

SECTION 2 - OWNERSHIP AND OPERATION OF FACILITIES

2.1 **RESPONSIBILITIES OF DISTRICT.** It is the District's responsibility to plan, finance, design, and construct all designated Regional Facilities. The District will only construct such facilities or portions thereof when the Board has made a determination that such construction is economically feasible. Such determination may require Owner/Developers to prepay or guarantee future payment of System Development Fees or other special arrangements as the Board may determine necessary.

It is the Owner/Developer's responsibility to finance, design, and construct all Local Facilities as defined herein. Such facilities shall be constructed in accordance with plans and specifications approved by the District's Engineer, and Routt County, and in accordance with minimum standards adopted by these entities. The Owner/Developer shall pay the Actual Cost of all such facilities.

It is the responsibility of the Customer or his builder to pay the actual cost and construct all Customer Service Facilities. Such Service Facilities shall be constructed in accordance with standards approved by the District and shall be inspected by the District prior to use.

After construction, the District will be responsible for the maintenance, operation, and replacement of all Regional and Local Facilities (except as provided during the warranty period). The individual Customers shall be responsible for the maintenance and replacement of all Service Facilities with the exception of water meters, which shall become the property and responsibility of the District. The District shall not be liable or responsible for inadequate water delivery, sewage treatment or interruption of any services brought about by circumstances beyond its control.

2.2 **LIMITATION OF LIABILITY OF DISTRICT.** It is expressly stipulated that no claim for damage shall be made against the District for any items in which the District is immune from liability pursuant to the provisions of Colorado Revised Statutes§24-10-106 or by reason of any of the following: Blockage in the system causing the backup of sewage; breakage of Water or Sewer Main lines by District personnel; interruption of water or sewer service and the conditions resulting therefrom; breaking of any collection or service line, pipe, valve, or meter by any employee of the District; failure of the water supply; shutting off or turning on water; making of connections or extensions; damage caused by water running or escaping from open or defective faucets; burst Service Lines and other facilities not owned by the District; damage to water heaters, boilers, or other appliances resulting from shutting off or turning on water, or from inadequate or sporadic pressures; or for doing anything to the systems of the District deemed necessary by the Board of Directors, its employees, or its agents. The District shall have no responsibility for notification to Customers of any of the foregoing conditions. The District reserves the right to discontinue temporarily service to any property at any time for any reason deemed necessary or appropriate by the Board of Directors. The District shall have the right to revoke service to any property for violations of these Rules and Regulations in accordance with the procedures set forth in these Rules and Regulations.

2.3 **OWNERSHIP OF FACILITIES.** All existing and future Regional and Local Facilities connected with and forming an integral part of the District's system and accepted for operation

and maintenance pursuant to these Rules and Regulations shall become and are the property of the District, regardless of whether such facilities are constructed, financed, paid for, or otherwise acquired by the District, or by other Persons, unless any written contract with an Owner or Customer provides otherwise.

That portion of all existing or future services lines extending from the Water or Sewer Main to each unit or building for each Customer that is connected with and forms an integral part of the District's water or sewer system, shall become and is the property of the Owner/Customer, regardless of whether the District constructs, finances, pays for, repairs, maintains or otherwise affects the Customer's service line. The construction of and connection of any service line shall be done in compliance with these Rules and Regulations. The Owner/Customer's ownership of the service line shall not entitle the Customer to make unauthorized uses of the District's systems once the service line has been connected to a District main line. All uses of the service line or any appurtenances thereto at any time after the initial connection to the District system shall be subject to these Rules and Regulations.

Notwithstanding the above, all water meters and curb valves shall become and are the property of the District after acceptance of such meters and curb valves for maintenance by the District. Said ownership shall remain valid whether the meters and/or curb valves are installed, financed, paid for, repaired or maintained by another person or whether the meters and/or curb valves are located on privately owned and maintained Service Lines.

2.4 **RIGHT OF ENTRY.** The Board of Directors, Inspector, agent, employees of the District, or other Person so designated by the Board of Directors, bearing proper credentials and identification, shall be permitted to enter upon all properties for the purpose of inspection, observation, measurement, sampling, and testing, in accordance with the provisions of these Rules and Regulations. The granting of Right of Entry by the Owner and occupant is a condition precedent and a condition subsequent to the provision of public water and sewer service.

2.5 **MODIFICATION, WAIVER AND SUSPENSION OF RULES.** The Board or the District Manager acting on instructions of the Board shall have the sole authority to waive, suspend or modify these Rules and Regulations, and any such waiver, suspension or modification must be in writing, signed by the Board or the District Manager. Such waiver shall not be deemed an amendment of the Rules and Regulations. No waiver will be deemed a continuing waiver.