have temporary water storage facilities shall abide by all cross-connection rules and regulations set forth herein.
- The Company does not represent that sufficient pressure is available at any location in its system and is not responsible for low or inadequate pressure.
- In places where low pressure is a concern, the Member must provide adequate pressure boosting devices where necessary.

4.8 Irrigation and Sprinkling

- **Providing safe, potable drinking water is the primary purpose of the Water System. Irrigation is a secondary purpose of the Water System.**
- AWC does not guarantee that there is a sufficient water supply for the purpose of irrigating and sprinkling.
- AWC reserves the right to make certain rules and regulations with reference to the use of water supplied for this purpose.
- Whenever there is a shortage of water, whether due to limitation of Company facilities, fire or other emergency, or limitation placed by the State of Colorado, or when, in the opinion of the Board, an emergency exists, the Board may regulate and curtail water usage.
- Notice of the imposition of such restriction may be by phone, or written notice delivered, mailed, faxed, or e-mailed, to the members, or in the case of emergency by other means as determined by the Company, and shall be effective immediately until the members are notified otherwise. The Company may refuse to deliver water during the period of restriction to any member who fails to comply with the water restrictions. In addition, a fine or penalty may be imposed.

Miscellaneous Provisions

A. Hydrants

- Individuals or groups request installation of hydrants to serve their area by submitting an application to the Company. The hydrants will be located on main lines and purchased and installed by the Company. All costs shall be paid by the individual or group requesting the hydrant. Such hydrants will be owned by the Company. The Company shall have no obligation to test hydrants or otherwise ensure the hydrants' suitability for fire protection.
- Use of any hydrant that is part of the Water System, except in the case of emergency, is strictly prohibited unless a signed Hydrant Use Agreement is signed by the user and approved by the Company.
- The installation or the presence of a hydrant on the Water System is for convenience only and does not imply there is sufficient water supply for fire protection purposes. The Company assumes no liability for lack of availability of water for that purpose.

B. Line Extensions or New Development

- Applicants shall submit a Line Extension / New Development Agreement along with the initial design and specifications for water line extensions and upgrades to the Company for pre-approval along with a deposit for costs and fees, in an amount determined by the Company to be held until the final accepted easement is recorded. The applicant is encouraged to contact the Company early in project planning to ensure the plans for water improvements meet Company requirements on a preliminary basis.

- Applicant will be responsible for the Company's costs of review and approval of the waterline extension, as well as for the preparation of all documents and agreements in this policy. The Company may, at its discretion, charge an administrative fee in addition to, or in lieu of, costs of review and approval of the water line extension. The Company may collect a deposit towards costs and/or the administrative fee in an amount to be determined by the Company.
- A preliminary conference will be held to review the project's scope and impact on the Company's overall system.
- Applicant shall have preliminary plans designed by a licensed professional engineer at Applicant's cost and provided to the Company. The engineer for the Company will review the project at the preliminary level and indicate to the applicant needed changes or modifications. The applicant is encouraged to work out details at this stage to save engineering costs later. Final stamped plans shall be submitted to the Company upon completion.
- All extensions and upgrades must meet the minimum specifications of the Company as they may be developed and amended from time to time.
- Each line extension will have a development agreement and easement(s) prepared by the Company and signed by all parties prior to the beginning of the construction project, together with the payment of costs incurred to date.
- The Company shall record the signed, new development agreement and easement(s) in the real property records. After recording and payment of all costs to date, the Company will sign off on the plat for the development and agree to provide service to the project. Recording of the development agreement and easement is a pre-requisite to AWC signing the plat and agreeing to provide service to the project.
- After execution of the development agreement and easement, the Company must be provided with an adequate opportunity to inspect the work as it is performed. In the event the Company has concerns after inspection, work will cease until the issue is resolved and the work is corrected.
- Upon completion of the work in accordance with the approved plans and specifications, the applicant will provide a full "as built" survey to the Company, together with all costs incurred by the Company to date and the Company will re-record the Easement with the "as built" survey as an Exhibit. The "as built" survey shall reflect, at a minimum, location and size of the lines and other components such as fitting(s), valves, hydrants, and service line placement, and must be approved by the Company prior to acceptance. The applicant's engineer shall ensure that the data can be successfully loaded onto the Company's mapping system. Failure to provide an acceptable "as built" and/or payment of costs within the amount of time designated by the Company may result in discontinuance of water service until an adequate "as built" is provided and / or costs are paid.
- The Developer will provide a one-year warranty for all work performed commencing from the date of a successful pressure test accepted by the Company.
- Upon completion of all of the above stated requirements, and if (1) the work has been constructed according to the approved plans and specifications, (2) developer has paid for all obligations required herein, (3) the as-built survey has been submitted and approved, and the easement re-recorded with the as-built exhibit, (4) the approved improvements are free and clear of all liens and encumbrances, and (5) one year has passed since completion of a successful pressure test, the Company will accept the service lines into the system and execute the release of the County Development Improvements Agreement or other document as may be required by La Plata County.
- Upon acceptance of the service lines, tap reservation fees will be waived, and lot owners may purchase taps from the Company in accordance with the Rules and Regulations of the Company.

C. Enforcement

- Any Member, who individually or through the member's agent, employee, tenant, or other person acting on behalf of the member violates any of the provisions of these Rules and Regulations, shall be liable to the Company for any expense, loss or damage occasioned by reason of the violation.
- The Company shall be entitled to any legal or equitable relief available for violations of these Rules and Regulations, including damages, and injunctive relief to cease any continuing violations.
- The Member shall be responsible for any costs and attorney fees incurred by the Company in enforcing the terms and conditions of these Rules and Regulations, whether or not litigation is commenced.

- The Company may, in its discretion, discontinue water service to any Member violating these rules and regulations, until such violation is cured. Notice of discontinuance shall be given, and a reconnect fee shall be paid as set forth in herein.

D. Member Request for Information

- Requests for information must comply with the Colorado Revised Statutes governing non-profit corporations. If a request for information is approved, the Member shall make an appointment with AWC's office personnel, and the Member will be charged \$40.00 per hour for administrative time, and \$.50 per copy. If additional costs are incurred, those fees may be passed on to the member.

E. Amendments/Variations

- The Company may amend these Rules and Regulations as it deems necessary to accomplish the purposes set forth in these Rules and Regulations and in the bylaws of the Company. The Company is not required to provide prior notice of amendments. Amendments to these Rules and Regulations may be accomplished by explicit modification or by the adoption of policies or decisions by the Board at its meetings, in which event such amendments shall be evidenced by reference to the adoption of policies or decisions in the minutes of board meetings.
- The Company reserves the right to grant variances to these Rules and Regulations when in its judgment the variance would be good for the Water System, in the interest of fairness to the Member, or good business practice by the Company.
- In the event that enforcement of any provision of these Rules and Regulations is waived in a particular case, said waiver shall not be deemed a precedence for waiver in any future situation, and will apply only to the limited situation in which a variance or waiver was granted.

F. Water Rates/Miscellaneous Charges

- The rates set forth on Appendices A and B attached are subject to change at any time.

Appendix A - Water Rates

ANIMAS WATER COMPANY FEE STRUCTURE - Rev'd 01.01.2025

Residential Water Services:									
User Type		Plant Investment Fee (PIF)	Meter Installation Fee	Monthly Base Fee	Tier 1 - \$4.00 per 1,000	Tier 2 - \$5.00 per 1,000 gallons	Tier 3 - \$8.00 per 1,000 gallons	Tier 4 - \$ 13.00 per 1,000 gallons	
R-1	3/4" Service including - Single Family Home, Townhome, Any individual residential ownership, limited dual system domestic/Fire Suppression	\$7,500.00	\$2,000.00	\$21.00	0 - 10,000 gallons	10,001 - 20,000 gallons	20,001 - 30,000 gallons	30,001 + gallons	
R-1	1" Fire Suppression, High Demand, S.F. only	\$9,080.00	\$2,000.00	\$23.00	0 - 10,000 gallons	10,001 - 20,000 gallons	20,001 - 30,000 gallons	30,001 + gallons	
R-1	High Elevation User	\$7,500.00	\$2,000.00	Base + \$5.00	0 - 10,000 gallons	10,001 - 20,000 gallons	20,001 - 30,000 gallons	30,001 + gallons	
R-2	New Multi-F amily, Mobile Home Parks, Apartments & Consecutive Systems Prior to 9/1/05, regardless of meter size	\$7,500.00 1st user + \$3,750.00 each addtn'l user	Cost+T&M	\$21.00 1st user / \$21.00 * # of units	0 - 10,000 gallons times # of units	10,001 - 20,000 gallons times # of units	20,001 - 30,000 gallons times # of units	30,001 + gallons times # of units	
Commercial Water Services:									
User Type		Plant Investment Fee (PIF)	Meter Installation Fee	Monthly Base Fee	Tier 1 - \$4.00 per 1,000	Tier 2 - \$5.00 per 1,000 gallons	Tier 3 - \$8.00 per 1,000 gallons	Tier 4 - \$13.00 per 1,000 gallons	
C-1	3/4" Commercial / Non Residential	\$13,000.00	\$2,000.00	\$46.50	0 - 40,000 gallons	40,001 - 80,000 gallons	80,001 -120,000 gallons	120,001 + gallons	
C-2	1" Commercial / Non Residential	\$17,000.00	Cost+T&M	\$95.00	0 - 80,000 gallons	80,001 - 160,000 gallons	160,001 -240,000 gallons	240,001 + gallons	
C-3	1 1/2" Commercial / Non Residential	\$25,000.00	Cost+T&M	\$185.00	0 - 120,000 gallons	120,001 - 240,000 gallons	240,001 - 360,000 gallons	360,001 + gallons	
C-4	2" Commercial / Non Residential	\$39,000.00	Cost+T&M	\$290.00	0-240,000 gallons	240,001 - 480,000 gallons	480,001 - 720,000 gallons	720,001 + gallons	
Consecutive Systems:									
User Type		Plant Investment Fee (PIF) 1st Unit	each addtn'l unit	Meter Installation Fee	Monthly Base Fee	Tier 1 - \$4.00 per 1,000	Tier 2 - \$5.00 per 1,000 gallons	Tier 3 - \$8.00 per 1,000 gallons	Tier 4 - \$13.00 per 1,000 gallons
CS-1	3/4" Consecutive System	\$13,000.00	\$500.00 x # of units	Cost+T&M	\$21.00 first user / \$21.00 each additional user	0 - 10,000 gallons times # of units	10,001 - 20,000 gallons times # of units	20,001 + 30,000 gallons times # of units	30,001 + gallons times # of units
CS-2	1" Consecutive System	\$17,000.00							
CS-3	1 1/2" Consecutive System	\$25,000.00							
CS-4	2" Consecutive System	\$39,000.00							

1 A non-refundable Administrative fee of \$100.00 will be assessed for each Water Tap Purchase

2 Once a watertap is purchased, the monthly base fee will be charged regardless of water use or meter installation.

3 All separately owned residential uses*** shall have individual meters and services to each unit from a Company Main

4 The Multi-Family Surcharge applies to each unit above the first on a single water service such as duplexes, apartments, mobile home parks or consecutive systems.

5 Residential units such as apartments, cabins or mobile homes, or consecutive systems which will remain under the same owner in perpetuity are to be charged as Multi-Family uses as in #2 above.

6 The High Elevation User Fee is to cover costs of pumping and maintenance of the higher elevation services on separate pressure zones.

*** Residential uses are defined as townhomes, home, duplex, triplexes, mobile homes, and consecutive systems.

Appendix B

Additional Fees and Service Charges:

- The following fees or charges have been adopted by AWC for additional work performed, expected, or requested to be performed, or for the purpose of penalties for violations of any of the Rules and Regulations of AWC. Failure to pay charges, fees, or fines within the billing period they were accrued in shall be considered just cause for the AWC to apply additional penalties and / or to disconnect water service.
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<u>Service Charges</u>	<u>Amount</u>	
Sale Transfer Fee**	\$ 100.00	
Tap Reservation Application Fee**	\$ 100.00	
Rental Transfer Fee / Name Change on Account **	\$ 100.00	
Water Service Application and Contract**	\$ 100.00	
New Development – Main Line Extension (MLE) Application Fee**	\$ 500.00	
New Development – Main Line Extension Deposit amount**	\$ 2,500.00	
New Development – Hydrant Installation Fee**	\$ 1,000.00	
Unmetered Fire Service Line Fee plus Time and Materials **	\$ 1,000.00	
NSF Check Fee **	\$ 35.00	
Returned ACH Fee **	\$ 35.00	
Reconnect Fee / Water Shut Off - Past Due Account **	\$ 100.00	
Meter Tampering/Trespass	\$ 500.00	
After Hours Fee (non-emergency)	\$ 100.00	
Unauthorized Hydrant Use	\$ 500.00	
Hourly Rate per Water Operator (# of hours x # of operators)	\$ 50.00	Hr.
Re instatement of AWC Account Fee (6 – 12 months)	\$ 500.00	
Datalogging use – 1st request	no charge	
Additional Datalog requests	\$ 50.00	
Research Request – Hourly rate	\$ 50.00	Hr.
**Non Refundable Fee		