

**IT IS THE RESPONSIBILITY OF THE BUILDER/DEVELOPER
TO CONTACT OUR OFFICES FOR CHANGES.
FEES ARE TYPICALLY ADJUSTED IN JANUARY (Rates)
and OCTOBER (Tap fees) OF EACH YEAR.**

**HIGHLANDS RANCH METROPOLITAN DISTRICT/MIRABELLE METROPOLITAN DISTRICT
RULES AND REGULATIONS
EXHIBIT A
Rates, Charges and Restrictions**

I. DEFINITIONS

The following definitions apply to this section on Rates and Charges:

- A. Residential Dwelling Unit Service: A residential dwelling unit is a structure or part of a structure containing one or more rooms and a single kitchen arranged, designed and intended as a unit for occupancy by one family living independently of others, including panelized, prefabricated, modular or other factory-produced buildings and mobile homes; but excluding therefrom hotels and motels.
- B. Multi-family Residential Dwelling Unit Service: A residential dwelling unit as defined above located in a single structure containing three or more residential dwelling units on a single lot which is served by one meter with a common plumbing system.
- C. Nonresidential Service: Service to any nonresidential use (excluding service identified above under Multi-Family Residential use), including, but not limited to, the following: retail, office, general commercial, manufacturing, warehouse, service commercial, recreation commercial uses and various institutional uses such as museums, convention centers, hospitals, schools, etc. A separate meter is required for each nonresidential structure requiring service. In order to be considered a single structure, the structure must have; a common foundation; a common wall; a common roof; and common ownership. If any of the above are missing the structure will be classified as multiple structures and require payment of tap fees for each structure.
- D. Water Irrigation Service: Service for water irrigation available only for the common landscaped area of any Multi-Family Residential use or Nonresidential use, including, but not limited to, the following, retail, office, general commercial, manufacturing, warehouse, service commercial, recreation commercial uses and various institutional uses such as museums, convention centers, hospitals, schools, association common landscape areas, etc.
- E. Sports Field Service: A sports field is defined as an area of turfgrass used and managed for organized sporting activities. The District recognizes that sports fields experience significant usage outside of our normal irrigation season of April 15 to October 15. These activities can require supplemental irrigation water in order to keep fields in good condition and safe. Classification as a Sports Field Customer will provide the customer with an annual irrigation budget rather than a defined budget for each monthly billing cycle. Sports Field Customers will be allotted 27 inches of irrigation beginning with the billing period starting on or near January 15 of each calendar year.
- F. Non-Potable Irrigation Service: Service provided to any user whose has been approved to use non potable water for irrigation purposes by the Highlands Ranch Metropolitan District. The rate may be a result of either contracting for use of non-potable (untreated) or reuse water

- G. Open Space Irrigation Service: Service provided to any user whose land qualifies as open space per the definitions applied by Douglas County and is approved by the Highlands Ranch Metropolitan District as to the public use and who contracts with both the Highlands Ranch and Centennial Water and Sanitation Districts for a special water consumption rate. The rate may be a result of either contracting for use of potable or non-potable (untreated) water or for any other use that may be restricted or interrupted by Centennial Water and Sanitation.
- H. Highlands Ranch Exempt Organizations: All Highlands Ranch Metropolitan District, Mirabelle Metropolitan District, Centennial Water and Sanitation District, and the property on which the Highlands Ranch Community Association recreation centers are located but not sub-associations thereof are considered Exempt for the fees as defined.
- I. Application: An application form, as designated by the General Manager of Centennial to provide the necessary information for evaluating water or wastewater sewer service. The party filing the Application shall be the Applicant.
- J. Water Budgets will be established for each customer service type as shown in Exhibit A-1.
- K. Water Transfer Fee is the amount established to be paid in addition to the tap fee as directed under the Water Transfer Agreement between Shea and Centennial Water & Sanitation District.
- L. Household Population Adjustment (“HPA”): A Household Population Adjustment increases the allotment for the base indoor water budget allotment by providing an additional **3,000** gallons per bimonthly period for each additional person in a household subject to the provisions of the Household Population Adjustment affidavit attached as Exhibit A-1. The HPA also establishes new minimum usage charges for wastewater consumption.

II. TAP FEES

- A. Any Applicant, Owner or Customer desiring water or wastewater sewer service from the District shall pay to the District a Tap Fee pursuant to the following schedule. Such a fee shall be paid in addition to all other charges relating to water or wastewater sewer service described elsewhere in this section on Rates and Charges.

| | Within WTA equiv. allotment | Exceeds WTA equiv. allotment |
|--|-----------------------------------|------------------------------------|
| RESIDENTIAL | | |
| Single Family (Definition I.A.) | \$ 7,690 | \$ 7,690 |
| Water Transfer Agreement ("WTA") Fee | - | 15,360 |
| Total | 7,690 | 23,050 |
| Multi Family (Definition I.B.) | 5,510 | \$ 5,510 |
| Water Transfer Agreement ("WTA") Fee | - | 8,660 |
| Total | 5,510 | 14,170 |
| SF - Irrigation Only | 6,730 | 11,327 |
| Water Transfer Agreement ("WTA") Fee | - | 15,360 |
| Total | 6,730 | 26,687 |
| SF - Sewer Only | 960 | 960 |
| Water Transfer Agreement ("WTA") Fee | NA | NA |
| Total | 960 | 960 |
| NON-RESIDENTIAL | | |
| Indoor per 3/4" equivalent (up to 2")* (Definition I.C.) | 11,380 | 11,380 |
| Water Transfer Agreement ("WTA") Fee | - | 13,950 |
| Total | 11,380 | 25,330 |
| Irrigation Only per 3/4" equivalent.* (Definition I.D.) | 7,680 | 7,680 |
| Water Transfer Agreement ("WTA") Fee | - | 15,360 |
| Total | 7,680 | 23,040 |
| Sewer Only | 3,700 | 3,700 |
| Water Transfer Agreement ("WTA") Fee | NA | NA |
| Total | 3,700 | 3,700 |
| * 3" meter or larger will be determined by negotiation with a minimum of \$204,840 for nonresidential indoor and \$138,240 for irrigation only. | | |

- B. Any District Applicant whose development qualifies for the Multi-family Tap Fee must separately meter their irrigation usage and pay the appropriate Tap Fee as found under the category "Water Irrigation Service."

C. Tap Fee Payments and Applications

1. The Tap Fee for Residential Dwelling Units or structures containing Multi-Family Residential Dwelling Units shall be paid prior to receipt of a certificate of occupancy.
2. The Tap Fees for Nonresidential Service Water Irrigation Service and Open Space Irrigation Service shall be paid at the time of submittal of the Application for Water and Sewage Service, in accordance with the meter size as approved by the District.

The Applicant shall have filed this Application for Water and Sewage Service; obtained the District's approval thereof; and have executed an Industrial Pretreatment Plant or Industrial Sewer Agreement, if applicable prior to the application for a building permit.

3. Payment of Tap Fees may be made in advance of the above time limits as long as the following conditions are met:
 - a. For residential development a building permit from Douglas County has been obtained
 - b. For commercial development Douglas County has approved a Site Plan.
 - c. The uses for which Tap Fees are being paid are to be located with the District or within an area that the District is contractually obligated to serve.
 - d. The number of Residential Dwelling Units, Multi-Family Dwelling Units, or Nonresidential taps for which Tap Fees are being paid does not exceed the number allowed for the property upon which they are to be located.
4. After payment of the Tap Fee, the Applicant or owner has 365 days to complete the connection to the property. Said connection will be considered complete upon approval of the District of the installation of the required meter(s). Failure to complete the connection within such 365-day period requires the applicant or owner to pay the incremental cost, if any, necessary to adjust the amount paid to equal the Tap Fee current at the time of connection in order to complete the connection.

D. Temporary Service Connection Permit Charge

1. A charge of **\$500 per year** per equivalent shall be paid for temporary water service or temporary sanitary sewer service. A temporary service connection cannot exceed five years. Any Temporary Service Connection Permit Charge-s pursuant to this service **will not** be applied against the cost of the Tap Fee for permanent service.
2. An initial deposit of **\$2,000** will be required to cover the cost of removal of the temporary connection if permanent service is not initiated within five years.

- E. The purpose of these Tap Fees is to allocate the cost of facilities equitably among the users of the facilities. The General Manager shall interpret the provisions of this document in order to establish such equity.

III. CONSTRUCTION PERIOD FEES and PENALTIES

A. Water Meter, Construction Water and Inspection Fees and Penalties

The charge for providing and installing a meter, miscellaneous water usage during the construction period and inspection of the improvements shall be based on the size of the water meter in accordance with the following schedule:

| Meter Size | Meter Type | Meter Fee | | Construction Water Fee (a) | Inspection Fee (e) |
|---------------|----------------|-----------|---------|----------------------------------|-----------------------|
| | | Cost | Install | | |
| 3/4" | Disc | (b) | \$35 | \$ 47 | \$150 |
| 1" | Disc (Res.) | (b) | \$35 | \$ 78 | \$700 |
| 1" | Disc (Nonres.) | (b) | \$35 | \$ 78 | \$700 |
| 1 1/2" | Disc (Res.) | (b) | \$35 | \$ 140 | \$800 |
| 1 1/2" | Disc (Nonres.) | (b) | \$35 | \$ 140 | \$800 |
| 2" | Disc (Res.) | (b) | \$35 | \$ 265 | \$900 |
| 2" | Disc (Nonres.) | (b) | \$35 | \$ 265 | \$900 |
| 2" | Turbine | (b) | \$35 | \$ 265 | \$900 |
| 2" | Compound | (b) | \$35 | \$ 265 | \$900 |
| 3" | Turbine | (b) | \$35 | \$ 577 | \$900 |
| 3" | Compound | (b) | \$35 | \$ 577 | \$900 |

Notes:

- (a) One-time fee per meter for water used during construction period. This fee does not include water for landscaping installed prior to installation of a meter. Any landscaping installed prior to installation of a water meter shall be assessed a **\$250** fee plus a billing for water consumption based upon an estimate of water consumed.
- (b) The District shall charge the actual cost of the meter purchased based on the LIFO method of accounting.
- (c) All meters shall be installed by the District at the Applicant or Owner's expense.
- (d) Meter size shall be as reviewed and approved by the District. Water demand shall be based on the fixture unit count method as specified by the Uniform Plumbing Code published by the International Conference of Building Officials. Meter sizing shall be based on the specifications outlined in Manual M22 "Sizing Water Service Lines and Meters" as published by the American Water Works Association as may be modified from time to time by administrative directive of the Centennial General Manager. The water service line between the main and the meter shall be the same size as the meter, unless otherwise approved by the District Engineering Department.
- (e) The inspection fee is allocated between water and sanitary sewer service. Said fee covers the inspector's time for insuring that the water and sewer laterals are constructed per specifications as well as associated administrative costs of establishing the new account.
- (f) For each additional inspection required due to failure of the Owner or Customer to have facilities ready for the requested inspection, or if the facility has not been brought within specifications as noted on earlier inspections, an additional re-inspection fee of **\$100** will be charged.
- (g) All meters shall be installed prior to receiving a Certificate of Occupancy from the Douglas County Building Department. The fine for failing to install a meter prior to receiving the Required Certificate of Occupancy shall be **\$1,000**.

B. Hydrant Meter Fees

1. Permit Fees

Temporary construction water may be provided by Centennial by application for and approval of a Permit for Hydrant Use as approved by the General Manager of Centennial, in accordance with the terms thereof. The permit will be accompanied by a deposit determined by the Centennial staff which will be at least **25% greater** than the replacement cost of the hydrant meters and will be returned net of any damages to the meter or unpaid charges for hydrant water consumed.

2. Usage Fees

The **minimum** monthly charge shall be **\$50**. All usage shall be billed at the non-residential irrigation usage rate for 100% to 120% of budget. A **\$25** late/non-reporting fee shall be assessed on any account not reporting their meter reading as required on Hydrant Permit.

C. Plan Review Fees

All changes or renovations to existing non-residential properties will require a plan review fee based on the established categories. The fee is due upon submittal of plans for review.

| Category | Fee |
|---|--------|
| Basic Non-residential Remodel | No Fee |
| Remodel Requiring Revised Plumbing | \$300 |
| Remodel Requiring External Improvements | \$500 |

IV. USER RATES AND CHARGES

The District bills for Residential and Multi-family Residential Dwelling Units usage bimonthly. The District bills for all other customer classifications usage monthly. The charges are as follows:

A. Water Service Availability Charge

| | Single-Family Residential (Bimonthly) | All Others (Monthly) |
|---------------|--|-------------------------|
| Meter Size | | |
| Single Family | \$36.50/unit | |
| Multi-Family | | \$ 11.32 /unit |
| 3/4 Inch | | \$ 18.25 |
| 1 Inch | | \$ 36.50 |
| 1 1/2 Inch | | \$ 73.00 |
| 2 Inch | | \$ 146.00 |
| 3 Inch | | \$ 328.50 |
| 4 Inch | | \$ 657.00 |

B. Infrastructure Improvement Fee

| | Single-Family | All Others |
|---------------|-------------------------|---------------|
| Meter Size | Residential (Bimonthly) | (Monthly) |
| Single Family | \$15.00/unit | |
| Multi-Family | | \$ 7.50 /unit |
| 3/4 Inch | | \$ 7.50 |
| 1 Inch | | \$ 15.00 |
| 1 1/2 Inch | | \$ 30.00 |
| 2 Inch | | \$ 60.00 |
| 3 Inch | | \$ 135.00 |
| 4 Inch | | \$ 270.00 |

C. Potable Water Consumption Charge

The Potable Water Consumption Charge is determined for consumption relative to the Water Budget calculated for each customer as defined in Exhibit A-1.

Charges are per 1,000 gallons for usage less than or equal to the percent of budget established for each meter or service.

| | Rate by Type for Total Service Area Customers | | | |
|-----------------|---|------------------|----------------|------------|
| | Residential | | Nonresidential | |
| | Summertime | Wintertime | Indoor | Irrigation |
| Usage of Budget | | (non-irrigation) | Only | Only |
| up to 100 % | \$ 4.79 | \$ 4.79 | \$ 4.43 | \$ 4.90 |
| 100 % - 120 % | \$ 6.44 | \$ 6.44 | \$ 6.00 | \$ 6.57 |
| 120 % - 140 % | \$ 9.78 | \$ 6.44 | \$ 6.00 | \$ 11.55 |
| 140 % and over | \$ 14.81 | \$ 10.66 | \$ 10.44 | \$ 19.61 |

Potable Water Consumption Charges will be increased for tier 2 (100% to 120%) and tier 3 (120% to 140%) during a Drought Stage 1 or Stage 2 as shown below.

| | Residential | | Non-Residential Irrig Only | |
|-----------------|-------------|----------|----------------------------|----------|
| | Drought | Drought | Drought | Drought |
| Usage of Budget | Stage 1 | Stage 2 | Stage 1 | Stage 2 |
| up to 100 % | \$ 4.79 | \$ 4.79 | \$ 4.90 | \$ 4.90 |
| 100 % - 120 % | \$ 8.05 | \$ 9.67 | \$ 8.22 | \$ 9.86 |
| 120 % - 140 % | \$ 12.23 | \$ 14.68 | \$ 14.44 | \$ 17.33 |
| 140 % and over | \$ 14.81 | \$ 14.81 | \$ 19.61 | \$ 19.61 |

C. Non-potable Water Consumption Charge

| | Per 1,000 Gallons |
|------------|-------------------|
| up to 100% | \$ 1.95 |
| up to 133% | \$ 2.62 |
| up to 167% | \$ 4.60 |
| Over 167% | \$ 7.81 |

D. Wastewater Charge

Wastewater charges are comprised of two components – a base fixed charge plus a usage charge. All customers will pay the base fixed charge.

The rates for the various charges are as follows:

| | Single Family bimonthly | Multi Family monthly | Non- residential monthly |
|--|----------------------------|-------------------------|--------------------------------|
| Base charge | \$ 29.92 | \$ 14.96 | \$ 14.96 |
| Normal usage charges | | | |
| Minimum charge | \$ 43.48 | \$ 21.74 | NA |
| 3,000-12,000 gallons | \$4.52/ 1,000 | \$4.52/ 1,000 | \$4.52/ 1,000 |
| 12,001-18,000 | \$4.52/ 1,000 | \$4.52/ 1,000 | \$4.52/ 1,000 |
| Household Population Adjustment (HPA) usage charges | | | |
| Minimum charge 9,000 gallons | \$40.68 | NA | NA |
| Per additional HPA allotment (3,000 gallons) requested | \$13.56 | NA | NA |
| Excess over HPA allotment | \$4.52/ 1,000 | NA | NA |

The total Wastewater charge is determined based on the following:

Single Family or Multi Family - individually metered residential service - - per bimonthly billing period (**if there is not an approved household population adjustment**)

- The Winter Billing Period, defined as the two month billing cycle which includes a portion of any two of the following months: December, January or February, shall be the basis for the next twelve months billing commencing after the selected Winter Billing Period
- For all customers there will be a minimum flat charge for Winter Billing Period usage for the first 3,000 gallons whether used or not.
- The total bimonthly Wastewater Charge for the next twelve months billing period beginning after the Winter Billing Period shall be established for each individual residential dwelling unit based upon:
 - The base rate plus
 - The minimum flat rate plus
 - The actual metered water consumed during the Winter Billing Period in excess of 3,000 gallons.
- For new customers without a Winter Billing Period based on their household characteristics will be assessed a wastewater charge for the next 12 months that assumes a Winter Billing Period usage of 9,000 gallons.

Single Family residential service –per bimonthly billing period (**with an approved Household Population Adjustment (“HPA”)**)

- A household with four or more qualified occupants may apply for a HPA

- The HPA automatically adjusts the minimum flat charge for Winter Billing Period Usage to be 12,000 gallon plus 3,000 gallons over every additional person approved pursuant to Exhibit A-1.
- The bimonthly rate for the billing period for the next twelve months after the Winter Billing Period billing periods shall be:
 - The base rate plus
 - The minimum flat rate adjusted as the result of the HPA plus
 - The actual metered water consumed during the Winter Billing Period in excess of the revised allotment as the result of the HPA

Multi-family residential service – non-individually metered service (master meter)

- The Winter Billing Period, defined as the one month billing cycle which includes a portion of December or January shall be the basis for the next twelve months billing commencing after the selected Winter Billing Period
- For all customers there will be a minimum flat charge for Winter Billing Period usage for the first 1,500 gallons whether used or not.
- The monthly rate for the next twelve months billing periods shall be established for each master metered service based upon the actual metered water consumed during the Winter Billing Period.
 - The base rate plus
 - The minimum flat rate plus
 - The actual metered water consumed during the Winter Billing Period in excess of 1,500 gallons.
- For customers with Winter Billing Period usage of less than 3,000 gallons, there will be a minimum billing wastewater charge calculated assuming usage of 3,000 gallons.

Nonresidential and all other service

- Nonresidential shall be determined based upon **actual water consumption** registered on the domestic meter.

The table below summarizes bills for each of the categories at the stated levels. It is not intended to be all inclusive,

| Wastewater Charge | Base Charge | per 1,000 gallons | Breakpoint Usage | Billable Usage | TOTAL |
|--|-------------|----------------------|---------------------|-------------------|-----------|
| Single Family(bimonthly) | | | | | |
| New Account | \$ 29.92 | \$ 4.52 | 9,000 | 9,000 | \$ 70.60 |
| Minimum (less than 3,000 gallons Wintertime usage) | \$ 29.92 | \$ 4.52 | <= 3000 | 3,000 | \$ 43.48 |
| Based on average wintertime consumption (a) | \$ 29.92 | \$ 4.52 | > 3000 | 10,000 (a) | \$ 75.12 |
| Single Family w/HPA (bimonthly) | | | | | |
| 1 HPA (usage less than HPA allowance) | \$ 29.92 | \$ 4.52 | 15,000 | 14,000 | \$ 97.72 |
| 1 HPA (usage greater than HPA allowance) | \$ 29.92 | \$ 4.52 | 15,000 | 16,000 | \$ 70.24 |
| 2 HPA (usage less than HPA allowance) | \$ 29.92 | \$ 4.52 | 18,000 | 17,000 | \$ 111.28 |
| 2 HPA (usage greater than HPA allowance) | \$ 29.92 | \$ 4.52 | 18,000 | 19,000 | \$ 77.80 |
| 3 HPA or more contact customer service | | | | | |
| Multi Family (monthly) | | | | | |
| New Account | \$ 14.96 | \$ 4.52 | 4,500 | 4,500 | \$ 35.30 |
| Minimum (less than 2,000 gallons Wintertime usage) | \$ 14.96 | \$ 4.52 | < 2,000 | 2,000 | \$ 24.00 |
| Based on average wintertime consumption (a) | \$ 14.96 | \$ 4.52 | > 2,000 | 5,000 (a) | \$ 37.56 |
| Non-Residential (monthly) | | | | | |
| 3/4" equivalent | \$ 14.96 | \$ 4.52 | NA | 30,000 (b) | \$ 150.56 |
| 1" equivalent | \$ 29.92 | \$ 4.52 | NA | 30,000 (b) | \$ 165.52 |
| 1 1/2" equivalent | \$ 59.84 | \$ 4.52 | NA | 30,000 (b) | \$ 195.44 |

(a) Table assumes average Highlands Ranch Single/Multi Family winter time usage. Will vary for each user.

(b) Based on 80% of actual usage.

E. Nonresidential Service Variances

For any use, other than Single Family or Multi-family Residential, the user may petition the Centennial Board of Directors for adjustment of the 80% actual water consumption provision included in the wastewater charge. Said petition will require the user to document how their sanitary sewer usage materially varies from the established 80% criteria using acceptable industry data. The Centennial Board at its discretion will grant or deny the petition.

F. Open Space Irrigation Service

A contract for Open Space Irrigation Service will contain the following conditions:

1. The user must pay the appropriate tap fees for the meter size requested and approved. To the extent that the user wishes to be connected to the potable system as a backup they will pay only one capacity fee which will be calculated based upon the meter size that would be required for the aggregate simultaneous flow.
2. The actual costs of all meters and the related construction water, meter vaults and other incidentals to make such a connection will be borne by the user.
3. To the extent that the user has requested a tap to the primary system as a backup and uses water through that tap they will be charged for that water based upon the primary water consumption rate then in effect.
4. The appropriate water rate will be established for each specific connection by contract and reevaluated and if necessary adjusted annually.

G. Service Outside District

For service pursuant to any or all of the foregoing paragraphs A, B or C outside of the boundaries of the District, such charges and Rates shall equal **twice** the amount set forth in such paragraphs A, B and C.

H. Backflow Prevention Device Penalty

Pursuant to Section 8.4 a penalty of **\$15 per month** (billed bimonthly) will be imposed and assessed for all District customers who have not installed a proper backflow prevention device.

I. Delinquent Payment Penalty

Pursuant to Section 8.5 of the Rules and Regulations, a penalty of **\$10** will be assessed on all past due accounts.

J. Shutoff Posting Charge

A fee of **\$20** will be assessed upon posting of notice of shut off.

K. Interest Charge

Interest at a rate of **12%** per annum shall be assessed on the past due balance of accounts that have had service suspended.

L. Failure to Provide Access Penalty

A penalty based on the schedule below will be assessed for all customers who fail to provide access pursuant to Section 4.4 of the Rules and Regulations after proper notice has been provided.

| | First Billing Period | Second Billing Period | All Subsequent Billing Periods |
|---------|----------------------|-----------------------|--------------------------------|
| Penalty | \$50 | \$100 | \$250 |

M. Initial and Final Billing Charges

Requests for change in service that requires a meter reading and/or bill outside the normal billing cycle will be assessed a **\$25** fee.

N. Disconnection and Reinstatement Charge

Charges for disconnection and reinstatement of service attributable to delinquent accounts will be assessed as follows: Charges for all services will be billed through the shut off date, and then resume when water is reinstated.

Actual disconnection and reinstatement **\$50**

O. Returned Check Fee

A fee shall be assessed for any dishonored checks as follows:

| | |
|-------------------|--|
| First Occurrence | Double the cost charged by bank |
| Second Occurrence | Triple the cost charged by bank |
| Third Occurrence | Notice pursuant to CRS 13-21-109(2) will be given and the District shall collect the amount due thereunder |

P. Bankruptcy

Upon receipt of written notification of bankruptcy, a final meter reading for the account will be ordered. The account will be final billed and a new account number established. Notation will be made on both accounts as to the details of the bankruptcy.

To continue service to the new account receipt of a deposit, equal to three times the average monthly bill rounded to the next highest \$5 increment, must be received within 10 working days of the mailing of notice. Notification of the required deposit will be made to the address by first class mail. Failure to make the required deposit will result in the shut off of service.

Until paid all such charges shall remain a perpetual lien on and against the property.

Q. Meter Testing Deposit

A deposit of **\$25** shall accompany all written requests by customers to have their water meter tested.

R. Wastewater Treatment Surcharge

A surcharge may be charged to customers that discharge wastewater with higher oxygen demand or solids loadings than those found in typical domestic wastewater. These charges will cover the additional costs incurred to treat the wastewater. The surcharge is calculated using a formula specified in Exhibit A-3.

S. Charges for violation of Mandatory Outdoor Water Use Restrictions:

Compliance with the Mandatory Outdoor Water Use Restrictions (see Exhibit A-2) will be determined by Centennial and the following charges for violations thereof shall apply:

- The first annual offense will result in a recorded violation documented by a letter.
- The second offense would result in a recorded violation documented by a letter and assessing a fee to the customer's bill water bill.
- All following offenses would result in a recorded violation documented by certified letter and assessing a fee to the customer's water bill as stated in the table below.

All violations would allow for a 10 day grace period prior to the next violation being recorded allowing for mail delivery and system corrections. Failure to pay charges will result in suspension of water service.

| Meter type/service | 1st | 2nd | 3rd | 4th | 5th | Subsequent |
|--------------------|---------|-------|---------|---------|---------|----------------|
| Residential | warning | \$50 | \$100 | \$250 | \$500 | water shut off |
| 1" or less | warning | \$100 | \$200 | \$500 | \$1,000 | water shut off |
| 1-1/2" or greater | warning | \$600 | \$1,200 | \$3,000 | \$6,000 | water shut off |

T. Backflow Prevention Device Testing

All customers with a backflow prevention device are required to have an annual testing. Centennial Water & Sanitation District will contract for testing services and impose a \$75 charge for testing. If any major repairs are necessary, the repairs and re-test will be the responsibility of the customer.

HIGHLANDS RANCH METROPOLITAN DISTRICT/ MIRABELLE METROPOLITAN DISTRICT
RULES AND REGULATIONS
EXHIBIT A -1
Water Budget Definition and Calculation

I. Water Budget Calculation:

For each tap a Water Budget will be established by Centennial that will serve as the benchmark for where different rate tiers take effect. The Water Budget for different types of customers shall be determined as follows:

I. Residential Customers

a. Single Family

For each bimonthly billing period the Water Budget shall be the sum of indoor usage and outdoor usage.

Indoor Usage: **12,000** gallons per bimonthly period for all residential dwelling units

Household Population Adjustment for indoor use – in addition to the Base Indoor Usage an additional **3,000** gallons per bimonthly period for each additional person in a household subject to the provisions of the Household Population Adjustment affidavit attached as Exhibit A-1a.

Outdoor Usage: The amount of water necessary to apply the irrigation amounts shown in Section B below, on the Irrigated Area of each lot which is defined as an area equal to **45%** of the gross lot size of a single family residence. Provided however, that the minimum outdoor usage will be **1,000** gallons per bimonthly period.

Landscape permit outdoor usage adjustment: An additional allotment of irrigation for outdoor usage pursuant to the provisions of the Landscape Permit attached as Exhibit A-1b

b. Multi-Family

Indoor Usage: **6,000** gallons per monthly period for all residential dwelling units

II. Non-Residential Indoor Customers

Indoor Usage: Allowance for water budget is based on 189,000 kgal per ¾” equivalent as tabulated below:

| | Annual |
|--------------------------|----------------------------|
| <u>Meter Size</u> | <u>Water Budget</u> |
| 3/4" | 189,000 |
| 1" | 378,000 |
| 1.5" | 756,000 |
| 2" | 1,512,000 |
| 3" | 3,402,000 |

III. Non-Residential Irrigation Customers

For non-residential irrigation customers the outdoor irrigation budget will be calculated based on the actual number of irrigated square feet (irrigated area) including turf and landscape beds.

The customer is responsible for fully completing the Non-Residential Irrigators Water Budget Application.

- a. The customer may utilize agents, contractors or management companies to complete the Application however the customer **assumes responsibility** for the application.
- b. It is the responsibility of the customer to inform the District if any changes are made which change the irrigated area.
- c. If the customer does not submit the completed Non-Residential Irrigators Water Budget Application the water budget will be based on **15%** of the total lot size.

If a customer believes that the measurement used to calculate their budget is incorrect the following administrative steps will be taken:

- The customer must report to the District the corrected measurement to be used as a basis for calculating the water budget in writing.
- The District will verify the information provided.
- A refund will be provided but is limited to the irrigation periods 2 years prior to when notice was given to the District.

Non-residential Irrigation Customers will fall into the following categories:

- **Outdoor Irrigation Usage for Multi- Family common areas and Associations**

Outdoor Usage: The amount of water necessary to apply the irrigation amounts shown in Section B below on an area equal to the actual irrigated area of landscape.

- **Non-Residential**

Outdoor Usage: The amount of water necessary to apply the irrigation amounts shown in Section B below on an area equal to the actual irrigated area of landscape.

- **Highlands Ranch Metropolitan Districts**

Outdoor Usage: The amount of water necessary to apply the irrigation amounts shown in Section B below on an area equal to the actual irrigated area of landscape.

- **Sports Field Customers**

Outdoor Usage: The amount of water necessary to apply the 27" of water to the actual irrigated area of landscape on an annual basis.

- **Customers primarily using non-potable**

Outdoor Usage: The amount of water necessary to apply the 27" of water to the actual irrigated area of landscape on an annual basis or as revised by contract.

II. Irrigation Application Rates used in calculation of Water Budget:

| | | |
|--|----------------------|---------------------------|
| April | 1 st week | 0.00 inches of irrigation |
| April | 2nd week | 0.00 inches of irrigation |
| April | 3rd week | 0.50 inches of irrigation |
| April | 4th week | 0.50 inches of irrigation |
| May | 1 st week | 0.50 inches of irrigation |
| May | 2nd week | 0.50 inches of irrigation |
| May | 3rd week | 1.00 inches of irrigation |
| May | 4th week | 1.00 inches of irrigation |
| June | 1 st week | 1.00 inches of irrigation |
| June | 2nd week | 1.00 inches of irrigation |
| June | 3rd week | 1.25 inches of irrigation |
| June | 4th week | 1.25 inches of irrigation |
| July | 1 st week | 1.25 inches of irrigation |
| July | 2nd week | 1.50 inches of irrigation |
| July | 3rd week | 1.50 inches of irrigation |
| July | 4th week | 1.50 inches of irrigation |
| August | 1 st week | 1.50 inches of irrigation |
| August | 2nd week | 1.50 inches of irrigation |
| August | 3rd week | 1.25 inches of irrigation |
| August | 4th week | 1.25 inches of irrigation |
| September | 1 st week | 1.25 inches of irrigation |
| September | 2nd week | 1.00 inches of irrigation |
| September | 3rd week | 1.00 inches of irrigation |
| September | 4th week | 1.00 inches of irrigation |
| October | 1 st week | 1.00 inches of irrigation |
| October | 2nd week | 0.50 inches of irrigation |
| October | 3rd week | 0.50 inches of irrigation |
| October | 4th week | 0.00 inches of irrigation |
| 5 th week of a month to balance | | 1.00 inches of irrigation |
| To be assigned to month necessary adjust for that year's actual calendar | | |

ANNUAL TOTAL (25 weeks) **27.00** inches of irrigation

HIGHLANDS RANCH METROPOLITAN DISTRICTS/ MIRABELLE METROPOLITAN DISTRICT
RULES AND REGULATIONS
EXHIBIT A -2
Water Conservation Measures

I. Water Use:

Consistent with the Amended Water Conservation Plan as part of the Highlands Ranch Rules and Regulations, wasteful use of water is prohibited at all times. Examples of wasteful water use include:

- Excess water flowing in street gutters from irrigation or other outdoor uses,
- Unrepaired leaks or fixture malfunctions that lead to excess water use

II. Mandatory Outdoor Water Restrictions:

Consistent with the Amended Water Conservation Plan as part of the Highlands Ranch Rules and Regulations concerning Mandatory Outdoor Water Restrictions the following restrictions apply at all times:

- Outdoor irrigation is prohibited between the hours of **10:00 A.M. and 6:00 P.M.** from **May 1st to September 30th** with exception of prior approved daytime watering permit.
- Operation of an irrigation system for maintenance is allowed at any time. Maintenance is defined as actively observing an irrigation zone while it is operating to ensure that it is functioning properly. A person must be visible at the location of the zone while it is running. Each zone must be turned off prior to leaving the location and not left running until the completion of a cycle.
- Hand watering of landscape materials is allowed at any time. Hand watering is defined as the application of irrigation from a hose held in the hand with a shut off valve; or a water-conserving method such as a drip, trickle, micro spray, deep root watering device or watering can are used.
- Car washing is allowed at any time. However, if water for car washing is coming from a hose rather than a bucket, a hose end shut off device must be in use to prevent uninterrupted water flow.

III. Changes to Mandatory Outdoor Water Restrictions:

The mandatory Outdoor Water Restrictions imposed by the District's Rules and Regulations may be changed at any time by declaration of Centennial Board of Directors at a regular or special board meeting. Such changes may include, but are not limited to:

- Mandatory day-of- week limits on irrigation
- Mandatory limits on the hours of watering
- Mandatory limits on the allowed run times of irrigation systems
- Mandatory prohibitions of all outdoor water use under severe water supply shortages

IV. Required Water Conservation Devices:

1. Any Non-residential Irrigation Customers (commercial, industrial, combination, governmental or HOA common area irrigation system) that receives water pursuant to the service agreements between Centennial Water & Sanitation District and either (Highlands Ranch Metropolitan District or Northern Douglas County Water and Sanitation District must be equipped with rain sensing shut-off devices approved as to number and type by the District.

2. All rain sensors shall be installed, adjusted and set as follows:
 - a. to automatically shut off the irrigation system after 1/4" (one-fourth of an inch) of rainfall has been received and is recommended to be shut off after 1/8" (one-eighth of an inch).
 - b. according to manufacturer's instructions in a location that will provide full exposure to rainfall such that accuracy of operation is assured and shall be maintained in good working condition.
3. No person shall, with the intent of circumventing the purpose of this requirement, adjust either the rain sensor or irrigation system so that the rain sensor is not able to override and turn off the irrigation system after one-fourth inch of rain has fallen.
4. A person commits a violation if, on premises owned, leased or managed by him or her, he or she:
 - a. Installs, or causes or permits the installation of, an irrigation system in violation of the above.
 - b. Operates, or causes or permits the operation of, an irrigation system that does not comply with the above.

Violations will be subject to the warning and fees as shown below except in the case of failure to have a rain sensor device properly installed the fine will be \$250.

| Meter type/service | | 1st | 2nd | 3rd | 4th | 5th | Subsequent |
|---------------------------|--|---------|-------|---------|---------|---------|----------------|
| 1" or less | | warning | \$100 | \$200 | \$500 | \$1,000 | water shut off |
| 1-1/2" or greater | | warning | \$600 | \$1,200 | \$3,000 | \$6,000 | water shut off |

HIGHLANDS RANCH METROPOLITAN DISTRICT/ MIRABELLE METROPOLITAN DISTRICT
RULES AND REGULATIONS
EXHIBIT A-3
Wastewater Treatment Surcharge

Wastewater Treatment Surcharge

A surcharge may be charged to customers that discharge wastewater with higher oxygen demand or solids loadings than those found in typical domestic wastewater. These charges will cover the additional costs incurred to treat the wastewater. The surcharge is calculated using the following formula.

$$SC = V (8.34) [(AOD) \times (UCo) + (TSS-300) \times (UCs)]$$

SC = surcharge in dollars and cents.

V = volume of wastewater discharged in units of million gallons.

8.34 = conversion factor (gallons to pounds)

AOD = additional oxygen demand in units of milligrams per liter.

Note: for use in the formula above, first determine if BOD (Biochemical oxygen demand) or COD (Chemical Oxygen Demand) should be used in the determination of AOD by using the following determination:

1) If the ratio of COD to BOD (as mg/l) is less than 3.0 then AOD = (BOD – 250) (Typical domestic wastewater contains less than 250 mg/l BOD)

2) If the ratio of COD to BOD (as mg/l) is greater than or equal to 3.0
then AOD = (COD – 500). (Typical domestic wastewater contains less than 500 mg/l COD).

UCo = cost of treating a pound of additional oxygen demand (AOD) The cost is \$0.13 per pound of AOD.

TSS = total suspended solids in units of milligrams per liter. (Typical domestic wastewater contains less than 300 mg/l TSS)

UCs = cost of treating a pound of total suspended solids (TSS) in dollars and cents. The cost is \$0.05 per pound of TSS.

HIGHLANDS RANCH METROPOLITAN DISTRICT/ MIRABELLE METROPOLITAN DISTRICT
RULES AND REGULATIONS
EXHIBIT A-4

Online Portal System Regulation

I. Online Portal System Access and Ownership.

1. In order to access the Online Portal System, which is provided to the District, pursuant to a contract with Badger Meter, Inc. ("Badger Meter"), User must be a District customer with an active District water account.
2. User shall be required to select and use certain user names, passwords or codes to access and use the Online Portal System.
3. By accessing the Online Portal System, the User agrees that User, and anyone acting by or through User, shall strictly comply with the terms and provisions of this Regulation as the same now exists or may hereinafter be amended from time to time.
4. By accessing the Online Portal System, User will not obtain any rights, title, or interest in the Online Portal System or any associated intellectual property rights, other than the right to access and use the Online Portal System, subject to the terms and conditions set forth in this Regulation.
5. The District's Board of Directors, in its sole and absolute discretion, or the Board's designee, may suspend or terminate, with or without notice, access to the Online Portal System at any time for any User for violation of this Regulation or for any other cause including, but not limited to, any suspected violation of this Regulation.

II. Restrictions on Right to Use. Customer may not:

1. Sell, license, resell, sublicense, or otherwise permit any third party to access or use the Online Portal System;
2. Remove, patent, copyright, trademark, or otherwise copy intellectual markings from the Online Portal System;
3. Modify, alter, tamper with, repair, or otherwise create derivatives from the Online Portal System;
4. Copy, reverse engineer, disassemble, or decompile the Online Portal System or apply any other process or procedures to derive the source code from any software included in the Online Portal System;
5. Provide User content that infringes on or is in violation of the intellectual property rights of any person or entity including but not limited to the District, Badger Meter, or any of either party's suppliers;
6. Use the Online Portal System in a manner that violates any applicable international, federal, state, or local law, rule, or regulation;
7. Assert, authorize, or encourage any third party to assert any intellectual property infringement claim against the District or Badger Meter regarding the Online Portal System;
8. Transmit content or messages that are illegal, fraudulent, threatening, abusive, defamatory, or obscene;
9. Make any unauthorized connection to the District's billing system or any third party's network via the Online Portal System;
10. Communicate any unsolicited commercial, voice, SMS, or other message;
11. Upload or transmit any "virus," "worm," or malicious code or access, alter, or interfere with the communications of and/or information about another User, District customer, or other person; and
12. Take actions related to the Online Portal System that could cause damage to or adversely affect the District, Badger Meter, the Online Portal System, or any of the District's or Badger Meter's third-party consultants or suppliers.

III. Customer Content and Responsibilities. By accessing and/or utilizing the Online Portal System

1. User consents to the District and Badger Meter's right to host, access, store, copy, and use necessary customer information, including but not limited to the User's address, meter reading information, water usage history, and account information, as reasonably necessary to provide, maintain, repair, and enhance the Online Portal System;
2. User is solely responsible for any actions User may take with regards to the Online Portal System;
3. User agrees to comply with the Badger Meter Terms of Use Policy (<https://beaconama.net/tou/termsfuse.html>) and the Badger Meter Privacy Policy (<https://beaconama.net/privacy/privacy.html>), as either may be amended from time to time;
4. User agrees that User shall not access or use the Online Portal System in any manner that violates any applicable international, federal, state, and/or local laws and/or regulations, including but not limited to, all applicable data protection, intellectual property, and privacy laws;

5. USER AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE DISTRICT, AND AS APPLICABLE ITS OFFICERS, DIRECTORS, CONSULTANTS, AND OTHER REPRESENTATIVES (COLLECTIVELY, THE “DISTRICT PARTIES”) FROM AND AGAINST ANY LEGAL PROCEEDINGS FILED AGAINST THE DISTRICT PARTIES BY A THIRD PARTY ARISING OUT OF USER’S NEGLIGENT OR WRONGFUL USE OF THE ONLINE PORTAL SYSTEM; and
6. User acknowledges security of transmissions over the internet cannot be guaranteed, and as such, the District and Badger Meter are not responsible for: (i) Customer’s access to the internet; (ii) interception, unauthorized use or interruptions of communications through the Internet; or (iii) changes or losses of data through the Internet.

IV. Miscellaneous.

1. These Rules and Regulations are in addition to, and not in lieu of, all federal, state, and local laws, rules, and regulations applicable to the Online Portal System, its use, or its contents.
2. The provisions of these Rules and Regulations are severable. If any word, phrase, clause, sentence, section, provision, or part of these Rules and Regulations should be held invalid or unconstitutional, it shall not affect the validity of the remaining provisions, and it is hereby declared to be the intent of the Board of Directors that these Rules and Regulations would have been adopted as to the remaining portions, regardless of the invalidity of any part.
3. These Rules and Regulations may be amended at any time at the sole discretion of the Board of Directors.
4. A copy of the Rules and Regulations are on file in the principal office of the District, Centennial Water and Sanitation District, 62 Plaza Drive, Highlands Ranch, CO 80129, where they may be read by any interested person.
5. Any violation of these rules shall subject the violator to a penalty not to exceed ten thousand dollars (\$10,000) for each violation. Each separate occurrence and day that a violation of this Regulation or any part thereof continues shall be considered a separate violation.
6. Use of the Online Portal System shall be at the sole risk of each User. The District accepts no responsibility or liability for any losses or injuries sustained by a User as a result of such use.