

CORTEZ SANITATION DISTRICT RULES AND REGULATIONS

CHAPTER 1. AUTHORITY, POLICY AND PURPOSE

1.1 AUTHORITY

These Rules and Regulations are authorized by and are in compliance with Colorado's Special District Act, C.R.S. § 32-1-101 et seq. (as amended).

1.2 DECLARATION OF POLICY

The Board of Directors of the Cortez Sanitation District expressly finds and determines that the adoption of these Rules and Regulations is necessary for the health, welfare, security and public safety of the inhabitants of the District and for the orderly and uniform administration of the affairs of the District. It is intended that these Rules and Regulations shall be liberally construed to affect the general purposes set forth herein, and that each and every part hereof is separate, distinct and severable from all other parts. Omission from, and additional materials set forth in, these Rules and Regulations shall not 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 of the Cortez Sanitation District by virtue of the statutes as now existing or as may hereafter be amended. Nothing contained herein shall be so construed as to prejudice, limit or affect the right of the District to secure the full benefit and protection of any laws which are now or hereafter may be enacted by the Colorado state legislature pertaining to sanitation districts.

1.3 PURPOSES

These Rules and Regulations shall govern the operations and functions of the Cortez Sanitation District and shall supersede previous rules and regulations of the District.

The purpose of these Rules and Regulations is to provide for the control, management and operation of the wastewater collection and treatment systems of the Cortez Sanitation District, including additions, extensions and connections thereto.

CHAPTER 2. DEFINITIONS

(C.R.S. § 32-1-103)

As used in these Rules and Regulations, unless the context otherwise requires:

- 2.1 **"ACCESSORY STRUCTURE"** as defined by the City of Cortez Building Code, any structure built on a property that does not meet the requirements of a Dwelling Unit or an ACCESSORY DWELLING UNIT
- 2.2 **"ACCESSORY DWELLING UNIT"** as defined by the City of Cortez Building Code, any structure with a place to sleep, cook and having bathroom facilities adjacent to or connected with any existing dwelling structure.

- 2.3 **"BOARD"** means the Board of five Directors of the Cortez Sanitation District.
- 2.4 **"BUILDING"** Any dwelling unit or accessory dwelling unit as defined by the City of Cortez Building Code
- 2.5 **"COURT"** means the district court in Montezuma County in the Twenty-second Judicial District or the district court to which the file pertaining to the Cortez Sanitation District is transferred pursuant to C.R.S. § 32-1-303(1)(b).
- 2.6 **"DIRECTOR"** means a member of the Board.
- 2.7 **"DISTRICT"** means the Cortez Sanitation District.
- 2.8 **"DISTRICT SPECIFICATIONS"** means the specifications as adopted by the District for the design, installation, and construction of sewer pipe and appurtenances, as the same may be amended from time to time.
- 2.9 **"DIVISION"** means the division of local government in the department of local affairs, state of Colorado.
- 2.10 **"DWELLING UNIT"** as determined by the City of Cortez Building Code any structure with a place to sleep, cook and having bathroom facilities.
- 2.11 **"ELIGIBLE ELECTOR"** means a person who, at the designated time or event, is registered to vote pursuant to the "Uniform Election Code of 1992", articles 1 to 13 of Title 1, C.R.S., **and:**
- A. who has been a resident of the District or the area to be included in the District for not less than thirty days; or
 - B. who, or whose spouse, owns taxable real or personal property situated within the boundaries of the District or the area to be included in the District, whether said person resides within the District or not.
 - C. A person who is obligated to pay taxes under a contract to purchase Taxable property situated within the boundaries of the District or the area to be included within the District shall be considered an owner for the purposes of this definition.
- 2.12 **"FACILITIES"** means the District's sewer lines, treatment works and all easements and appurtenances thereto. The term does not include Service Lines.
- 2.13 **"MANAGER"** means the District's representative who shall have such powers and duties as may be specifically assigned by the Board.
- 2.14 **"OWNER"** means the record owner of any property receiving; required to receive; or that will, upon some action (e.g., connection), receive sewer collection, treatment, or related service from the District. Although others may act on the Owner's behalf (e.g., apply for connection approval, use Owner's property), the Owner is the Person that is

ultimately responsible for compliance with the District's Rules and Regulations, including payment of all fees and charges.

- 2.15 **"PERSON"** means any individual, firm, company, association, society, corporation, group, or governmental authority or agency.
- 2.16 **"PLUMBING FACILITY"** means any device directly or indirectly connected to the District's Facilities including, but not limited to, toilets, showers, sinks, dishwashers, clothes washers, grease traps, and disposals.
- 2.17 **"PUBLICATION"** means printing, one time, in one newspaper of general circulation in the District if there is such a newspaper, and, if not, then in a newspaper in the county in which the District is located.
- 2.18 **"QUORUM"** means more than one-half of the number of Directors serving on the Board of the District.
- 2.19 **"REGULAR ELECTION"** means the election on the Tuesday succeeding the first Monday of May in every even-numbered year, held for the purpose of electing members to the Board of the District and for submission of other public questions, if any.
- 2.20 **"RULES AND REGULATIONS"** means the provisions of these Rules and Regulations as the same may be amended from time to time. The phrase "as provided herein," used throughout these Rules and Regulations, means as the provisions of these Rules and Regulations provide as the same may be amended from time to time.
- 2.21 **"SERVICE LINE"** means the sewer line from the Building being served by the District to the Sewer Main.
- 2.22 **"SEWER MAIN"** means any pipe or conduit for carrying sewage as so designated by the District to which the District may allow the connection of Service Lines.
- 2.23 **"SPECIAL ELECTION"** means any election called by the Board for submission of public questions and other matters. Such election shall be held on the first Tuesday after the first Monday in February, May, October, or December, in November of even-numbered years or on the first Tuesday in November of odd-numbered years. The District may petition the Court for permission to hold a Special Election on a day other than those specified in this section. The Court may grant permission only upon a finding that an election on the days specified would be impossible or impracticable or upon a finding that an unforeseeable emergency would require an election on a day other than those specified.
- 2.24 **"TAXABLE PROPERTY"** means real or personal property subject to general ad valorem taxes. Taxable Property does not include the ownership of property on which a specific ownership tax is paid pursuant to law.
- 2.25 **"TAXPAYING ELECTOR"** means an Eligible Elector of the District who, or whose spouse, owns taxable real or personal property within the District or the area to be

included in or excluded from the District, whether said person resides within the District or not. A person who is obligated to pay taxes under a contract to purchase Taxable Property within the District shall be considered an owner for the purposes of this definition.

- 2.26 **"USER"** means any Person to whom any sewer collection, treatment or related service is furnished.

CHAPTER 3. DISTRICT ORGANIZATION

3.1 CORPORATE SEAL

The seal of the District shall be a circle containing the name of the District and shall be used in all places and in such manner as seals generally are used by public and private corporations. The Secretary shall have custody of the seal and shall be responsible for its safe keeping and care. (C.R.S. § 32-1-902(l)).

3.2 OFFICE

The principal office of the District shall be at 2908 S. Broadway, Cortez, Colorado but the Board may designate and locate and relocate the District's principal office as in its judgment is needed to conduct the business of the District. (C.R.S. § 32-1-904).

3.3 MEETINGS

3.3.1 **Regular Meetings.** Regular meetings of the Board shall be held on the second Monday of each month at 5:30 p.m. at such place designated by the Board. (C.R.S. § 32-1-903(l)).

3.3.2 **Notice.** Notice of the time and place designated for all public meetings (regular, special, and study sessions) shall be on the District's webpage, accessible online at the following address: www.cortezsanitation.com. Section 24-6-401, C.R.S.

3.3.3 **Special Meetings.** Special meetings of the Board may be held as often as the needs of the District require. Special meetings may be called by any Director by informing the other Directors of the date, time, and place of such special meeting, and the purpose for which it is called, and by posting notice as provided in § 3.3.2 at least three days prior to said meeting. (C.R.S. § 32-1-903).

3.4 CONDUCT OF BUSINESS

3.4.1 Board of Directors.

A. **Authority.** The business and affairs of the District shall be managed by the Board in accordance with the Special District Act. All powers, privileges and duties vested in or imposed upon the District by law shall be exercised and performed by and through the Board, whether set forth specifically or implied in these Rules and Regulations. The Board may delegate to officers and employees of the District any or all executive, administrative, and managerial powers.

B. **Number.** There shall be five members of the Board.

C. **Oath and Bond of Directors.**

(1) Each director, within thirty days after his or her election or appointment to fill a vacancy, except for good cause shown, shall appear before an officer authorized to administer oaths and take an oath that he or she will faithfully perform the duties of his or her office as required by law and will support the constitution of the United States, the constitution of the State of Colorado, and the laws made pursuant thereto. When an election is cancelled in whole or in part pursuant to section 1-5-208(1.5), C.R.S., each director who was declared elected shall take the oath required by this subsection(1) within thirty days after the date of the regular election, except for good cause shown. The oath may be administered by the county clerk and recorder, by the clerk of the court, by any person authorized to administer oaths in this state, or by the chairman of the board and shall be filed with the clerk of the court and with the division.

D. **Faithful Performance Bond.** At the time of filing said oath, there shall also be filed for each Board member an individual, schedule, or blanket surety bond at the expense of the District, in an amount determined by the Board of not less than \$1,000 each, conditioned upon the faithful performance of each Board member's duties as a Director. (C.R.S. § 32-1-901(2)).

E. If any director fails to take the oath or furnish the requisite bond within the period allowed, except for good cause shown, his office shall be deemed vacant, and the vacancy thus created shall be filled in the same manner as other vacancies in the office of the director.

F. **Compensation.** Each member of the Board may receive as compensation for attendance at regularly scheduled Board Meetings, Special Meetings and Study Sessions a sum not to exceed that allowed by the Special District Act. No member of the Board shall receive any compensation as an employee of the District or otherwise, other than that provided in this section. Reimbursement of actual expenses for Directors shall not be considered compensation. (C.R.S. § 32-1-902(3)), (Resolution 3, Series 1996).

G. **Term.** Except as provided in Subsection G of this Section, the term of office for Directors shall be four (4) years. (C.R.S. § 32-1-305.5 (3)).

H. **Vacancies.**

(1) A Director's office shall be deemed to be vacant upon the occurrence of any one of the following events prior to the expiration of the term of office:

(a) If for any reason a properly qualified person is not elected to a Director's office by the Eligible Electors as required at a Regular Election;

- (b) If the person who was duly elected or appointed fails, neglects, or refuses to subscribe to an oath of office or to furnish the bond in accordance with the provisions of Subsections C and D of this Section;
- (c) If the person who was duly elected or appointed submits a written resignation to the Board;
- (d) If the person who was duly elected or appointed ceases to be qualified for the office to which he was elected;
- (e) If the person who was duly elected or appointed is convicted of a felony;
- (f) If a court of competent jurisdiction voids the election or appointment or removes the person duly elected or appointed for any cause whatsoever, but only after his right to appeal has been waived or otherwise exhausted;
- (g) If the person who was duly elected or appointed fails to attend three consecutive regular meetings of the Board without the Board having entered upon its minutes an approval for an additional absence or absences; except that such additional absence or absences shall be excused for temporary mental or physical disability or illness;
- (h) If the person who was duly elected or appointed dies during his term of office. (C.R.S. § 32-1-905 (1));

(2) Any vacancy on the Board shall be filled within sixty days by appointment by the remaining Director or Directors, the appointee to serve until the next Regular Election at which time the vacancy shall be filled by election for any remaining unexpired portion of the term. (C.R.S. § 32-1-905 (2)).

(3) All vacancy appointments shall be evidenced by an appropriate entry in the minutes of the meeting, and the Board shall cause a notice of appointment to be delivered to the person(s) so appointed. A duplicate of each notice of appointment, together with the mailing address of the person(s) so appointed shall be forwarded to the Division. (C.R.S. § 32-1-905(3))

3.4.2 **Notifications.** On or before January 15 of each year, the District shall notify the board of county commissioners, the county assessor, the county treasurer, and the county clerk and recorder of Montezuma County; the governing body of the City of Cortez, and the Division of the name of the chairman of the Board, the names of the other Board members, the contact person, the telephone number, and the business address of the District. (C.R.S. § 32-1-104 (2)).

- 3.4.3 **District Business.** All official business of the Board shall be conducted only during a regular or a special meeting at which a Quorum is present. All meetings shall be open to the public. (C.R.S. § 32-1-903(2)).
- 3.4.4 **Vote Requirements.** Unless otherwise provided in these Rules and Regulations, any action of the Board shall require the affirmative vote of the majority of the Directors present and voting when a Quorum is present.
- 3.4.5 **Order of Business.** The business of all regular meetings of the Board shall be transacted as far as practicable in the following order:
- A. Call to Order
 - B. Roll Call of Members
 - C. Public Hearings
 - D. Consideration and Approval of the Minutes of the Previous Meeting
 - E. Consideration and Approval of Bills
 - F. Public Comments
 - G. Board Business
 - H. Adjournment

The Manager of the District shall prepare an agenda for each Board meeting and all Persons desiring to appear before the Board for any purpose at a regular meeting shall make known such desire to the Manager in writing at least seven (7) days prior to such regular meeting.

Comments from the audience are limited to three (3) minutes. If there are several people present to speak on the same item they are to appoint a spokesperson and limit comments to three (3) minutes.

- 3.4.6 **Minute Book.** All resolutions, motions and minutes of each Board meeting shall, within a reasonable time after their passage, be recorded in a book kept for that purpose and shall be signed by the President and Secretary of the Board. (C.R.S. § 32-1-902 (1)).

3.5 **OFFICERS**

- 3.5.1 **Election of Officers.** The Board shall elect from its membership a President (who shall also serve as chairman of the Board), a Vice President, a Secretary and a Treasurer who shall be the officers of the Board and of the District. The Secretary and Treasurer may be one person. The election of officers shall be held biennially at the first regular meeting of the Board after a Regular Election. Each officer so elected shall serve for his specified term of office until such term shall expire upon the election of his successor.
- 3.5.2 **President.** The President shall preside at all meetings, and shall be the chief executive officer of the District. Except as otherwise authorized, the President shall sign all contracts, deeds, notes and debentures on behalf of the District.
- 3.5.3 **Vice-President.** The Vice-President shall be the officer next in authority after the President. The Vice-President shall perform such duties and exercise such powers

as are appropriate and as are prescribed by the Board or the President. Upon the death, absence or disability of the President, the Vice-President shall perform the duties and exercise the powers of the President.

3.5.4 **Secretary.** The Secretary shall keep the records of the District; shall act as Secretary at the meetings of the Board and record all votes and 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. The Secretary shall be custodian of the corporate seal of the District and shall have the power to affix such seal to all contracts and instruments authorized to be executed by the District. (C.R.S. § 32-1-902 (1)). In performing the above duties, the Board may designate a representative. The Secretary shall preside at all meetings in the absence of the President and the Vice-President.

3.5.5 **Treasurer.** The Treasurer shall keep strict and accurate accounts of all money received by and disbursed for and on behalf of the District in permanent records. The Treasurer shall file with the clerk of the Court, at the expense of the District, a corporate fidelity bond in an amount determined by the Board of not less than \$5,000, conditioned on the faithful performance of the duties of his office. In performing the above duties, the Board may designate a representative. (C.R.S. § 321-902 (2)).

3.5.6 **Additional Duties.** The officers of the Board shall perform such other duties and functions as may be required from time to time by the Board, by the Rules and Regulations of the District, or by special exigencies, which shall later be ratified by the Board.

3.5.7 **Vacancies.** Any vacancy occurring in any office shall be filled for the unexpired term by appointment through action of the Board.

3.6 **OTHER PERSONNEL**

3.6.1 **Manager.** The Board may appoint a Manager who shall serve for such term and upon such conditions, including salary, as the Board may establish. The Manager shall have such powers and duties as may be specifically assigned to such person from time to time by the Board, including those powers and duties assigned to the Manager herein.

3.6.2 **Other.** The Board or Manager may retain such other agents, employees, engineers, attorneys and consultants as the Board deems necessary. The selection of such agents, employees, engineers, attorneys, and consultants by the Board or Manager shall be based upon their relative qualifications and capabilities, and shall not be based on political services, affiliations or associations with the District. Agents and employees shall hold their offices at the pleasure of the Board and/or the Manager. Contracts for professional services of engineers, attorneys, and consultants may be entered into on such terms and conditions as may seem reasonable and proper to the Manager and/or the Board.

3.7 INDEMNIFICATION

Any person who at any time shall serve, or shall have served, as Director, officer, or employee of the District, and the heirs, executors, and administrators of such person, shall be indemnified by the District against all costs and expenses (including but not limited to attorney fees, amounts of judgments paid and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative or other, in which he or they may be involved by virtue of such person's being or having been such Director, officer, or employee; provided, however, that such indemnity shall only apply to such person's acts occurring during the performance and within the scope of his duties as a Director, officer, or employee, and such indemnity shall not be operative with respect to: (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of his duties as such Director, officer, or employee, or (b) any matter settled or compromised, unless, in the opinion of the Directors, there is no reasonable ground for such person being adjudged liable for negligence or misconduct in the performance of his duties as Director, officer, or employee, or (c) any amount paid or payable to the District by other enterprises. The foregoing indemnification shall be deemed exclusive of any other rights to which those indemnified may be entitled under any law, agreement or otherwise.

3.8 CONFLICT OF INTEREST

Any Director shall disqualify himself from voting on any issue in which he has a potential conflicting interest unless such Director has given seventy-two hours actual advance written notice to the secretary of state and to the Board of the existence of a known potential conflicting interest of said Director in the transaction with reference to which he is about to act as a Director. For the purposes of this section, a "potential conflicting interest" exists when said Director is a director, president, general manager, or similar executive officer or owns or controls directly or indirectly a substantial interest in any non-governmental entity participating in the transaction. Such disqualified Director shall not be counted for purposes of constituting a Quorum or for purposes of the vote. (C.R.S. §§ 18-8-308, 32-1-902 (3)).

CHAPTER 4. DISTRICT BUDGETING

The Fiscal year of the District shall commence on January 1 of each year and end on December 31. Budgeting for the District shall comply with the Local Government Budget Law of Colorado, C.R.S. § 29-1-101 et seq. (as amended), the Special District Act, C.R.S. § 32-1 -1 01 et seq. (as amended), and other applicable laws. Annual auditing of the District's financial statements shall be performed in accordance with the Colorado Local Government Audit Law, C.R.S. § 29-1-601 et seq. (as amended).

CHAPTER 5. ELECTIONS

Elections of the District will be held in accordance with applicable state election laws.

CHAPTER 6. INCLUSIONS

6.1 100 PERCENT OWNER PETITION

- A. The boundaries of the District may be altered by the inclusion of additional real property by the fee owner or owners of one hundred percent of any real property capable of being served with Facilities of the District filing with the Board a petition in writing (in the form provided in Appendix C) requesting that such property be included in the District. The petition shall set forth a legal description of the property, shall state that assent to the inclusion of such property in the District is given by the fee owner or owners thereof, and shall be acknowledged by the fee owner or owners in the same manner as required for the conveyance of land. The petition shall be accompanied by a current title commitment, title opinion, or owners report that identifies who the fee owner or owners of the property to be included are.
- B. The Board shall hear the petition at a public meeting after Publication of notice of the filing of such petition, the place, time, and date of such meeting, the names and addresses of the petitioners, and notice that all Persons interested, including municipalities or counties which may be able to provide service to the real property described in the notice, shall appear at such time and place and show cause in writing why the petition should not be granted. The Board may continue such hearing to a subsequent meeting. There shall be no withdrawal from a petition after Publication of notice by the Board without the consent of the Board. The failure of any municipality or county which may be able to provide service to the real property described in the notice or of any Person in the existing District to file a written objection shall be taken as an assent to the inclusion of the area described in the notice.
- C. The Board shall grant or deny the petition, in whole or in part, with or without conditions. If a petition is granted as to all or any of the real property therein described, the Board shall make an order to that effect and file the same with the clerk of the Court, and the Court shall thereupon order the property to be included in the District.
- D. If a municipality or county has filed a written objection to such inclusion, the Board shall not grant the petition as to any of the real property to which adequate service is, or will be, available from such municipality or county within a reasonable time and on a comparable basis.(C.R.S. § 32-1-401(1)).

6.2 20 PERCENT TAXPAYING ELECTOR PETITION

The boundaries of the District may also be altered by the inclusion of additional real property by not less than twenty percent or two hundred, whichever number is smaller, of the Taxpaying Electors of an area which contains twenty-five thousand or more square feet of land filing a petition with the Board in writing (in the form provided in Appendix D) requesting that such area be included within the District; but no single tract or parcel of property constituting more than fifty percent of the total area to be included may be included in the District without the consent of the fee owner or owners thereof. The petition shall set forth a legal and a general description

of the area to be included and shall be acknowledged in the same manner as required for the conveyance of land. (C.R.S. § 32-1-401(2)(a)(1)).

6.3 BOARD RESOLUTION

The boundaries of the District may also be altered by the inclusion of additional real property by the Board adopting a resolution proposing the inclusion of a specifically described area; but no single tract or parcel of property constituting more than fifty percent of the total area to be included may be included in the District without the consent of the fee owner or owners thereof. (C.R.S. § 32-1-401(2)(a)(11)).

6.4 ELECTION PROCEDURES

Upon the filing of an inclusion petition pursuant to § 6.2 or upon the adoption of an inclusion resolution pursuant to § 6.3, the following procedures shall apply:

- A. The Board shall hear the petition or resolution at a public meeting after Publication of notice of the filing of such petition or adoption of such resolution, the place, time, and date of such meeting, the names and addresses of the petitioners, if applicable, the description of the area proposed for inclusion, and notice that all Persons interested, including municipalities or counties which may be able to provide service to the real property described in the notice, shall appear at the time and place stated and show cause in writing why the petition should not be granted or the resolution not finally adopted. In addition, not more than thirty days nor less than twenty days prior to such public meeting, the Secretary of the District shall send postcard notification of said meeting to the property owners within the area proposed to be included within the District as listed on the records of the county assessor on the date requested. The postcard notification shall indicate that it is a notice of a meeting for consideration of the inclusion of real property within the District and shall indicate the date, time, location, and purpose of the meeting, a reference to the District, and the maximum mill levy, if any, or stating that there is no maximum which may be imposed if the proposed area is included within the District, and procedures for the filing of a petition for exclusion pursuant to state law. (C.R.S. §§ 32-1-401(2)(b) and (3))
- B. The Board may continue such hearing to a subsequent meeting. There shall be no withdrawal from a petition after Publication of notice by the Board, without the consent of the Board. The failure of any municipality or county which may be able to provide service to the real property described in the notice or of any Person in the existing District to file a written objection shall be taken as an assent to the inclusion of the area described in the notice. (C.R.S. § 32-1-401 (2) (b)).
- C. The Board shall grant or deny the petition or finally adopt the resolution, in whole or in part, with or without conditions. If a municipality or county has filed a written objection to such inclusion, the Board shall not grant the petition or finally adopt the resolution as to any of the real property to which adequate service is, or will be, available from such municipality or county within a reasonable time and on a comparable basis. In addition, the Board shall not grant the petition or finally adopt the resolution if a petition objecting to the inclusion and signed by the owners of taxable real and personal property, which property equals more than fifty percent of the total valuation for assessment of all taxable real and personal property to be

included, is filed with the Board no later than ten days prior to the public meeting described in subsection (A). (C.R.S. §§ 32-1-401(2)(c) and (g)).

- D. If the petition is granted or the resolution finally adopted, the Board shall make an order to that effect and file the same with the clerk of the Court. If the Court directs that the question of inclusion of the area within the District be submitted to the Eligible Electors of the area to be included it will order the Secretary to give published notice, as required by law, of the time and place of the election and of the question to be submitted together with a summary of any conditions attached to the proposed inclusion. Such election shall be held within the area sought to be included and shall be held and conducted, and the results thereof determined, in the manner provided by law. The ballot shall be prepared by the designated election official and shall contain the following words:

"Shall the following described area become a part of the Cortez Sanitation District upon the following conditions, if any?

(Insert description of area)
(Insert accurate summary of conditions)
For inclusion.....
Against inclusion.....
(C.R.S. § 32-1-401(2)(d)).

- E. If a majority of the votes cast at such election are in favor of inclusion and the Court determines the election was held in accordance with law, the Court shall enter an order including any conditions so prescribed and making such area a part of the District. (C.R.S. § 32-1-401(2) (e)).

6.5 RECORDING THE COURT ORDER

The Court order of an inclusion, together with a description of the area concerned, shall be filed and recorded with the county clerk and recorder of Montezuma County. The county clerk and recorder of Montezuma County shall then notify the county assessor of such inclusion and shall file a certified copy of such notice with the Division. (C.R.S. §§ 32-1-402(1)(e), 32-1-105).

6.6 INCLUSION PROCEDURES

A list of the more significant aspects of District inclusions is included in Appendix E for the convenience of the District and the petitioners.

CHAPTER 7. EXCLUSIONS

The boundaries of the District may be altered by the exclusion of real property from the District as provided in the Special District Act at C.R.S. § 32-1-501 et seq. (as amended).

CHAPTER 8. CONSOLIDATIONS

The District and one or more other special districts may be consolidated into a single consolidated district as provided in the Special District Act at C.R.S. § 32-1-601 et seq. (as amended).

CHAPTER 9. CONNECTIONS

9.1 NEW BUILDINGS

A. No new Dwelling Unit shall be constructed within the District unless connected to the District's Facilities, except that the Board at its discretion may authorize an Owner to install temporary individual disposal facilities. The conditions that the Board may consider in authorizing a temporary individual disposal facility include, but are not limited to, the following:

- (1) Extension to the District's Facilities would create an unreasonable financial burden on the Owner.
- (2) An individual disposal facility is constructed to meet all state and county health department requirements.
- (3) The Owner agrees in writing to connect to the District's Facilities when a Sewer Main is constructed to within 400 feet of his property and to pay all costs and fees required by the District's then current Rules and Regulations for such connection, such agreement to be a covenant running with the Owner's property.

B. If a new Dwelling Unit within the District is to be connected to the District's Facilities, the Owner of such Dwelling Unit must obtain "connection approval" and must pay, in full, the

"plant investment fee" (PIF) before the District will sign-off on the Owner's building permit.

(1) Unauthorized Connection

- (a) If a physical connection is made to District Facilities prior to paying in full the "Plant Investment fee (PIF) as determined according to the table in Appendix A, a \$500.00 fine will be added to the fee.

(2) Connection Approval

(a) Upon request for connection approval, the Manager of the District shall:

- (i) approve the connection subject to the conditions provided herein, the conditions imposed by District Specifications, and any District policy or resolution, or
- (ii) the Manager shall deny the connection.

(b) The District reserves the right to deny the connection request on the following grounds:

- (i) that the connection and subsequent use of the District's Facilities would create an excessive seasonal, or other, demand upon the District's Facilities, and/or adverse financial impact on the District,

- (ii) that the connection is contrary to any formally adopted service allocation policy, or
- (iii) that the connection is not in the best interests of the District.

- (c) Connection approval shall be conditioned on the Owner's agreement to comply with the District's Rules and Regulations and on the Owner's execution of a sewer connection agreement in the form as provided in Appendix F.

(3) Plant Investment Fee (PIF)

- (a) The Manager shall determine the PIF by using the Tables in Appendix A.

- (b) The PIF is a charge against a particular Building on a particular lot or parcel of land. The PIF may, upon approval by the District, be transferred to a different Building on the same lot or parcel of land but it shall not be transferred to a different lot or parcel of land.

- (c) The Owner may appeal the Manager's determination to the Board at its next regular meeting by filing a written appeal request prior to such meeting as provided in § 3.4.5.

(4) Duration of Connection Approval

- (a) The District will not commit to service availability until the Owner obtains connection approval and pays the initially calculated plant investment fee.

- (b) Connection approval will be valid for a limited time after the Owner pays the PIF. Except for good cause shown, if after a twelve (12) month period, construction of the Building is not substantially complete, the connection approval will be revoked and the PIF, less a ten percent (10%) service charge, will be refunded with no interest. Substantial construction for the purpose of this subsection shall mean all foundations in place with additional construction proceeding in a timely manner. Except for good cause shown, if construction of the Building is not complete and the respective certificate of occupancy not issued within eighteen (18) months for single family homes or duplexes and twenty-four (24) months for all other structures, the connection approval will be revoked and the initially calculated plant investment fee, less a 25% service charge, will be refunded with no interest. If the connection approval is revoked, the District shall notify the building permit issuing authority that the District has revoked the connection approval and that the District no longer approves the building permit for the Building. The plant capacity associated with the refunded PIF will be available for resale by the District. The Owner may, at a later time, purchase a new PIF for the Building at the then current cost and receive a new connection approval.

- C. Prior to connection of a new Building to the District's Facilities, the Owner shall construct the required Service Line and/or individual lift system from the Building to the District's Facilities in accordance with District Specifications (see §§ and §§ 9.4)

9.2 EXISTING BUILDINGS

- A. All existing Buildings and/or Dwelling Units within the District shall connect to the District's Facilities when such Facilities are capable of furnishing service and when a Sewer Main is available within 400 feet of the property upon which the Building is situated. If this requirement to connect creates an undo hardship on a property owner, they may appeal to the Board of Directors by contacting the District office.
- B. If the District determines that an existing Dwelling Unit is not connected to the District's Facilities as required by subsection (A), and that the District is capable of serving such Dwelling Unit, then the District shall give written connection notice by certified mail to the Owner of the property affected that such Owner shall connect such Dwelling Unit to the District's Facilities within sixty (60) days from receipt of such written notice, or such other shorter or longer time specified in the notice in recognition of the winter season. Prior to any such connection, however, the Owner shall obtain "connection approval," pay the required "plant investment fee," and construct the required Service Line and/or individual lift system from the Dwelling Unit to the District's Facilities in accordance with District Specifications (see §§ 9.3 and 9.4).
- (1) Connection Approval
- (a) If a request for connection approval is made within the time period set for making the connection, the Manager of the District shall approve the connection subject to the conditions provided herein, the conditions imposed by District Specifications, and any District policy or resolution.
- (b) Connection approval shall be conditioned on the Owner's agreement to comply with the District's Rules and Regulations and on the Owner's execution of a sewer connection agreement in the form as provided in Appendix F.
- (2) Plant Investment Fee
- (a) The Manager shall determine the "plant investment fee" ("PIF") by using the Tables in Appendix A.
- (b) Payment of the PIF shall be interpreted as payment in full.
- (c) The Owner may appeal the Manager's determination or estimation to the Board at its next regular meeting by filing a written appeal request prior to such meeting as provided in § 3.4.5.
- (d) The PIF is a charge against a particular Dwelling Unit on a particular lot or parcel of land. The PIF may, upon approval by the District, be transferred to a different Dwelling Unit on the same lot or parcel of land but it shall not be transferred to a different lot or parcel of land except as provided in § 9.2(D) or with approval of the Board of Directors.
- (e) For Residential purposes, Assessory Structures tied into an existing Sewer serviceline (Tap) shall not be required to pay an additional Tap fee or pay a monthly service fee. In cases where more than one Accessory Structure is

being used to Dwell in, a monthly Service fee SHALL be charged in addition to the resident's current service fee according to the District's Fee Schedule in Appendix B.

- (f) Accessory Dwelling Units shall be required to purchase a Sewer Tap and pay a monthly service fee according to the Fee Schedule in Appendix A and B.
- C. If the Owner shall fail or refuse to connect such Dwelling Unit within the time period specified in the written connection notice referred to in § 9.2(B), the District shall bill the Owner as if such connection had been made subject to the requirements of this § 9.2. The Owner will be deemed to have executed a sewer connection agreement in the form that is provided in Appendix F, and will be deemed to have assented to the payment of all fees and costs, including the applicable "plant investment fee," and service line/individual lift system costs, associated with such connection, which fees and costs will be billed and collected as provided in Chapter 12 and the bill will be considered past due if not paid within 10 days.
- D. In the event a parcel of land or a building is split up and sold separately, a PIF must either exist or be obtained for each lot or building owner prior to a Certificate of Occupancy is issued by the City of Cortez. (Resolution 1 Series 2015)
- E. In the event a Commercial building increases the size of its water line, an additional Tap fee will be calculated based on the new water line size minus the amount of the existing tap value according to APPENDIX A.

9.3 SERVICE LINES

The Owner shall be responsible for constructing the entire length of the Service Line from the Building to the point of connection with the District's Sewer Main said point of connection to be specified by the District.

9.4 LIFT SYSTEMS

Owners whose improvements cannot readily be served by a gravity flow Service Line must make a special request to the District for approval of an individual lift system (ILS). Such request must include supporting documentation as to any economical, physical, technological, or ecological barriers to an all-gravity system. In considering the request for an ILS, economic differences in capital cost must be "substantial" unless other compelling barriers exist. If approved in concept, the District shall have the absolute right of approval of the design and installation of the ILS. The District assumes no liability for malfunctions of such systems, and the District assumes no responsibility for the maintenance, replacement, or utilities necessary for any ILS unless a written agreement providing for such responsibility is accepted by the District. If approved, the Owner shall be responsible for all the costs of constructing such ILS, including labor and material. The Owner shall notify the District prior to the commencement of construction of the ILS, and all construction shall be open to inspection by the District at all reasonable times.

9.5 DISTRICT CONSTRUCTS SEWER TAPS

All physical connections to the District's Facilities shall be constructed by an authorized employee of the District. Property owners/Contractors shall give the district at least five (5) business days notice when requesting the district make the connection to the sewer. Property owners/Contractors shall be responsible for exposing the district's pipe in the area in which the connection is to be made. Property owners/Contractors shall be responsible to provide an excavation that is safe to enter when making the connection.

CHAPTER 10. USE OF DISTRICT FACILITIES

10.1 GENERAL

The District is responsible for the collection and treatment of wastewater from Users within the District and the operation, maintenance, repair and replacement of all Facilities owned by the District; but it shall not be liable or responsible for interruption of service necessary for the operation, maintenance, repair, and replacement of District Facilities, or brought about by circumstances beyond the District's control.

10.2 DISCHARGES

All discharges to District facilities shall comply with the conditions contained in Appendix G. (Resolution 5, Series 1979)

10.3 UNLAWFUL CONSTRUCTION AND CONNECTIONS

It shall be unlawful for any Person to construct a Sewer Main or Service Line to be connected to the District's Facilities or to connect to the District's Facilities without: (1) having made application to the District for approval of such construction or connection; (2) having complied with all requirements and regulations of the District; and (3) having received written authorization from the District.

10.4 UNLAWFUL DISCHARGE

No Person shall discharge or cause to be discharged any storm water, surface water, ground water, roof runoff, sub-surface drainage or cooling water to any of the District's Facilities. No Person shall discharge or cause to be discharged into any of the District's Facilities any harmful water or wastes, whether liquid, solid or gas, capable by itself or in combination with other wastes discharged into the District's Facilities of causing obstruction to the flow in such Facilities, damage or hazard to structures, equipment or personnel of the District, damage or hazard to the District's wastewater treatment processes, or other interference with the proper operation of the District's Facilities. No industrial waste including, without limitation, industrial process waters shall be discharged into the system without prior treatment to a strength of toxicity amenable to treatment with domestic waste.

10.5 GREASE, SAND AND SEDIMENT TRAPS

All restaurants, food preparation establishments and vehicle service facilities shall install, use, and maintain grease traps in accordance with District Specifications before connecting to the District's Facilities. (Resolution 2, Series 1998; Resolution 2, Series 1997) Floor drain installations are required to flow through a Sediment Trap at minimum before entering the sewer system. (Resolution 1 Series 2015)

10.6 SERVICE LINES

- A. It shall be the responsibility of the Owner to maintain the Service Line in good repair at all times and to preserve the proper connection of the Service Line to the District's Facilities.
- B. Leaks and/or breaks in a Service Line shall be repaired by the Owner within seven days from the time actual notice of the leak or break is given the Owner or User of the Service Line. The District shall have authority to disconnect the Service Line if satisfactory progress toward repairing the Service Line is not achieved, or if the District is unable, after reasonable efforts, to notify the Owner or User of the Service Line of the leak or break. The District shall bill the Owner for such disconnection and collect all resulting costs thereof, as provided in Chapter 12 and the bill will be considered past due if not paid within 10 days.
- C. The Manager and any other duly authorized employee of the District bearing proper credentials and identification shall be permitted to enter upon all properties for the purpose of disconnecting faulty Service Lines as provided herein.
- D. The Owner shall indemnify the District for any loss or damage caused by improper maintenance or installation of the Service Line.

10.7 USE RESTRICTIONS

All sewer service to Users within the District shall be subject to proration and/or curtailment as necessitated by the capacity of the District's Facilities. All Persons shall regularly observe the most reasonable conservation practices so that water is not wasted.

10.8 SERVICE LIMITATIONS

Prohibitions and limitations, which may be contained within any contractual agreement between the District and any other governmental body, shall also constitute prohibitions and limitations by any User of the District's Facilities, except as may be provided by special permit.

10.9 UNAUTHORIZED ACTS

No unauthorized Person shall uncover, make any connection with or opening into, use, alter or disturb any of the District's Facilities without first obtaining written approval from the District. No unauthorized Person shall remove or tamper with any plug installed by the District. The District will impose a penalty assessment for such unauthorized acts in an amount of \$1,000.00 plus the cost of any damages suffered by the District as a result of such unauthorized act. (Resolution 10, Series 1996)

10.10 INSPECTION OF PROPERTY

The Manager and any other duly authorized employee of the District bearing proper credentials and identification shall be permitted, upon due notice to the User, to enter upon all properties for the purpose of inspecting the properties for compliance with the District's Rules and Regulations and for the purpose of inspecting, observing, measuring, sampling and testing the User's water use and wastewater discharge.

10.11 AUTHORITY TO DISCONTINUE SERVICE

The Manager and any other duly authorized employee of the District or other governmental body shall be permitted to enter upon all properties for the purpose of discontinuing sewer service. (C.R.S. § 32-1-1006), (Resolution 1, Series 1992)

10.12 RIGHT TO REVIEW

The District reserves the right to review each request for use of District Facilities individually and to modify these Rules and Regulations for specific projects if it is in the best interest of the District.

10.13 PENALTY

In addition to any and all other rights and remedies the District may have, the District may impose a **\$100.00** penalty assessment for each day of unauthorized use of the District's Facilities. (Resolution 5, Series 1979)

10.14 ADMINISTRATIVE APPEAL PROCEDURE Any permit applicant, permit holder or user affected by and dissatisfied with any decision, action, administrative order, assessment of administrative fine, or determination made and issued by the District Manager in interpreting, enforcing or implementing the provisions of this article, or the provisions of any permit or administrative order issued under this article, shall file with the District Manager a written request for reconsideration within ten working days of such decision, action, administrative order or determination, setting forth in detail the facts supporting the request, whereupon the District Manager shall present said request to the Board of Directors at the next regularly scheduled meeting for a determination and final decision. The decision, action, administrative order or determination shall remain in effect during the reconsideration period.

CHAPTER 11. MONTHLY SERVICE FEE AND OTHER CHARGES

11.1 MONTHLY SERVICE FEE

- A. Except as provided herein, and except as provided in any contractual arrangement between the District and the Owner/User of any Building, the Owner of any Building that is connected to the District's Facilities shall be responsible for a monthly service fee which is intended to cover said Owner's equitable share of the costs to operate, maintain, repair, replace, and upgrade the District Facilities and the costs to manage the District. In computing the Owner's monthly service fee, the Manager shall use the service fee rates as provided in Appendix B. Accordingly, the monthly service fee may change from time to time as the Board amends the service fee rate schedule.
- B. A monthly service fee shall be assessed against a Building under construction at the time of connection to the District's sewer line.
- C. A monthly service fee shall not be assessed against a Building that is permanently vacated. To obtain permanent vacated status, the Owner of such Building shall notify the District in writing of his intent to permanently vacate the Building and request a permanent discontinuance of service to that Building. If this permanent vacated status is in the best interest of the District, the District will grant such request. A

permanent vacated status request shall only be granted if the Owner has concurrently discontinued water service. The District will not be obligated to buy back the plant investment fee. The Owner and/or Representative of the property (building) must record the property without a Sewer Service (Tap) through the County Clerk and Recorders office. At this point, the District will discontinue the monthly service fee because the Sewer Tap has been forfeited back to the District. (Resolution 4, 2013, requires Recording with County Clerk and Recorder)

- D. A monthly service fee shall not be assessed against a Building to which the District has discontinued service for any reason, but this waiver of the monthly service fee shall only be applicable during the discontinuance period. The monthly service fee shall not be waived during any period of interrupted service.
- E. A temporary waiver of the monthly service fee for a Building may be available from the District if the Building is catastrophically destroyed (e.g., by , flood or other disaster) and, as a result of such destruction, the Building cannot be occupied. The decision to grant such a temporary waiver and the terms and conditions of such waiver shall be established by the Board.
- F. The board may recognize a tap and plant investment fee for the subject property if the property owner can produce evidence that a plant investment fee was paid.

11.2 **CHARGES FOR EXCESS FLOW OR LOADING**

- A. The Manager shall make diligent efforts to identify those Users who contribute excess flow or loading to the District's Facilities. Excess flow shall mean flow greater than 243 gallons per day per unit, and/or containing substantial continual flow of water. Excess loading shall mean discharges with greater than 0.69 lbs BOD per day per unit or with greater than 0.75 lbs TSS per day per SFE unit. (Resolution 5, Series 1979) (Resolution 10, Series 2013)
- B. Causes of excess flow may include but are not limited to the following:
 - (1) cross-connections
 - (2) bleeders
 - (3) faulty valves
 - (4) faulty appliances
 - (5) faulty Service Lines
 - (6) high water usage
- C. The Manager may calculate such flow/loading by metering total water usage, by installing a V-notch weir and measuring wastewater flow rates, by sampling the wastewater, by measuring wastewater flow and/or loading using any other generally acceptable means of measurement, or by estimating such flow and/or loading if measurement by the above-listed methods is impracticable.
- D. Upon identification of excess flow or excess loading, the District shall send written notice to the Owner of the Building contributing the excess flow or loading. Ten (10) days after mailing of such notice, assessment of a monthly excess flow/loading charge against the Building shall commence according to the following computation:

Monthly Excess Flow/Load Charge = 2 x Unit Service Fee Rate x [Excess Flow/243 gpd] or [Excess Loading/0.69 or 0.75]

Where:

(1) Unit Service Fee Rate is specified in the then current Appendix B

(2) Excess Flow = Calculated Maximum Daily Wastewater Flow (gals./day) - [(243 gals/day) x (No. of units associated with the Building)]

(3) Excess Loading = Calculated Maximum Daily Wastewater Loading(lbs BOD or TSS) - [(0.69 or 0.75 lbs/day) x (Number of units associated with the Building)]

E. The monthly excess flow/loading charge shall be in addition to all other fees, rates, penalties and charges and the District shall bill and collect such charge as provided in Chapter 12. The District will continue to assess the excess flow/loading charge until such time as the Owner shall correct the cause of the excess flow or excess loading to the satisfaction of the District.

11.3 SEPTAGE

The District is not accepting Septage at this time.

11.4 TOXICS

The Owner of any Building which discharges any toxic pollutants which cause an increase in the cost of managing the effluent or the sludge from the District's Facilities, or which discharges any substance which singly or by interaction with other substances causes identifiable increases in the cost of operation, maintenance, repair or replacement of the District's Facilities, shall pay for such increased costs. These increased costs will be billed and collected as provided in Chapter 12

11.5 IRRIGATION CREDIT

Credit will be given to commercial accounts which use a high volume of water for irrigation which is supplied on a line separate from all other uses and which is measured by a meter separate from all other uses. (Resolution 9, Series 1997). Water meter is to be paid for, installed and maintained by the customer. All Irrigation Meters shall be non-programmable and the increments must be easily identifiable. The meter must be approved by District Staff prior to installation. The meter may only be installed after the backflow prevention device and only to measure dedicated irrigation water. See Irrigation Meter Policy in the Appendix for more information.

11.6 OTHER CHARGES

The District may impose such other charges as may be contractually agreed to by the District and the Owner/User of any Building.

11.7 FEE SYSTEM REVIEW

The District will review its fee and charge system at least every two years and revise the system as necessary to ensure that it generates adequate annual revenues.

11.8 REPETITIVE CALLER POLICY

The third call within a twelve (12) month period for a continuing blockage in the customer's service line (previously identified by District personnel as the customer's responsibility) shall result in a charge of \$275 per hour for reimbursement to the District for equipment and personnel mobilization.

CHAPTER 12. BILLING, PAYMENT AND COLLECTION

12.1 BILLING POLICIES

Statements for all fees, rates, penalties and charges shall be rendered to the Owner. Owner shall ultimately be responsible for any and all fees, rates, penalties and charges rendered against the property. Monthly statements will be issued by the Cortez Sanitation District. In the event that any assessment for sewer use shall be unpaid after the scheduled due date of such assessment, a penalty of 5% of the total amount of delinquent assessment shall be automatically added to the account and shall become an additional charge against the property of which such assessments are made. In the event there is more than one delinquent amount due, no more than 25% of each delinquent amount may be assessed regardless of the period of time during which the amount due remains in default. In addition there will be a 1% interest charge on the total amount due each month the sum remains unpaid. (Resolution 5, Series 1996) (Resolution 5, Series 2000) (Resolution 3, Series 2002) (Resolution 9, Series 2012)

12.2 PERPETUAL LIEN

Until paid, all billed fees, rates, penalties and charges shall constitute a first and perpetual lien on and against the property charged, and any such lien may be foreclosed in the manner provided by law. The District may, in addition to collecting such fees, rates, penalties and charges through lien foreclosure, discontinue service if same remain unpaid. C.R.S. §32-1-1001(1) (j) (I), C.R.S

12.3 COLLECTION OF PAST DUE ACCOUNTS

A. Past due service accounts will be handled by the Cortez Sanitation District according to these Rules and Regulations. The District reserves the right to discontinue service for non-payment.

If the account remains past due after 6 months, the District may:

- (1) file the lien against the property associated with the past due account with the clerk and recorder of Montezuma County, and foreclose that lien;
- (2) discontinue sewer service and all the costs associated with such discontinuance shall be a charge added to the account; (Resolution 4, Series 1996)
- (3) notify the water supplier of the property associated with the past due account of the discontinuance of sewer service to said property.

B. In addition to late payment penalties and administration charges, the Owner shall be responsible for all costs of collecting unpaid fees, rates, penalties and charges, including lien filing and foreclosing costs, lien release fees, costs of discontinuing and reinstating sewer service, and attorneys' fees.

C. The provisions of this § 12.3 are included herein as guidance for the efficient collection of past due accounts. Compliance with the procedures outlined herein shall not be interpreted as a condition precedent to the collection of past due accounts or as a waiver of the District's right and intent to collect past due accounts through penalty, service discontinuance, and/or foreclosure mechanisms.

12.4 RELEASE OF LIEN

The District will file a lien release only when the delinquent account is made current by the payment (in cash or certified funds) of all current and past due fees, rates, penalties and charges.

12.5 LIABILITY FOR CHARGES

A. The Owner is liable for fees, rates, penalties and charges of the District. The District assumes no responsibility for any agreements between Owners and Users, regardless of how made, or whether the District was notified of such agreements. The District will hold the Owner liable for all charges appurtenant to sewer service at the location where the service is rendered.

B. The District assumes no responsibility for agreements between vendors and vendees. It shall be the responsibility of the vendee to ascertain whether all fees, rates, penalties and charges have been paid by the vendor. Regardless of ownership, or of the failure of the District to collect all outstanding fees, rates, penalties and charges, or of any other act or omission of the District, unpaid fees, rates, penalties and charges shall constitute a first and perpetual lien on and against the property, which lien may be foreclosed.

12.6 BANKRUPTCIES

If the Owner of a property being served by the District files for bankruptcy the District shall continue to collect past due amounts in accordance with § 12.3.

12.7 FEE FOR RETURNED CHECKS

When fees, rates, penalties or charges are paid by check the District will charge a returned check fee for each check that is finally returned to the District as unpaid by the bank. This returned check fee will be charged in addition to all other fees, rates, penalties and charges assessed against the account. Payment of this returned check fee together with the fees, rates, penalties or charges that were intended to be paid with the returned check shall be made in cash or certified funds. (Resolution 1, Series 1991)

CHAPTER 13. VIOLATIONS

13.1 NOTICE

Except as otherwise provided herein, any Person found to be violating any of the provisions of the District's Rules and Regulations will be served with written notice stating the nature of the violation and providing a reasonable time limit for satisfactory correction thereof.

13.2 LIABILITY

Any Person violating any of the provisions of the District's Rules and Regulations shall be liable to the District for any and all expense, loss, or damage occasioned by reason of such violation including attorneys' fees. The District may bring an action in any court of competent jurisdiction to enjoin, abate or seek damages for violations of the District's Rules and Regulations.

13.3 SERVICE DISCONTINUANCE

The District may discontinue service for delinquencies in the payment of any fees, rates, penalties or charges after giving notice to the Owner and/or User of the property serviced by certified mail to the Owner's and/or User's last billing address or by notice affixed to the using property. If the owner of a property allows their service to be disconnected twice in five years the service connection shall be deemed abandoned. Service to the property will only be reinstated if the owner pays a plant investment fee in addition to all other outstanding charges. Discontinuance of service may also be made by the District after giving notice as provided herein for any of the following reasons:

- A. misrepresentations made in the application for sewer service;
- B. willful waste of water through improper or imperfect pipes, fixtures or otherwise, whether because of leaks, breaks or any other reason irrespective of fault or responsibility;
- C. failure to protect the Service Line and the connection of the Service Line to the District's Facilities;
- D. abusing or damaging of the District's Facilities; or
- E. violation of any rules of the District. (Resolution 1, Series 1992)

13.4 UNAUTHORIZED CONNECTIONS

Unauthorized connections to the District's Facilities may be summarily disconnected by the Manager or his designee at the cost of the Owner of the property served by such unauthorized connection. Additionally, the Owner of the property served by such unauthorized connection shall be subject to service charges for each day that the unauthorized connection existed. The disconnection costs and the service charges shall be charges that are billed and collected as provided in Chapter 12.

13.5 UNAUTHORIZED DISCONNECTIONS

- A. No Service Line connected to the District's Facilities shall be disconnected therefrom without the prior approval of the District which shall specify as to how the disconnection shall be properly sealed.
- B. The District shall inspect and repair any unauthorized disconnection from the District's Facilities and the costs of such inspection and repair shall be a charge that is billed and collected as provided in Chapter 12.

CHAPTER 14. SEWER LINE EXTENSION

14.1 EXTENSION APPROVAL REQUIRED

No sewer line extension shall be made to the District's Facilities without the approval of the Board. Once Board approved, all sewer line extensions shall be governed by the sewer line extension agreement (Latest Revision) between the District and the Person installing the sewer line extension.

14.2 COST OF EXTENSIONS

Any Person requesting sewer service from the District may be required by the Board to pay the full cost of construction, including plan review, administration, legal, and inspection costs of the sewer line extension that is required to provide service by the District to that Person. (Resolution 4, Series 1973; Resolution 2, Series 1978)

14.3 EXTENSION PLANS

Prior to construction of a Board-approved sewer line extension, the Person proposing to install the sewer line extension ("Developer") shall submit construction plans and specifications to the District for review. Any cost of such review by the District or its engineer will be charged against the Developer. Such plans shall conform to District Specifications.(LATEST REVISION)

14.4 CONSTRUCTION OF LINE EXTENSION

- A. All sewer line extensions shall conform to the District's Pipeline and Manhole Specifications. (LATEST REVISION)
- B. If it is agreed to by the District and the Developer, the Developer may install, at his own expense, the approved sewer line extension by private contract, subject to District approval of the actual construction of the facilities. The District shall provide, at the Developer's expense, on-site construction inspection throughout the installation process. The District may also require the posting of a Letter of Credit in favor of the District guaranteeing completion of the approved sewer line extension together with a performance and labor and material bond covering the private contractor's faithful performance of the construction of the approved sewer line extension. Once the development is complete the Letter of Credit (or equivalent) shall be released. Finally, the Developer shall warrant the sewer line extension for two years from the date of acceptance of the sewer line extension by the District from all defects.
- C. If it is agreed to by the District and the Developer, the Developer may deposit with the District the estimated cost of installing the approved sewer line extension, and the District may then proceed to make the installation with its own forces or by contract with a private contractor. In the event that the original deposit is insufficient, the Developer shall, upon notification, immediately deposit the balance required with the District to complete the work.

14.5 REIMBURSEMENT OF LINE EXTENSION COSTS

Unless approved in advance by the District, the Developer of a sewer line extension shall not be eligible for reimbursement from subsequent connectors to that sewer line extension. Any Developer who has executed a sewer line extension agreement will be eligible for reimbursement only to the extent identified in the executed sewer line extension agreement. (Resolution 4, Series 1973)

14.6 DISTRICT OWNERSHIP

- A. A Developer who has completed construction of a sewer line extension pursuant to § 14.4 shall, before such extension is accepted by the District for service, deed such extension, together with all appurtenances and all necessary easements, to the District free and clear of all liens and encumbrances, properly described by certified survey. (Resolution 2, Series 1978)

- B. In the event a special district or local improvement district is formed by the Developer for the purpose of financing the sewer line extension, and the District approves this type of financing mechanism, the Developer shall agree that the transfer by deed referred to in subsection (A) shall take place when such extension and appurtenances are free of all liens and encumbrances incurred by said special district or local improvement district.

- C. No sewer lines shall be accepted by the District or placed into operation unless they have been inspected and approved by the District, as-built drawings submitted, and it is determined that such lines meet in all respects the requirements of the District Specifications.

14.7 EXCAVATION PERMITS

No excavation shall be started until required federal, county, town, and state permits have been obtained.

14.8 WINTER CONSTRUCTION

No exterior sewer line construction or connections shall be permitted when weather conditions could cause such construction of lines to be less than acceptable, except as may be provided by special agreement with the District. In case of a shorter or longer winter season, the District may in its discretion reduce or extend the seasonal restrictions on the construction or connection of exterior sewer lines. The Developer shall be responsible for any and all requirements made by the District if construction is allowed outside the permitted time frame. These requirements shall include, but are not limited to, additional installation requirements and associated costs for additional engineering review and inspection.

CHAPTER 15. DISTRICT CONTRACTS

15.1 CONTRACTS FOR WHICH BID IS REQUIRED

All work done by the District in the construction of works of public improvement of every kind, where the estimated cost for work, or material, or both is in excess of one hundred twenty thousand dollars (\$120,000), shall be done by contract to the lowest responsible and capable bidder on open bid after sufficient advertisement. The District shall not be required to advertise for and receive bids for such technical, professional, or incidental assistance as it may deem wise to employ in guarding the interest of the District. (C.R.S. § 32-1-1001(l)(d)) and (C.R.S. § (24-92-101)).

A. Sole Source

In the event that there is only one person/entity capable of providing a particular material and/or service the comparative quotes and bidding requirements shall not apply. However, proof of sole source or an explanation must be attached to the quote and maintained in the files for auditing purposes.

B. State or National Contract

In the event material and/or construction services are obtained from a vendor on the State or National Purchasing Contract comparative quotes and bidding requirements shall not apply.

15.2 BIDDING PROCEDURE

Whenever it is required by law, or deemed desirable by the Board, that any contract of the District, including but not limited to construction work, services, equipment or supplies, be let upon bids, the procedure for obtaining such bids shall be as follows:

A. Notice to Bidders

At least fourteen (14) days before the scheduled bid opening, the District shall cause notice of the proposal for bids to be published at least once in a newspaper of general circulation within the District or to be posted in three conspicuous places within the District. Such notice may also be published in any other publication of limited circulation or trade journal designated by the Board. The District may mail copies of such notice to persons or firms who could reasonably be expected to make a bid. Whenever a larger number of publications is required by state law, such requirements shall be followed. The notice shall describe the subject of the bids and the place where the specifications and conditions and terms of the proposed contract may be obtained or examined, the time when and the place where bids shall be received, and the time and place of the opening of bids. The notice shall also state that the District reserves the right to reject any and all bids. Bidders who have not previously had a contract with the District may be required to submit evidence of qualifications prior to obtaining bid documents.

B. Form of Bids

All bids shall be in writing and shall show the residence of the person or the principal place of business of the firm making the bid, together with the amount of the bid and any other information required by the plans and specifications and bidding

documents. Such bids shall be signed by the bidder, sealed in an envelope and filed with the District within the required time. The bids shall also include any bid bond which may be required by the District and stated in the notice to bidders.

C. Opening of Bids

Bids filed with the District shall not be opened until the time for opening specified in the notice to bidders and at said time and place all bids shall be opened and examined. All bidders may be present at such time and place and may inspect the bids. The Board shall have the right to reject any and all bids submitted.

D. Acceptance of Bids

If any bid is accepted, the Board shall accept the bid of the lowest capable and responsible bidder which in the judgment of the Board is the most advantageous to the District. Upon such acceptance, the Board shall award the contract to the successful bidder upon his furnishing any necessary performance bond(s) and complying with any other requirements which have been determined by the Board and set forth in the bid documents. When such an award has been made and accepted, the bid bonds of other bidders shall be returned. (C.R.S. § 24-92-101 et seq.)

15.3 CONTRACTOR'S BONDS

A bond for the proper performance of each contract may be required or waived at the discretion of the Board, unless specifically required by statute. If a bond is required, the form and legal sufficiency shall be subject to the approval of the District's attorney.

A. Bid Bond

Any Person required in subsection (B) to submit a performance and/or labor and material bond shall also be required to submit a bid bond in an amount equal to five percent of his bid.

B. Performance, Labor and Material Bonds

Any Person entering into a contract with the District in an amount in excess of ten thousand dollars (\$10,000) shall be required and any Person entering into a contract with the District in an amount equal to or less than ten thousand dollars (\$10,000) may be required, before the District executes an agreement, to execute a performance, labor and material bond or bonds with good and sufficient surety or sureties, to be approved by the Board, conditioned upon such Person faithfully performing his contractual obligations and promptly making payments of all amounts lawfully due to all Persons supplying or furnishing him or his contractors or subcontractors with labor or materials used or performed in the prosecution of the work provided for in such contract, in an amount equal to one hundred percent of the contract; said bond or bonds also indemnifying the District to the extent of any and all payments in connection with the carrying out of such contract which the District may be required to make under the law.

15.4 PROCEDURE UPON BIDDER DEFAULT

If the Person whose bid was accepted by the Board fails to enter into a contract within the time specified in the bid documents, such Person's bid bond shall be forfeited to the District and the

Board may then accept the bid of the next lowest capable and responsible bidder or reject all bids as in its judgment may be best for the interests of the District.

15.5 FINAL SETTLEMENT NOTICE

The District shall publish notice of any proposed final settlement to an awarded contract at least twice in a public newspaper of general circulation published in the counties wherein the contract was awarded and wherein such contract work was performed in order to provide any Persons an opportunity to present any claims of unpaid accounts. (C.R.S. § 38-26-107).

15.6 FINANCIAL INTEREST PROHIBITED

No member of the Board shall be interested in any contract or transaction with the District except in his official representative capacity. No employee of the District shall have any personal beneficial interest either directly or indirectly in any purchase made by the District nor in any firm, corporation, or association furnishing or bidding on any such purchase, except upon full disclosure of said interest to the Board.

CHAPTER 16. MISCELLANEOUS PROVISIONS

16.1 POLICY

The District is responsible for the collection and treatment of wastewater discharge from Users within the District. The District shall not be liable or responsible for interruption of service necessary for the operation, maintenance, repair, and replacement of the District's Facilities, or brought about by circumstances beyond the District's control. No rebate or billing adjustments will be made for such interrupted service.

16.2 LIABILITY

No claim for damage shall be made against the District by reason of the following: damage to any Service Line by any employee of the District; making of connections or extensions; damage to personal property by reason of service being discontinued by the District's employees; burst Service Lines or other facilities not owned by the District; or doing anything to the District's Facilities deemed necessary by the Board or its agents. The District hereby reserves the right to discontinue services at any time, for any reason deemed appropriate.

16.3 CLAIMS AGAINST DISTRICT

- A. Any Person claiming to have suffered an injury by the District or by an employee thereof while in the course of such employment shall file a written notice as provided herein within one hundred eighty (180) days after the date of the discovery of the injury, regardless of whether the Person then knew all of the elements of a claim or of a cause of action for such injury. Compliance with the provisions of this section shall be a jurisdictional prerequisite to any action brought against the District, and failure of compliance shall forever bar any such action.
- B. The written notice referred to in subsection (A) shall contain:
 - (1) the name and address of the claimant, and the name and address of his attorney.
 - (2) a concise statement of the factual basis of the claim, including the date, time, place and circumstances of the act, omission, or event complained of;

- (3) the name and address of the District employee involved, if known;
- (4) a concise statement of the nature and extent of the injury claimed to have been suffered; and
- (5) a statement of the amount of monetary damages that is being requested.

C. No action brought against the District shall be commenced until after the claimant who has filed timely notice pursuant to subsections (A) and (B) has received notice from the District that the District has denied the claim or until after ninety days has passed following the filing of the notice of claim required by this section, whichever occurs first. (C.R.S. § 24-10-109).

16.4 SEVERABILITY

If any provisions of these Rules and Regulations are held invalid, for whatever reason, by a court of competent jurisdiction, as part of a judgment, judicial decree or court order, or otherwise, such adjudication shall not affect in any manner any of the other provisions contained in these Rules and Regulations, and the remaining Rules and Regulations shall remain in full force and effect.

16.5 INTERPRETATION

Any dispute as to the interpretation of these Rules and Regulations, or as to their application in any given case, shall be submitted to the Board; their decision thereon shall be final and conclusive.

16.6 HEADINGS

Titles of sections, when and wherever the same may appear throughout these Rules and Regulations, are used for convenience only and shall have no relevancy or effect on the terms, provisions, and conditions hereof or on the construction or interpretation of same.

16.7 RESERVATION OF RIGHT TO CHANGE REGULATIONS

The Board reserves the right and authority to change these Rules and Regulations (including the Appendices) at any time in the manner now or hereafter provided by law.

16.8 LIMITATION

These Rules and Regulations are an implementation, on the part of the Board, of some of the powers conferred upon the Board by statute. These Rules and Regulations are in no way to be construed as a limitation upon the powers of the Board, nor as an expression of the Board on only so much of its powers as it intends to use.

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APPENDIX A

PLANT INVESTMENT FEE SCHEDULE

Effective date January 1, 2021

Residential, including Single Family Residences, Duplexes & Triplexes,
Apartments and Mobile Homes: \$5,000.00/dwelling unit

Commercial According to Water Line Size:

¾" Water Line	\$5,000.00
1" Water Line	\$10,000.00
1 ½" Water Line	\$20,000.00
2" Water Line	\$40,000.00
3" Water Line	\$80,000.00
4" Water Line	\$140,000.00

Motels/Hotels:

Per room	\$1431.00
Add for Kitchenette	\$100.00

Recreational Vehicle Overnight Parks (Travel Trailer Parks):

Per Space	\$1,193.00
-----------	------------

Industrial:

Negotiated according to water service line size and characteristics of effluent.

Special:

All commercial and industrial taps are subject to review by the Board of Directors of the Cortez Sanitation District who may determine that special treatment problems warrant additional development charges.

APPENDIX B

SERVICE FEES

Effective Date January 1, 2024

Residential: including Single Family Residences, Duplexes, Triplexes, Apartments, Mobile Homes and Churches:

\$48.00 per unit per month

Commercial: all Businesses, Governmental Buildings, and Schools:

\$48.00 per unit for the first 5000 gallons of water usage, based on the City of Cortez water meter readings.

\$4.00 for each 1000 gallons of additional water usage, based on the City of Cortez water meter readings.

Industrial:

Negotiated according to the proposed flow use and wastewater effluent characteristics concentrations.

Additional Fees:

Non-Sufficient Funds:	Maximum allowed by Colorado State Statute
New Account Set-up fee:	\$25.00
Certified Letter Fee:	Actual Cost
Collection Fees	Maximum allowed by Colorado State Statute
Repetitive Caller	\$275.00 per hour
Unauthorized Connection Fine	\$500.00
Violation of Rules & Regulations	\$100.00 per violation (if not remedied within the time provided)

APPENDIX D

INCLUSION PETITION FORM - 20% TAXPAYING ELECTORS

PETITION FOR INCLUSION OF REAL PROPERTY INTO THE BOUNDARIES OF THE CORTEZ SANITATION DISTRICT

To the Board of Directors of the Cortez Sanitation District:

1. This Petition is filed this _____ day of _____, 20_____
2. The undersigned petitioners, in accordance with C.R.S. § 32-1-401(2)(a)(1), hereby petition the Cortez Sanitation District for inclusion into the Cortez Sanitation District of the _____ property as more particularly described in Exhibit A attached hereto, said property containing twenty-five thousand or more square feet of land.
3. The undersigned petitioners are not less than 20% or two hundred, whichever number is smaller, of the Taxpaying Electors of the property described in paragraph 2.

WHEREFORE, the undersigned petitioners respectfully request that the Cortez Sanitation District include the property described in paragraph 2 in the Cortez Sanitation District.

(Signature of Taxpaying Electors)

The foregoing instrument was acknowledged before me this _____ day of _____, 20_____ by _____
(Signature of Taxpaying Electors)

STATE OF _____)
) ss.
County of _____)

Witness my hand and official seal.

My Commission expires: _____

Notary Public _____

Address _____

APPENDIX E

INCLUSION INFORMATION

100 PERCENT OWNER PETITION.

1. Petitioner files his inclusion petition with the District, together with title commitment, title opinion, or owners report identifying petitioner as 100% fee owner (see Appendix C).
2. District provides notice of a hearing to be held on the petition by Publication.
3. District holds a hearing on the petition. If the petition is granted (with or without conditions):
 - (a) District obtains petitioner's signature on inclusion resolution signifying petitioner's assent to the conditions of inclusion.
 - (b) District files a motion with the clerk of the Court requesting an order of inclusion.
 - (c) Court orders the property to be included, orders a certified copy of the Court's Order to be filed with the clerk and recorder of Montezuma County, orders the clerk and recorder of Montezuma County to notify the county assessor of Montezuma County of such inclusion and to file a certified copy of such notice with the Division.

20 PERCENT TAXPAYING ELECTOR PETITION AND BOARD RESOLUTION.

1. Petitioners file their inclusion petition with the District, together with Inclusion Fee (see Appendix D); or the Board adopts a resolution proposing an inclusion.
2. District provides notice of a hearing to be held on the petition or on the resolution by Publication and by postcard notification.
3. District holds a hearing on the petition or on the resolution. If the petition is granted or the resolution finally adopted (with or without conditions):
 - (a) District files a motion with the clerk of the Court requesting an election order.
 - (b) Court directs the question of inclusion to be submitted to the Eligible Electors of the area to be included.
 - (c) Secretary of the District gives notice of the election.
 - (d) Election is held. If a majority of the votes cast at such election are in favor of inclusion:

- (i) District files motion with the clerk of the Court requesting an order of inclusion.
- (ii) The Court orders the property to be included. The Montezuma County Clerk and the County Recorder records the Court Decree and the description of the area to be included. The County Clerk and Recorder notify the County Assessor and file a certified copy with the Division of Local Governments.

APPENDIX F

CORTEZ SANITATION DISTRICT SEWER CONNECTION APPLICATION FORM

ADDRESS OF CONNECTION: _____

SUBDIVISION: _____

OWNER'S NAME: _____

OWNER'S ADDRESS: _____

CITY : _____ STATE : _____ ZIP CODE : _____

SIZE OF BUILDING SEWER : _____ inch SIZE OF WATER METER : _____ inch

USE OF BUILDING (residential, restaurant, apartments, etc.) : _____

_____ NUMBER OF UNITS : _____

Application is hereby made for a connection to the Cortez Sanitation District wastewater collection and treatment system. This connection will be constructed and used in accordance with all Cortez Sanitation District regulations. By submitting this application and requesting sewer service from the Cortez Sanitation District the Owner, his Representative, Successors and Assigns, agree to the following:

1. The Plant Investment Fee (PIF) is a charge against a particular Building on a particular lot or parcel of land. The PIF may, upon approval by the District, be transferred to a different Building on the same lot or parcel of land but it shall not be transferred to a different lot or parcel of land.
2. The District will not commit to service availability until the Owner obtains connection approval and pays the PIF.
3. Connection approval will be valid for a limited time after the Owner pays the PIF. Except for good cause shown, if after a twelve (12) month period, construction of the Building is not substantially complete, the connection approval will be revoked and the PIF, less a ten percent (10%) service charge, will be refunded with no interest. Substantial construction for the purpose of this subsection shall mean all foundations in place with additional construction proceeding in a timely manner. Except for good cause shown, if construction of the Building is not complete and the respective certificate of occupancy not issued within eighteen (18) months for single family homes or duplexes and twenty-four (24) months for all other structures, the connection approval will be revoked and the plant investment fee, less a 25% service charge, will be refunded with no interest. If the connection approval is revoked, the District shall notify the building permit issuing authority that the District has revoked the connection approval and that the District no longer approves the building permit for the Building. The plant capacity associated with the refunded PIF will be available for resale by the District. The Owner may, at a later time, purchase a new PIF for the Building at the then current cost and receive a new connection approval.

4. The Owner shall be responsible for constructing the entire length of his Service Line from the Building to the point of connection with the District's Sewer Main (including exposing the main line, enabling District staff to safely tap into the sewer main), at point of connection to be specified by the District.
5. Owners whose improvements cannot readily be served by a gravity flow Service Line must make a special request to the District for approval of an individual lift system (ILS). Such request must include supporting documentation as to any economical, physical, technological, or ecological barriers to an all-gravity system. In considering the request for an ILS, economic differences in capital cost must be "substantial" unless other compelling barriers exist. If approved in concept, the District shall have the absolute right of approval of the design and installation of the ILS. The District assumes no liability for malfunctions of such systems, and the District assumes no responsibility for the maintenance, replacement, or utilities necessary for any ILS. If approved, the Owner shall be responsible for all the costs of constructing such ILS, including labor and material. The Owner shall notify the District prior to the commencement of construction of the ILS, and all construction shall be open to inspection by the District at all reasonable times.
6. All physical connections to the District's Facilities shall be constructed in accordance with District Specifications and shall be made by an authorized employee of the District. Such connections shall not be made until all District requirements as specified herein, are fulfilled.
7. It shall be unlawful for any Person to construct a Sewer Main or Service Line to be connected to the District's Facilities or to connect to the District's Facilities without: (1) having made application to the District for approval of such construction or connection; (2) having complied with all requirements and regulations of the District; and (3) having received written authorization from the District.
8. No Person shall discharge or cause to be discharged any storm water, surface water, ground water, roof runoff, sub-surface drainage or cooling water to any of the District's Facilities. No Person shall discharge or cause to be discharged into any of the District's Facilities any harmful water or wastes, whether liquid, solid or gas, capable by itself or in combination with other wastes discharged into the District's Facilities of causing obstruction to the flow in such Facilities, damage or hazard to structures, equipment or personnel of the District, damage or hazard to the District's wastewater treatment processes, or other interference with the proper operation of the District's Facilities. No industrial waste including, without limitation, industrial process waters shall be discharged into the system without prior treatment to a strength of toxicity amenable to treatment with domestic waste.
9. All restaurants, food preparation establishments and vehicle service facilities shall install, use, and maintain grease traps in accordance with District Specifications before connecting to the District's Facilities.
10. It shall be the responsibility of the Owner to maintain the Service Line in good repair at all times and to preserve the proper connection of the Service Line to the District's Facilities.
11. Leaks and/or breaks in a Service Line shall be repaired by the Owner within seven days from the time actual notice of the leak or break is given the Owner or User of the Service Line. The District shall have authority to disconnect the Service Line if satisfactory progress toward

- repairing the Service Line is not achieved, or if the District is unable, after reasonable efforts, to notify the Owner or User of the Service Line of the leak or break. The District shall bill the Owner for such disconnection and collect all resulting costs thereof, as provided in Chapter 12 of the District's Rules and Regulations and the bill will be considered past due if not paid within 10 days.
12. The Manager and any other duly authorized employee of the District shall be permitted to enter upon all properties for the purpose of disconnecting faulty Service Lines as provided herein.
 13. The Owner shall indemnify the District for any loss or damage caused by improper maintenance or installation of the Service Line.
 14. All sewer service to Users within the District shall be subject to pro-ration and/or curtailment as necessitated by the capacity of the District's Facilities. All Persons shall regularly observe the most reasonable conservation practices so that water is not wasted.
 15. No unauthorized Person shall uncover, make any connection with or opening into, use, alter or disturb any of the District's Facilities without first obtaining written approval from the District. No unauthorized Person shall remove or tamper with any plug installed by the District. The District will impose a penalty assessment for such unauthorized acts in an amount of \$1,000.00 plus the cost of any damages suffered by the District as a result of such unauthorized act.
 16. The Manager and any other duly authorized employee of the District shall be permitted, upon due notice to the Owner, to enter upon all properties for the purpose of inspecting the properties for compliance with the District's Rules and Regulations and for the purpose of inspecting, observing, measuring, sampling and testing the Owner's water use and wastewater discharge.
 17. The Manager and any other duly authorized employee of the District or other governmental body shall be permitted to enter upon all properties for the purpose of discontinuing sewer service.
 18. In addition to any and all other rights and remedies the District may have, the District may impose a \$100.00 penalty assessment for each day of unauthorized use of the District's Facilities.
 19. The Owner of any Building that is connected to the District's Facilities shall be responsible for a monthly service fee which is intended to cover said Owner's equitable share of the costs to operate, maintain, repair, replace, and upgrade the District Facilities and the costs to manage the District. The monthly service fee may change from time to time as the Board amends the service fee rate schedule.
 20. The Manager shall make diligent efforts to identify those Owners who contribute excess flow or loading to the District's Facilities. Excess flow shall mean flow greater than 243 gallons per day per unit, and/or containing substantial continual flow of water. Excess loading shall mean discharges with greater than 0.69 lbs. BOD per day per unit or with greater than 0.75 lbs. TSS per day per SFE unit. Upon identification of excess flow or excess loading, the District shall send written notice to the Owner of the Building contributing the excess flow or loading. Ten (10) days

after mailing of such notice, assessment of a monthly excess flow/loading charge against the Building shall commence.

- 21. The District may discontinue service for delinquencies in the payment of any fees, rates, penalties or charges after giving notice to the Owner and/or User of the property serviced by certified mail to the Owner's and/or User's last billing address and/or by notice affixed to the using property. Discontinuance of service may also be made by the District after giving notice as provided herein for any of the following reasons:
 - A. misrepresentations made in the application for sewer service;
 - B. making alterations to the Building without notice to and consent of the District;
 - C. willful waste of water through improper or imperfect pipes, fixtures or otherwise, whether because of leaks, breaks or any other reason irrespective of fault or responsibility;
 - D. failure to protect the Service Line and the connection of the Service Line to the District's Facilities;
 - E. abusing or damaging of the District's Facilities; or
 - F. violation of any rules of the District.

22. Unauthorized connections to the District's Facilities may be summarily disconnected by the Manager or his designee at the cost of the Owner of the property served by such unauthorized connection. Additionally, the Owner of the property served by such unauthorized connection shall be subject to service charges for each day that the unauthorized connection existed. The disconnection costs and the service charges shall be charges that are billed and collected as provided in Chapter 12 of the District's Rules and Regulations.

23. No Service Line connected to the District's Facilities shall be disconnected therefrom without the prior approval of the District which shall specify as to how the disconnection shall be properly sealed. The District shall inspect and repair any unauthorized disconnection from the District's Facilities and the costs of such inspection and repair shall be a charge that is billed and collected as provided in Chapter 12 of the District's Rules and Regulations.

OWNER/ OWNER'S REPRESENTATIVE : _____
signature

DATE : _____

PLANT INVESTMENT FEE (PIF): \$ _____

APPLICATION APPROVED BY : _____ DATE : _____

PIF PAID BY : _____ DATE : _____

PIF RECEIVED BY : _____ DATE : _____

SEWER CONNECTION CONSTRUCTED BY : _____

DATE : _____

APPENDIX G

SEWER USE RESOLUTION

CORTEZ SANITATION DISTRICT RESOLUTION

No. 5 Series 1979, As updated July 2007

A RESOLUTION REGULATING THE USE OF PUBLIC AND PRIVATE SEWERS AND DRAINS, PRIVATE WASTEWATER DISPOSAL, THE INSTALLATION AND CONNECTION OF BUILDING SEWERS, AND THE DISCHARGE OF WATERS AND WASTES INTO THE PUBLIC SEWER SYSTEM(S) IN THE CORTEZ SANITATION DISTRICT, COUNTY OF MONTEZUMA, STATE OF COLORADO.

BE IT RESOLVED BY THE CORTEZ SANITATION DISTRICT:

ARTICLE I

Definitions

- (a) "B.O.D." (denoting biochemical oxygen demand) means the quantity of oxygen utilized in the biochemical oxidation of organic matter, under standard laboratory procedure, in five days at twenty degrees centigrade, expressed in parts per million by weight.
- (b) "Building drain" shall mean that part of the lowest horizontal piping of a drainage system which receives the discharge from soil, waste, and other drainage pipes inside the walls of the building and conveys it to the building sewer, beginning five (5) feet (1.5 meters) outside the inner face of the building wall.
- (c) "Building sewer" shall mean the extension from the building drain to the public sewer or other place of disposal, also called the house connection.
- (d) "District" shall mean the Cortez Sanitation District.
- (e) "Easement" shall mean an acquired legal right for the specific use of land owned by others.
- (f) "Floatable oil" is oil, fat, or grease in a physical state such that it will separate by gravity from wastewater by treatment in an approved pretreatment facility. A wastewater shall be considered free of floatable fat if it is properly pretreated and the wastewater does not interfere with the collection system.
- (g) "Garbage" shall mean the animal and vegetable waste resulting from the handling, preparation, cooking, and serving of foods.
- (h) "Industrial wastes" shall mean the wastewater from industrial processes, trade, or business as distinct from domestic or sanitary wastes.
- (i) "Natural outlet" shall mean any outlet, including storm sewers, into a watercourse, pond, ditch, lake, or other body of surface or groundwater.
- (j) "May" is permissive.
- (k) "Person" shall mean any individual, firm, company, association, society, corporation, or group.
- (l) "pH" shall mean the logarithm of the reciprocal of the hydrogen-ion concentration. The concentration is the weight of hydrogen ions, in grams per liter of solution. Neutral water, for example, has a pH value of 7 and hydrogen-ion concentration of 10^{-7} .
- (m) "Properly shredded garbage" shall mean the wastes from the preparation, cooking, and dispensing of food that have been shredded to such a degree that all particles will be carried freely under the flow conditions normally prevailing in public sewers, with no particle greater than ½ inch (1.27 centimeters) in any dimension.

- (n) “Public sewer” shall mean a common sewer controlled by the Cortez Sanitation District.
- (o) “Sanitary sewer” shall mean a sewer that carries liquid and water-carried wastes from residences, commercial buildings, industrial plants, and institutions together with minor quantities of ground, storm, and surface waters that are not admitted intentionally.
- (p) “Sewage” is the spent water of a community. The preferred term is “wastewater”.
- (q) “Sewer” shall mean a pipe or conduit that carries wastewater or drainage water.
- (r) “Shall” is mandatory.
- (s) “Slug” shall mean any discharge of water or wastewater which in concentration of any given constituent or in quantity of flow exceeds for any period of duration longer than fifteen (15) minutes more than five (5) times the average twenty-four (24) hour concentration or flows during normal operation and shall adversely affect the collection system and/or performance of the wastewater treatment works.
- (t) “Storm drain” (sometimes termed “storm sewer”) shall mean a drain or sewer for conveying water, groundwater, subsurface water, or unpolluted water from any source.
- (u) “Suspended solids” shall mean total suspended matter that either floats on the surface of, or is in suspension in water, wastewater, or other liquids, and that is removable by laboratory filtering as prescribed in “Standard Methods for the Examination of Water and Wastewater” and referred to as nonfilterable residue.
- (v) “Unpolluted water” is water of quality equal to or better than the effluent criteria in effect or water that would not cause violation of receiving water quality standards and would not be benefited by discharge to the sanitary sewers and wastewater treatment facilities provided.
- (w) “Wastewater” shall mean the spent water of a community. From the standpoint of source, it may be a combination of the liquid and water-carried wastes from residences, commercial buildings, industrial plants, and institutions, together with any groundwater, surface water, and stormwater that may be present.
- (x) “Wastewater facilities” shall mean the structures, equipment, and processes required to collect, carry away, and treat domestic and industrial wastes and dispose of the effluent.
- (y) “Wastewater treatment works” shall mean an arrangement of devices and structures for treating wastewater, industrial wastes, and sludge. Sometimes used as synonymous with “waste treatment plant” or “wastewater treatment plant” or “water pollution control plant.”
- (z) “Watercourse” shall mean a natural or artificial channel for the passage of water either continuously or intermittently.
- (aa) “Normal sewage” means sewage which, when analyzed, shows by weight a daily average of not more than 300 parts per million of suspended solids and not more than 275 parts per million of B.O. D.

ARTICLE II

- Uses of Public Sewer Required/Prohibited

Section 1 The owner(s) of all houses, buildings, or properties used for human occupancy, employment, recreation, or other purposes, situated within the District and abutting on

any street, alley, or right-of-way in which there is now located or may in the future be located a public sanitary sewer of the District is hereby required at the owner(s) expense to install suitable toilet facilities therein, and to connect such facilities directly with the proper public sewer in accordance with the provisions herein provided that said public sewer is within four hundred feet (400) of the property line.

- Section 2 Except as hereinafter provided and approved by the District, it shall be unlawful to construct or maintain any privy, privy vault, septic tank, cesspool, or other facility intended or used for the disposal of wastewater.
- Section 3 It shall be unlawful to discharge to any natural outlet within the District, any sewage or other polluted waters, except where suitable treatment has been provided in accordance with subsequent provisions of this Resolution.
- Section 4 Surface water, rain water from roofs, cistern overflow, and any other clean and unobjectionable waste water as determined by the District and the City of Cortez shall be discharged into a storm water sewer and in no case into a sanitary sewer.
- Section 5 Connection with a cesspool or privy vault shall not be made into a sanitary sewer. A trap for the interception of grease and oil shall be provided on a connection from a hotel, restaurant, club or institutional kitchen and from a public garage or automobile washing station. Such trap shall be satisfactory to the District Engineer.
- Section 6 Where the character of sewage or industrial waste from any manufacturing or industrial plant, building or premises is detrimental to the sewerage system or sewage treatment plant, the District Engineer shall compel such sewerage system users to otherwise dispose of such waste and prevent it from entering the system, or to improve its character as to not be detrimental to the system or plant.
- Section 7 In cases where the character of the sewage or industrial waste from any manufacturing or industrial plant, building or premises is such that it imposes an unreasonable burden upon the sewage collection, pumping or treatment works greater than that imposed by the average sewage entering the sewerage system, the District may, if it deems it advisable, compel such manufacturing or industrial plant, building or premises to pretreat such sewage in such a manner as the District specifies before discharging it into the sewerage system.
- Section 8 No person(s) shall make connection of roof downspouts, foundation drains, areaway drains, or other sources of surface runoff or groundwater to a building sewer or building drain which in turn is connected directly or indirectly to a public sanitary sewer unless such connection is approved by the superintendent for purposes of disposal of polluted surface drainage.

ARTICLE III

Use of Public Sewers

- (a) No person shall discharge or cause to be discharged, either directly or indirectly into the sewerage system, any of the following described substances, materials, waters or wastes:
- (1) Any liquid or vapor having a temperature higher than 150 degrees Fahrenheit;
 - (2) Any gasoline, benzine, naphtha, fuel oil, mineral oil or other volatile flammable or explosive liquid, solid or gas;

- (3) Any waters containing toxic or poisonous solids, liquids, or gases in sufficient quantity, either singly or by interaction with other wastes, to contaminate the sludge of any municipal system, to injure or interfere with any sewage treatment process, constitute a hazard to humans or animals, create a public nuisance, or create any hazard in or have an adverse effect on the waters receiving any discharge from the treatment works.
- (4) Solid or viscous substances in quantities or of such size capable of causing obstruction to the flow in sewers, or other interference with the proper operation of the wastewater facilities such as, but not limited to, ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, unground garbage, whole blood, paunch manure, hair and fleshings, entrails and paper dishes, cups, milk containers, etc., either whole or ground by garbage grinders.
- (5) Wastewater containing more than 25 milligrams per liter of petroleum oil, nonbiodegradable cutting oils, or product of mineral oil origin.
- (6) Wastewater from industrial plants containing floatable oils, fat or grease.
- (7) Any garbage that has not been properly shredded. Garbage grinders may be connected to sanitary sewers from homes, hotels, institutions, restaurants, hospitals, catering establishments, or similar places where garbage originates from the preparation of food in kitchens for the purpose of consumption on the premises or when served by caterers.
- (8) Quantities of flow, concentrations, or both which constitute a "slug" as defined herein.
- (9) Waters or wastes containing substances which are not amenable to treatment or reduction by the wastewater treatment processes employed, or are amenable to treatment only to such degree that the wastewater treatment plant effluent cannot meet the requirements of other agencies having jurisdiction over discharge to the receiving waters.
- (10) Any water or wastes which, by interaction with other water or wastes in the public sewer system, release obnoxious gases, form suspended solids which interfere with the collection system, or create a condition deleterious to structures and treatment processes.
- (11) The discharge of nonacceptable industrial wastewater into the sewerage system, whether directly or indirectly, is prohibited. Wastewater shall be deemed nonacceptable when the concentration of harmful or toxic substances dissolved in the wastewater exceeds certain prescribed tolerable limits. Toxic or harmful substances include, but are not necessarily limited to, the following:

<u>Toxic Substance</u>	<u>Tolerable Limits</u>
Arsenic	0.05 mg/l
Barium	1.0 mg/l
Boron	1.0 mg/l
Cadmium	0.01 mg/l
Chromium-3	0.5 mg/l

Chromium-6	0.10 mg/l
Cobalt	1.0 mg/l
Copper	0.5 mg/l
Cyanide (HCN)	0.02 mg/l
Fluoride	5.0 mg/l
Iron	5.0 mg/l
Lead	0.05 mg/l
Mercury	0.002 mg/l
Molybdenum	5.0 mg/l
Nickle	1.0 mg/l
Phenols	5.0 mg/l
Selenium	0.01 mg/l
Silver	0.03 mg/l
Sulfide	50.0 mg/l
Toxic substances	0.1 of 96 hr. median tolerance limit
Tungsten	5.0 mg/l
Zinc	1.0 mg/l
Other radioactive substances	Gross Beta activity (in the known absence of strontium and Alpha emitters) 1,000 micro micro curies per liter.

- (b) If any waters or wastes are discharged, or are proposed to be discharged to the public sewers which waters contain the substances or possess the characteristics enumerated in Section II of this Article, and which in the judgement of the District may have a deleterious effect upon the wastewater facilities, processes, equipment, or receiving waters, or which otherwise create a hazard to life or constitute a public nuisance, the District may:
- (a) Reject the wastes,
 - (b) Require pretreatment to an acceptable condition for discharge to the public sewers
 - (c) Require control over the quantities and rates of discharge, and/or
 - (d) Require payment to cover the added cost of handling and treating the wastes not covered by existing taxes or sewer charges.
- (c) Where pretreatment or flow-equalizing facilities are provided or required for any waters or wastes, they shall be maintained continuously in satisfactory and effective operation by the owner(s) at his expense.
- (d) When required by the District, the owner(s) of any property serviced by a building sewer carrying industrial wastes shall install a suitable structure together with such necessary meters and other appurtenances in the building sewer to facilitate observation, sampling, and measurement of the wastes. Such structures, when required, shall be accessibly and safely located, and shall be constructed in accordance with plans approved by the District. The structure shall be installed by the owner at his expense, and shall be maintained by him as to be safe and accessible at all times.
- (e) The District may require a user of sewer service to provide information needed to determine compliance with this Resolution. These requirements may include:
- (1) Wastewaters discharge peak rate and volume over a specified time period.
 - (2) Chemical analysis of wastewaters.
 - (3) Information on raw materials, processes, and products affecting wastewater volume and quality.

- (4) Quantity and disposition of specific liquid, sludge, oil, solvent, or other materials important to sewer use control.
 - (5) A plot plan of sewers of the user's property showing sewer and pretreatment facility locations.
 - (6) Details of wastewater pretreatment facilities.
 - (7) Details of systems to prevent and control the losses of materials through spills to the municipal sewer.
- (f) All measurements, tests, and analyses of the characteristics of waters and wastes to which reference is made in this Resolution shall be determined in accordance with the latest edition of "Standard Methods for the Examination of Water and Wastewater," published by the American Public Health Association. Sampling methods, location, times, durations and frequencies are to be determined on an individual basis subject to approval by the District.
- (g) No statement contained in this Article shall be construed as preventing any special agreement or arrangement between the District and any industrial concern whereby an industrial waste of unusual strength or character may be accepted by the District for treatment.

ARTICLE IV

Powers and Authorities of Inspectors

- (a) The duly authorized employees of the District bearing proper credentials and identification shall be permitted to enter all properties for the purposes of inspection, observation, measurement, sampling, and testing pertinent to discharge to the community system in accordance with the provisions of this Resolution.
- (b) The duly authorized employees are authorized to obtain information concerning industrial processes which have a direct bearing on the kind and source of discharge to the wastewater collection system. The industry may withhold information considered confidential. The industry must establish that the revelation to the public of the information in question might result in an advantage to competitors.
- (c) While performing the necessary work on private properties the duly authorized employees of the District shall observe all safety rules applicable to the premises established by the company, and the company shall be held harmless for injury or death to the said employees, and the District shall indemnify the company against loss or damage to its property by said employees and against liability claims and demands for personal injury or property damage asserted against the company growing out of the gauging and sampling operation, except as such may be caused by negligence or failure of the company to maintain safe conditions.
- (d) The duly authorized employees of the District bearing proper credentials and identification shall be permitted to enter all private properties through which the District holds a duly negotiated easement for the purposes of, but not limited to, inspection, observation, measurement, sampling, repair, and maintenance of any portion of the wastewater facilities lying within said easement. All entry and subsequent work, if any, on said easement, shall be done in full accordance with the terms of the duly negotiated easement pertaining to the private property involved.

ARTICLE V

Sanitary Sewers, Building Sewers and Connections

- Section 1 No unauthorized person(s) shall uncover, make any connections with or opening into, use, alter, or disturb any public sewer or appurtenance thereof without first obtaining a written permit from

the District.

- Section 2 There shall be two (2) classes of building sewer permits: (a) for residential and commercial service, and (b) for service to establishments producing industrial wastes. In either case, the owner(s) or his agent shall make application. The permit application shall be supplemented by any plans, specifications, or other information considered pertinent in the judgment of the District. A permit and inspection fee for a residential, commercial, and an industrial building sewer permit shall be paid to the District as part of the sewer tap fee.
- Section 3 All costs and expense incidental to the installation and connection of the building sewer shall be borne by the owner(s). The owner(s) shall indemnify the District from any loss or damage that may directly or indirectly be occasioned by the installation of the building sewer.
- Section 4 A separate and independent building sewer shall be provided for every building; except where one building stands at the rear of another on an interior lot and no private sewer is available or can be constructed to the rear building through an adjoining alley, court, yard, or driveway, the building sewer from the front building may be extended to the rear building and the whole considered as one building sewer, but the District does not and will not assume any obligations or responsibility for damage caused by or resulting from any such single connection afore mentioned.
- Section 5 Old building sewers may be used in connection with new buildings only when they are found, on examination and test by the District, to meet all requirements of this Resolution.
- Section 6 The size, slope, alignment, materials of construction of all sanitary sewers including building sewers, and the methods to be used in excavating, placing of the pipe, jointing, testing, and backfilling the trench, shall all conform to the requirements of the building and plumbing code or other applicable rules and regulations of the District.
- Section 7 Whenever possible, the building sewer shall be brought to the building at an elevation below the basement floor. In all buildings in which any building drain is too low to permit gravity flow to the public sewer, sanitary sewage carried by such building drain shall be lifted by an approved means and discharged to the building sewer.
- Section 8 The connection of the building sewer into the public sewer shall conform to the requirements of the building and plumbing code or other applicable rules and regulations of the District. All such connections shall be made gastight and watertight and verified by proper testing. Any deviation from the prescribed procedures and materials must be approved by the District before installation.
- Section 9 The applicant for the building sewer permit shall notify the District when the building sewer is ready for inspection and connection to the public sewer. The connection and testing shall be made under the supervision of the District.
- Section 10 All excavations for building sewer installation shall be adequately guarded with barricades and lights so as to protect the public from hazard. Streets, sidewalks, parkways, and other public property disturbed in the course of the work shall be restored in a manner satisfactory to the District and the City of Cortez.

ARTICLE VI

Private Wastewater Disposal

- Section 1 Where a public sanitary is not available, the building sewer shall be connected to a private wastewater disposal system complying with the provisions of this article.
- Section 2 Before commencement of construction of a private wastewater disposal system the owner(s) shall first obtain a written permit signed by the District. The application for such permit shall be made on a form furnished by the District which the applicant shall supplement by any plans, specifications, and other information as are deemed necessary by the District. A permit and inspection fee of one hundred dollars (100.00) shall be paid to the District at the time the application is filed.
- Section 3 A permit for a private wastewater disposal system shall not become effective until the installation is completed to the satisfaction of the District. The District shall be allowed to inspect the work at any stage of construction, and, in any event the applicant for the permit shall notify the District when the work is ready for final inspection, and before any underground portions are covered. The inspection shall be made within twenty four (24) hours of the receipt of notice by the District.
- Section 4 The type, capacities, location, and layout of a private wastewater disposal system shall comply with all recommendations of the department of public health of the State of Colorado. No permit shall be issued for any private wastewater disposal system employing subsurface soil absorption facilities where the area of the lot is less than four (4) acres. No septic tank or cesspool shall be permitted to discharge to any natural outlet.
- Section 5 At such time as a public sewer becomes available to a property served by a private wastewater disposal system, a direct connection shall be made to the public sewer within sixty (60) days in compliance with this Resolution, and any septic tanks, cesspools, and similar private wastewater disposal facilities shall be cleaned of sludge and filled with suitable material.
- Section 6 The owner(s) shall operate and maintain the private wastewater disposal facilities in a sanitary manner at all times, at no expense to the District. In the event the private wastewater disposal system fails, the owner(s) shall immediately repair said system and said owner(s) will be responsible for any damage done while the system was not functioning.

ARTICLE VII

- Section 1 All Resolutions or parts of Resolutions in conflict herewith are hereby repealed.
- Section 2 The invalidity of any section, clause, sentence, or provision of this Resolution

shall not affect the validity of any other part of this Resolution which can be given effect without such invalid part or parts.

ARTICLE VIII

Penalties

Section 1 Any person found to be violating any provision of this Resolution shall be served by the District with written notice stating the nature of the violation and providing a reasonable time limit for the satisfactory correction thereof. The offender shall, within the period of time stated in such notice, permanently cease all violations.

Section 2 Any person who shall continue any violation beyond the time limit provided for in Article IX, Section 1, shall be guilty of a misdemeanor, and on conviction thereof shall be fined in the amount not exceeding \$100.00 for each violation. Each day in which any such violation shall continue shall be deemed a separate offense.

Section 3 Any person violating any of the provisions of this Resolution shall become liable to the District for any expense, loss, or damage occasioned the District by reason of such violation.

ADOPTED THIS 3rd day of April, 1979. (As updated July 2007)

Signature on File
Chairman

ATTEST:

Signature on File

APPENDIX H
DISCONNECTION NOTICE

Address:

Re: Cortez Sanitation District Service Acct. # _____
Service Address: _____

Dear Customer:

**Notice of Intent to Discontinue Sewer Service
And The Right to a Hearing**

Please be advised that the records of the Cortez Sanitation District indicate the sewer bill for the above account has not been paid when due and that the amount due is now \$_____.

As provided for in Colorado Revised Statutes, Section 32-1, and Cortez Sanitation District Resolution No.1, Series 1992, if this amount is not paid within thirty (30) days of the date of this notice, service to the above property may be discontinued. If service is discontinued, it will not be reinstated until the full amount of the disconnection charge (\$500.00) and any and all other amounts then due to the District are paid. Payment may be made only in the form of **cash, certified check or money order**.

If you feel there are justifiable reasons why this service should not be discontinued, you have a right to a hearing concerning this matter. If you desire a hearing, it must be requested in writing prior to the discontinuation date of _____. The hearing will be held before a hearing officer appointed by the Cortez Sanitation District Board. You may, at your expense, be represented by council at the hearing. Your request for a hearing should be addressed to: District Manager, Cortez Sanitation District, P.O. Drawer 730, Cortez, CO, 81321.

If you have any questions regarding this notice, please contact me.

Sincerely,

District Manager

APPENDIX I

PIPELINE DEED QUIT CLAIM DEED

THIS DEED, Made this _____ day of _____, 20____, between _____, of the County of Montezuma, State of Colorado, Grantor(s), and **CORTEZ SANITATION DISTRICT, a Special District,** whose legal address is Post Office Drawer 730, Cortez, County of Montezuma, State of Colorado, Grantees,

WITNESSETH, That the Grantor(s), for and in consideration of the sum of Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, have remised, released, sold and QUITCLAIMED, and by these presents do remise, release, sell and QUITCLAIM unto the Grantee, its successors and assigns forever, all the right, title, interest, claim and demand which the Grantor(s) have in and to the real property, together with improvements, if any, situate, lying and being in the County of Montezuma, State of Colorado, described as follows:

Any and all right, title or interest in and to the sanitation line(s) now in place together with a reasonable and necessary easement to construct, operate and maintain a sewer line and/or system on or under the herein described lands to inspect and make such repairs, changes, alterations, improvements, removals from, substitutions and additions to its facilities as Grantee may from time to time deem advisable, or that may interfere with or threaten to endanger the operation and maintenance of said line or system including control of the growth or other vegetation in the right-of-way; and to license, permit or otherwise agree to the joint use or occupancy of the lines, system or related underground facilities by any other person, association or corporation, over and across the real property set forth in attached Exhibit "A" which is incorporated herein by reference.

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging or in anywise thereunto appertaining, and all the estate, right, title, interest and claim whatsoever, of the Grantor(s), either in law or equity, to the only proper use, benefit and behoof of the Grantee, its assigns forever. The singular number shall include the plural, the plural the singular, and these of any gender shall be applicable to all genders.

IN WITNESS WHEREOF, The Grantor(s) have executed this Deed on the date set forth above.

STATE OF COLORADO)
) ss.
COUNTY OF MONTEZUMA)

Subscribed and acknowledged to before me this _____ day of _____, 20____, by _____.

Witness my hand and official seal.

My Commission expires: _____ / _____ / _____

Notary Public

APPENDIX J

LINE EXTENSION AGREEMENT

This Agreement is made this _____ day of _____, 20____, by and between the Cortez Sanitation District (hereinafter “District”), a duly organized sanitation district existing under and by virtue of the laws of the State of Colorado and _____ (hereinafter “Developer”).

WHEREAS, Developer intends to develop a _____
(Describe development, e.g. single family subdivision)
on certain real property known as _____, (hereinafter “Property”)
(name of property)
as more particularly described in Exhibit A attached hereto and incorporated herein by this reference; and

WHEREAS, Developer desires sewer service from the District for the Property and intends to design and construct a sewer line extension from the District’s facilities to the Property in accordance with the District’s Rules and Regulations and Pipeline and Manhole Specifications.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other valuable consideration, the parties hereto agree as follows:

1. Line extension construction.

Developer shall construct, at his sole cost and expense, the sewer line extension and all necessary appurtenances from within the Property to the District’s existing facilities, such extension being illustrated in the approved plans which will be attached as Exhibit B hereto and incorporated herein by this reference upon final approval and such extension together with all necessary appurtenances hereinafter referred to as the “Project”. Final construction of the Project shall be completed on or before _____, 20____.

2. Design and construction requirements.

2.1 Developer shall employ a competent engineer registered in the State of Colorado to design the Project in accordance with all the Rules and Regulations and Pipeline and Manhole Specifications of the District and to prepare plans and specifications for the Project.

2.2 Plans and specifications for construction of the Project shall be submitted to the District for review. No construction shall commence until the District has approved the plans and specifications for construction of the Project, and upon such approval by the District, construction shall be in strict conformance with said plans and specifications. Modifications to the approved plans and specifications shall not be made without first obtaining approval of such modifications from the District.

2.3 Developer shall employ a competent contractor to construct the Project in accordance with the District-approved plans and specifications. The work progress shall be open to inspection by the District at all reasonable times.

3. Permits.

Developer shall be responsible for obtaining all necessary permits (i.e. building permits, street cut permits) and shall comply with all city, county, state and federal rules, regulations and statutes.

4. **Connections.**

No physical connections to the District main sewer line or sewer service line connections shall be made until the Project has been approved and accepted by the District. Any variance from this regulation will require District approval.
5. **Acceptance by the District.**

The District agrees to accept the Project upon finding that:

 - (a) The project has been constructed according to the approved plans and specifications;
 - (b) Developer has paid for and discharged any and all obligations arising from construction of the Project;
 - (c) Developer has submitted acceptable as-built drawings of the Project to the District;
 - (d) The Project meets all the requirements set forth in this agreement and the District's Rules and Regulations and Pipeline and Manhole Specifications;
 - (e) Developer has conveyed to the District easements, acceptable to the District, that are determined by the District to be necessary for the location, construction, operation, repair, maintenance, reconstruction, change, alteration or improvement of the Project;
 - (f) Developer has conveyed to the District the Project free and clear of all liens and encumbrances, properly described by certified survey;
 - (g) Developer has submitted an acceptable Warranty Bond as provided in Section 6 herein; and;
 - (h) Developer has paid the applicable Legal, Engineering and Inspection fees as provided in Section 8 herein.
6. **Warranty of Workmanship and Materials.**
 - (a) Developer hereby warrants and guarantees to the District for a period of two years from the date of acceptance of the Project by the District all workmanship performed with and all materials incorporated into the Project. Developer agrees that for a period of two years he shall, at his sole cost and expense, correct all defects in materials and workmanship appearing in or resulting from the construction of the Project and pay for any damage to other District facilities resulting from such defects.
7. **Release.**

Developer, as to himself only, hereby releases, waives and discharges the District from any and all liabilities and claims for any loss, damage, cost and expense associated with construction of the Project.
8. **Legal, Engineering and Inspection fee.**

The District has incurred and will incur legal, engineering and inspection costs associated with the Project. Before commencement of construction of the Project, Developer shall deliver to the District, in cash or certified funds, a legal, engineering and inspection fee in an amount equal to \$3.00 per foot for the first 2000 feet, or portion thereof, of sewer line proposed to be installed as part of the Project. Upon initiation of the project, actual costs incurred by the district in excess of this initial charge will be assessed to the developer and shall be paid in full prior to acceptance of the project by the District. If the costs are less than this initial charge the excess will be refunded to the Developer after the Project has been accepted.
9. **District's Rules and Regulations.**

Developer and all persons ultimately receiving sewer service by means of the Project shall be bound by the Rules and Regulations of the District in effect at the time of the execution of this Agreement and as the same may be amended from time to time.
10. **Wastewater treatment reservation.**

The District makes no guarantee as to the continued availability of wastewater treatment service to the Property. It is understood by all parties that this Agreement does not implicitly or explicitly contain any reservation of treatment capacity for the Developer.

Reimbursement.

(This an optional provision that will be determined on a case by case basis.)

Recording, Successors and Assigns.

This Agreement shall run with the land and be binding upon and inure to the benefit of the successors and assigns of the parties hereto. A memorandum of this Agreement in the form attached hereto as Exhibit C shall be recorded in order to put prospective purchasers and other interested parties on notice as to any of the terms contained herein.

11. Amendments.

This Agreement constitutes the entire agreement between the parties hereto. This Agreement shall not be altered or amended, except by an agreement in writing that is executed by the parties hereto.

12. Governing law.

This Agreement shall be governed by the laws of the State of Colorado.

IN WITNESS THEREOF, the parties have caused this Agreement to be entered into the day and year first above written.

(Developer's Signature)

Chairman of Board

ATTEST:

Secretary of Board

Exhibit A
8 ½” X 11” Legal Description of Property
Exhibit B
**Approved plans of sewer line extension from and within the
Property**
Exhibit C

Memorandum of Sewer Line Extension Agreement

Notice is hereby given that a sewer line extension agreement of even date herewith,
_____ and the Cortez Sanitation District have
(name of developer)
entered into a sewer line extension agreement (“Agreement”) for the construction of a sewer line
extension from and within the _____
(name of property)
as more particularly described in Exhibit A attached hereto, which Agreement provides certain benefits to
and imposes certain obligations on _____, his successors and
(name of developer)
assigns.

Dated this _____ day of _____, 20_____.

(Developer’s Signature)

STATE OF COLORADO)
) ss.
COUNTY OF MONTEZUMA)

Subscribed and acknowledged to before me this _____ day of _____, 20_____,
by _____.

Witness my hand and official seal.

My Commission expires: _____ / _____ / _____

Notary Public

Chairman of Board

ATTEST:

APPENDIX K

NOT USED AT THIS TIME

**CORTEZ SANITATION DISTRICT
WASTEWATER TREATMENT FACILITY
SEPTAGE RECEIVING PROGRAM
WASTE HAULER PERMIT**

Permit No. _____

In accordance with the provision of Appendix G of the Rules and Regulations of the Cortez Sanitation District,

WASTE HAULER NAME: _____

LOCATION ADDRESS: _____

MAILING ADDRESS: _____

is hereby authorized to discharge hauled wastewater to the Cortez Sanitation District Wastewater Treatment Facility located at 2908 South Broadway, Cortez, Colorado, in accordance with the conditions set forth in this permit. Compliance with this permit does not relieve the permittee of their obligation to comply with any or all applicable pretreatment regulations, standards, or requirements under Federal, State, or local laws, including any such regulations, standards, requirements, or laws that may become effective during the term of this permit.

Noncompliance with any term or condition of this permit shall constitute a violation of the Cortez Sanitation District's Sewer Use Ordinance.

Effective Date: _____
Expiration Date: _____
Permit Fee \$150.00

If the permittee wishes to continue to discharge after the expiration date of this permit, an application must be filed for a renewal permit in accordance with the requirements in Chapter 11 a minimum of 90 days prior to the expiration date.

If you wish to appeal or challenge any conditions imposed in this permit, a petition shall be filed for modification or re-issuance of this permit in accordance with the requirements of Chapter 10 section 10.14, within 10 days of your receipt of this correspondence. Failure to petition for reconsideration of the permit within the allotted time is deemed a waiver by the permittee of the right to challenge the terms of the permit.

Issued this _____ day of _____

by: _____
District Superintendent

Date: _____

by: _____
Owner

Date: _____

SECTION 1 - DISCHARGE REQUIREMENTS

- A. The discharge of all hauled waste must be performed at the following designated area: Cortez Sanitation District Wastewater Treatment Plant septic disposal site. Discharge to the Cortez

Sanitation District sewer system at any other location is prohibited. Discharge may only be performed between 8:00 AM to 4:00 PM Monday thru Friday (except for holidays).

- B. Hauled wastes are subject to sampling by the Cortez Sanitation District. The hauler may also be required to suspend the discharging of wastes until the analysis is complete. The Cortez Sanitation District reserves the right to refuse permission to dump any load.

SECTION 2 - DISCHARGE LIMITATIONS

- A. Authorization must be obtained from the Cortez Sanitation District prior to pumping wastewater's from any industrial source. The District may require the wastewater to be sampled and analyzed for any parameter. All sampling, analyses and results shall meet the applicable Federal or local pretreatment standards. This will be verified by the District before authorization to discharge is granted.
- B. **Wastewaters generated outside of Montezuma County will not be accepted at the Cortez Sanitation District Wastewater Treatment Facility.**
- C. Any wastewaters that may cause pass through of pollutants or interference with the wastewater treatment plant operations or that violates Federal, State, or local restrictions **shall not be discharged to the wastewater treatment plant.** These wastewaters include, but are not limited to those with one or more of the following characteristics:
- Having a pH lower than 6.0 s.u. or a maximum of 9.0
 - Having the potential to create a fire or explosion hazard in the POTW, including but not limited to, waste streams with a closed cup flashpoint of less than 140°F or 60°C using the methods specified in 40 CFR 261.21.
 - Having a temperature higher than 104°F (40°C);
 - Having solids or viscous substances capable of causing obstructions or other interference with proper operation of the sewer system;
 - Containing any pollutant, including oxygen demanding pollutants (BOD/COD etc.) at flow rate and/or concentration which will cause a pass through of pollutants to occur or an interference with the Cortez Sanitation District Wastewater Treatment Plant's operations or sludge use and/or disposal practices;
 - Considered a hazardous waste under the Resource Conservation and Recovery Act (RCRA)
 - Having petroleum oil, non-biodegradable cutting oil, or products of mineral oil origin in amounts that will cause Interference or Pass Through;
 - Having pollutants which contribute toxic gases, vapors, or fumes within the POTW in quantities that may cause acute worker health and/or safety problems;

SECTION 3 - MONITORING AND RECORDS

A. The tank hauler shall complete the Cortez Sanitation District's dump site manifest (triplicate form) prior to each discharge. Domestic Load manifest forms shall be used for septage loads, and Industrial Load manifest forms shall be used for all other hauled wastes. Each load manifest shall include the following information:

- Name and location where the load was generated
- Volume of load (gallons)
- Date and time load was picked up
- Date and time the load was brought to Cortez Sanitation District
- Description of waste (e.g., septage from household, porta-potty, etc.)
- Signature of driver
- Name of company

After completing the manifest, the tank hauler shall deliver the two copies (retaining the original for permittee's records) of the manifest to the Operator in Responsible charge on-site. Failure to accurately record each load on a manifest form, or falsification of data may result in revocation of this permit and/or a fine up to \$5,000 per day per violation.

B. The permittee shall retain records of all monitoring information, waste manifest forms, copies of all reports required by this permit, and records of all data pertaining to hauled loads for a period of at least five (5) years. This period may be extended by request of the Cortez Sanitation District at any time.

SECTION 4 - STANDARD CONDITIONS

A. General Conditions

1. Duty to Comply

The *Permittee* must comply with all conditions of this permit. Failure to comply with the requirements of this permit may be grounds for administrative action, or enforcement proceedings.

2. Duty to Protect

The *Permittee* shall be responsible for protecting the POTW from any contributing discharges which would inhibit, interfere, or otherwise be incompatible with the operation and / or maintenance of the collection system or treatment plant including the use or disposal of municipal sludge.

3. Permit Modification

The Cortez Sanitation District reserves the right to reopen and / or amend the terms of this Permit.

4. Permit Transferability

Waste Hauler Permits are issued to a specific owner and/or operator; a Waste Hauler Permit is not transferable.

B. Inspection and Entry

The *Permittee* shall allow the *Supervisor*, or an authorized representative, to:

1. Enter upon the *Permittee's* premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this permit;
2. Have access to and copy any records that must be kept under the conditions of this permit;
3. Inspect any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit;
4. Sample or monitor, for the purposes of assuring permit compliance, any substances or parameters at any location and at any time; and
5. Inspect any production, manufacturing, fabricating or storage area where pollutants could originate, be stored or be discharged to the sewer system.

SECTION 5: ACTIONS FOR VIOLATION

A. Penalties

The District has the authority to seek and assess civil and/or criminal penalties up to \$5,000.00 per day for each violation for noncompliance by waste haulers who fail to comply with provisions of a waste hauler permit.

B. Permit Revocation

Any waste hauler permittee who violates the following conditions of this section, any provision of this article or applicable state and federal laws or regulations is subject to permit revocation in accordance with the procedures of this section:

1. Failure to factually report wastewater constituents and characteristics;
2. Failure to report significant changes in operations, or wastewater constituents and characteristics;
3. Refusal or physical obstruction of reasonable access to the user's premises for the purposes of inspection, monitoring, review of records concerning wastewater, or any purpose listed under section 4 B of this permit; or
4. Failure to pay the Cortez Sanitation District for disposal services, permit fees or any other waste water fees in a timely manner; or
5. Violation of conditions of the waste hauler permit.

APPENDIX L

POLICY STATEMENT FOR CORTEZ SANITATION DISTRICT IRRIGATION METERS

1. No Irrigation Meter shall be installed without first obtaining the appropriate permits from the City of Cortez.
2. Permit fees for Irrigation Meters shall be based on the City's current Plumbing Permit Fee Schedule, and shall be issued by either the City's Planning & Building Department at City Hall, or the Public Works Department at the Service Center.
3. All Irrigation Meters shall be placed on the downstream side of the City's potable water meter.
4. All Irrigation Meters shall be the responsibility of the property owner to purchase and maintain.
5. All Irrigation Meters shall be non-programmable and the increments must be easily identifiable. The meter must be approved by District Staff prior to installation.
6. All Irrigation Meters shall be installed in an accessible location, and the read-out shall be positioned so as to be easily read by Cortez Sanitation District staff.
7. All Irrigation Meters shall be installed in conjunction with a City-approved Backflow Prevention Device.
8. Only City-licensed plumbers (State license required to obtain City license) may install Irrigation Meters.
9. City of Cortez staff will require normal plumbing inspections; thus, the installer shall call in an inspection of the meter, and get approval from the City prior to covering. The installer shall contact the Cortez Sanitation District for additional requirements.
10. All Backflow Prevention Devices shall be tested and logged into the Cross Connection Control system prior to going into service.
11. All Irrigation Meters connected to a combination fire protection/domestic water line shall be equipped with an NFPA-compliant automatic shut-off device.
12. A record of all permits for Irrigation Meters shall be forwarded to the Cortez Sanitation District via the CitizenServe notification process.

APPENDIX M

PURCHASING POLICY

APPROVAL REQUIREMENTS

- A. Purchase Order
Purchases over \$500 require a Purchase Order to be obtained from the Supervisor.
- B. District Manager Approval
Purchases over \$1000 require District Manager approval.
- C. Quotes
Purchases for construction and/or materials over \$50,000 require three (3) comparative quotes.
- D. Board Approval
Non-Budgeted purchases for construction and/or materials over \$60,000 require Board approval.
- E. Formal Bid Process
Purchases for construction and/or materials over \$120,000 (Budgeted or Non-budgeted) require a formal bid process. Amount to be adjusted for inflation every five (5) years.

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RULES AND REGULATIONS

January 1, 2025