

Water System Policies **for** **Mountain Mutual** **Water Company**

*Applies to all owners within
Cripple Creek Mountain Estates,
Cripple Creek Timbers and
Easement Members*

Adopted March 9, 2021

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Article I

General

- 1.1 Authority: Articles of Incorporation of Mountain Mutual Water Company, By-laws of Mountain Mutual Water Company, Adopted Resolutions of Mountain Mutual Water Company and Amended and Consolidated Declaration of Protective Covenants and Building Restrictions Cripple Creek Mountain Estates Teller County, Colorado, Article II, section 2.1, item f.
- 1.2 Purpose: It is necessary for the health, safety and welfare of the residents and owners of property within the Cripple Creek Mountain Estates Subdivision to regulate the distribution of water. The purpose of this consolidated body of Water Policies is to ensure an orderly and uniform administration of water operations within the CCME Subdivision and its easement members.
- 1.3 Policy: The Board of Directors of Mountain Mutual Water Company (MMWC) declares the Water Policies hereinafter will serve a public use to promote the health, safety, security and general welfare of the residents of Cripple Creek Mountain Estates and MMWC's easement members.
- 1.4 Scope: These Water Policies shall be treated and considered as new and comprehensive regulations governing the operation and functions of the MMWC system and shall supersede all prior Water Policies. In the event any of the terms or provisions hereof shall conflict with the provisions of Colorado Law, the terms of said statutes shall govern.
- 1.5 Intent of Water Policies: It is intended that these Water Policies shall be liberally construed to affect the general purposes set forth herein and that each and every part hereof is separate and distinct from all other parts.
- 1.6 Amendment: MMWC shall retain the power to amend these Water Policies by amendment or resolution of the Board, upon majority of the Board at any regular Board meeting. Prior notice of these amendments/resolutions shall not be provided by MMWC exercising its powers provided in MMWC By-laws, article III, section 13.
- 1.7 Usage and Titles: All words and phrases shall be construed and understood according to their common and approved usage. The title of any heading in these Water Policies shall not be deemed in any way to restrict, qualify or limit the effect of the provisions set forth in the section or subsection set forth under such heading.
- 1.8 Contractual Agreement/Attorney Fees: All property owners serviced by MMWC are responsible for knowledge of all provisions of these Water Policies and hereby agree to be bound by these Water Policies as a matter of contract and for which there is good and valuable consideration. In the event MMWC shall commence proceedings to collect any payments of whatever nature, due and payable to MMWC, or to otherwise enforce these Water Policies, the delinquent or defaulting party shall be responsible and hereby agrees to the payment of any and all costs and expenses incurred in connection with said proceedings, including, but not limited to reasonable attorney's fees.

Article II

Definitions

Unless the context specifically indicates otherwise, the meaning of the terms used herein shall be as follows:

2.1 Applicant: Applicant shall mean any owners who applies to MMWC for a service connection.

2.2 Availability Fee: Established by the developers, this annual fee is to maintain the water rights associated with a particular parcel of land within CCME and to help maintain the water system. This annual fee must be current prior to connection to the water system and should not be confused with the connection fee.

2.3 Board: Board of Directors shall mean the duly elected or appointed Board of Directors of MMWC.

2.4 Backflow: Backflow means the undesirable reversal of flow of water or other substances into MMWC's distribution system from any source(s) other than its intended source.

2.5 Cistern: A minimum of 1,500 gallons concrete cistern is required for each property. No fiberglass cisterns are permitted.

2.6 Connection: Connection shall mean the connecting of the service line to the water system.

2.7 Connection Fee: Connection Fee shall mean the payment to MMWC for the privilege of connecting a customer to the water system.

2.8 Cross Connection: Cross Connection means any connection that could allow any water, fluid or gas that could present an unacceptable health/safety risk to the public, to flow from any pipe, plumbing fixture or customer's water system into MMWC's water system distribution system through backflow.

2.9 Delinquent Charges: Delinquent charges shall be charged for payments not made 30 days after the date fixed for payment.

2.10 Estimated Reading: An estimated reading will occur when situations prohibit the physical reading of the water meters.

2.11 Forfeiture: Forfeiture occurs when the member is severely delinquent in charges/fees owed to MMWC, which includes, but not limited to loss of membership and water rights.

2.12 Inspector: Inspector shall mean that person who shall inspect all water connections, excavations and installations to the water system to ensure compliance with the Water Policies.

2.13 Operator: Operator shall mean any duly certified licensed person engaged by MMWC to operate and maintain the water system.

2.14 Permit: Permit shall mean written permission to connect to the water system of MMWC pursuant to the Water Policies of MMWC.

2.15 Perpetual Lien: MMWC shall have a perpetual lien upon all memberships and Certificates or parts thereof, and the water rights (if any) represented by the same, for any and all assessments, charges of any type and all other debts owed the Corporation, until the same are fully paid.

2.16 Property Owner: Property Owner shall mean the owner(s) of real property as recorded in Teller County; may also be referred to as member/membership.

2.17 Property Shut-off Valve: Property Shut-off Valve shall mean the entirety of the curb valve and meter pit located on the service line used to control the flow of water from the main line into the service line for the customer's property.

2.18 Red Tag: A Red Tag notice is issued to a connected member when there is a problem with their service line, meter pit or cistern requiring repairs.

2.19 Service Line: Service line shall mean any privately owned and privately maintained piping/line, used to provide water from the water main to the residence.

2.20 Termination of Service Notice: A Termination of Service Notice is issued to a connected member when they become delinquent in their monthly charges.

2.21 Water Main: Water Main shall mean any pipe, piping or system of piping used as the conduit for water in MMWC's water system and owned by MMWC.

2.22 Water Policies: Water Policies shall mean the Water Policies of MMWC, including all amendments and policies as set forth in MMWC Board Meetings minutes and resolutions.

2.23 Water System: Water System shall mean any water main line, appurtenances, accessories, pumps or portion thereof owned and maintained by MMWC. It shall not include the service line upon a customer's property or any facilities off a customer's service line.

2.24 Water Usage: Water usage is for household use only. Water supplied by MMWC may be used only for domestic use in single family dwellings on the member's associated lot or in the case of easement customers, for domestic uses in single family dwellings on such property as the Corporation shall designate. Water can be used only inside the home. Water cannot be used to irrigate lawns, gardens, windbreaks, livestock or any other outside use. MMWC does permit the use of water to establish landscape plants over a 21-day period and the use of water for a greenhouse if the greenhouse is equipped with a water recovery system. Additional charges may be assessed for outside watering as specified above. No other outside use of water is permitted.

Article III

Ownership and Operation of Facilities

3.1 Responsibilities of MMWC: Except as otherwise provided by these Water Policies, MMWC is responsible for the operation, maintenance and repair of the water system, which operation, maintenance and repair shall be carried out in a sound and fiscally responsible manner.

3.2 Liability of MMWC: In no event shall MMWC be liable or responsible for inadequate treatment, interruption and resumption of service, loss of pressure brought about by circumstances beyond its reasonable control. Likewise, MMWC shall have no liability for interruption or resumption of water service or loss of pressure and any injury or damage therefrom as a result of repairs and maintenance by MMWC or performance of its other obligations and responsibilities hereunder, or as a result of acts or omissions by other parties. MMWC shall have no liability or responsibility for any aspects of the service lines or other facilities not owned by MMWC or for any damage caused by running or escaping water from open or defective faucets or lines of the customer. In addition, MMWC shall have no responsibility for notification to customers of any of the foregoing conditions.

3.3 General Authority: MMWC shall have all the rights and authority granted a corporate body under Colorado law to carry out its responsibilities and obligations hereunder.

a. Interruption of Service: MMWC shall have the right to temporarily discontinue service to any property, at any time, when deemed necessary or appropriate by MMWC to perform maintenance or repairs or to perform its other obligations and responsibilities. When possible, customers affected by a water outage will be notified in advance so they may know to use water sparing.

b. Revocation of Service: MMWC shall have the right to revoke service to any property for violations of these Water Policies in accordance with the procedures set forth herein.

3.4 Ownership of Water System: All existing and future main lines and treatment works connected with and forming a part of the water system shall be and are the property of MMWC.

3.5 Service Lines: Each Property Owner owns and is responsible for the proper construction, maintenance, repair and replacement of the entire water service line serving their property from the point of connection on the main to the residence and shall also be responsible for all related service facilities on or within their property. The Property Owner shall construct service lines at his or her expense in accordance with MMWC specifications.

3.6 Ownership of Water Meters: Notwithstanding the above, all meters and property shut-off valves shall be and are the property of the property owners. **However, only MMWC authorized personnel may access the valve in the meter pit and or additional shut-off valve to turn the water on/off.**

3.7 Inspection Powers and Authority of MMWC Agents: Authorized employees of MMWC, bearing proper credentials and identification, shall be permitted to enter upon all properties at all reasonable times for the purpose of inspection, observation, sampling or testing and other matters necessary or appropriate for MMWC to perform its obligations and responsibilities. Failure to permit such

inspections, observations, sampling or testing upon request may result in a finding of violation of these Water Policies and disconnection of service to the property of the party failing to permit such activity.

3.8 Variances from Rules: The Board shall have the authority to grant variance from these Water Policies in its sole discretion, upon an adequate showing of undue hardship not experienced by others and not caused by the applicant. Any such requested variance shall be requested in writing and any response will be in writing and shall not be deemed a waiver or amendment to the Water Policies.

3.9 Damage to System:

a. Damage to System: No person shall maliciously, willfully or negligently break, damage, destroy, cover, uncover, deface or tamper with any MMWC property.

b. Duty to Report: Any person who destroys, damages or alters MMWC facilities; causes or permits any foreign materials to enter the MMWC system; causes any obstruction in the flow of water in any MMWC facility; causes or permits any water to escape from the MMWC system in such a way that water is wasted or lost to beneficial use; or discovers, observes or has reasonable cause to believe that any of the foregoing has occurred, shall immediately report the same to MMWC.

c. Liability for Damage: Any person who in any manner damages, injures or impairs any of the water system or any other work, structure, improvement, equipment or property owned by MMWC shall be liable to MMWC for any costs, damages and expenses incurred by MMWC as a result thereof, which shall include, without limitation, repair or replacement of property damaged and reasonable attorney's fees in enforcement of payment.

Article IV

Use of Water Systems

4.1 Unauthorized Tampering with Systems:

a. Unauthorized Use: No person shall uncover, alter, disturb, make any connection with or onto the water system without written permission from MMWC. Unauthorized use of or tampering with the water system includes, but not limited to, unauthorized turn-on or turn-off of water service, modifying any water meter, wasting water and resale or distribution of water from MMWC to any other premises. Unauthorized users also pertain to service companies making repairs for the owner.

b. Introduction of unauthorized water into system: MMWC is the only authorized supplier of water for home use within Cripple Creek Mountain Estates subdivision. At the core, MMWC is charged by State Charter to supply adequate water at or above minimum State health standards. Therefore, introduction of outside water into any part of the Mountain Mutual Water Company delivery system without the express written consent of MMWC management is forbidden. Any unauthorized introduction of water into any part of the MMWC water system will be viewed as a willful violation of numerous regulations and user by-laws. MMWC will take all actions available to the Company to ensure compliance.

c. Violations: In the event of unauthorized tampering, the Board may, in its discretion, order the user disconnected from the water system until such time as, in the sole discretion of the Board, in consultation with field staff, such user is in substantial compliance with the scope and intent of these Water Policies, and may take such additional action as is authorized by these Water Policies and Colorado law. Any person violating any of the provisions of these Water Policies shall become liable to MMWC for payment of fines up to \$1,000.00 per occurrence, plus any expense, loss or damage incurred by MMWC by reason of such violation.

d. Repairs of Leaks: It is the responsibility of the property owner to bury the service line with sufficient cover to prevent it from freezing. Leaks or breaks in the service line or problems with the cistern shall be repaired by the property owner in the prescribed timeframe provided at the time of notification via a Red Tag. If satisfactory progress toward repairing said leak has not been completed by the prescribed time, MMWC may shut off the service until the leak, break or cistern issue has been repaired to the satisfaction of MMWC. MMWC shall have the right to affect the repair and the costs thereof shall constitute a lien on and against the property and property owner will be responsible for all charges incurred to correct the problem. The property owner shall be responsible for paying for any water lost due to leaks or breaks and associated costs related to finding said leak. Such water shall be paid for at the rate set forth in the current rate schedule.

e. Water Meters Required: All Property Owners shall have a water meter installed in their meter pit. No connection shall be made to MMWC's system without the current meter fee being paid prior to installation. The installation and location of the meter pit, curb stop and cistern shall be subject to the approval and inspection of MMWC. The property owner shall be responsible for maintaining accessible conditions to both the meter pit and cistern. In the event access is unavailable to read the meter, an estimated reading will occur until access is available.

f. Defective Meters: MMWC authorized personnel may inspect any meter which is suspected of being defective. If the meter is found to be defective, the meter will be replaced at no cost to the Property Owner. However, if the Property Owner has been negligent in maintaining their system, i.e., keeping meter from freezing during extreme periods of cold, tampering with meter by member, etc. the cost to replace the meter will be bore by the Property Owner.

Article V

Service

5.1 Connection Required: MMWC is the only authorized supplier of water for home use within the Cripple Creek Mountain Estates subdivision. At the core, MMWC is charged by State Charter to supply adequate water at or above minimum State health standards. Therefore, introduction of outside water into any part of the Mountain Mutual Water Company delivery system without the express written consent of MMWC management is forbidden. Any unauthorized introduction of water into any part of the MMWC water system will be viewed as a willful violation of numerous regulations and user by-laws. MMWC will take all actions available to the Company to ensure compliance.

5.2 Provision of Service: Each membership which is current and in good standing shall be entitled to take water for beneficial purposes, upon the rate-paying basis established by the Board of Directors and subject to conditions and limitation in the Articles of Incorporation, the By-Laws and the Water Policies. In times of Scarcity, the Board of Directors may adopt such means of conserving use of water as to them seem appropriate in the circumstances, including the curtailing of water use by members.

5.3 Application for Service: Prior to any action to connect to the system, written application for service must be filed with MMWC at least ninety (90) days prior to the desired connection date, on forms provided by MMWC. A connection to the water system may be made only following authorized written approval of the application, payment of the appropriate fees and shall be subject to the connection procedures set forth herein. The applicant shall furnish accurate and truthful information in response to the application. Connection fee shall be as set forth in MMWC's current rate schedule.

5.4 Additional Connection Information Required: All information requested on the connection application form must be completed. In addition, a diagram or plot plan with the proposed meter pit, curb stop and cistern shall accompany the connection application. All approvals from both CCME Property Owners Association and Teller County Building Department must be in place prior to applying for a connection with MMWC. New home must be dried-in before connection will be made. No connection will be made to vacant land.

5.5 Denial of Application: MMWC reserves the right to deny application of service when, in the sole opinion of the Board, the service applied for would create an excessive demand on the water facilities; unresolved obligations exist between MMWC and the applicant; the applicant has violated these Water Policies; for any other reason as reasonably determined by the Board.

5.6 Delivery of Water by Truck: In the event of a MMWC water main freeze, MMWC will accommodate the reasonable needs of members by delivering water to members' cisterns by truck at no charge. However, there will be a charge to the member each time MMWC delivers water by truck under the following circumstances:

- a. If the customer's cistern or service line is frozen or leaking; OR
- b. If the cause of a water outage is largely due to any failure on the customer's side of the connection to a water main; OR

- c. If the customer requests a water delivery and MMWC provides such a water delivery, less than 7 days after a previous filling of the cistern (Resolution 2010-08-10 for complete details).

5.7 Connections and Fees:

- a. Unauthorized Connections: No person shall be allowed to connect to the water system without payment of the connection fees, approval of application for service and compliance with these Water Policies.
- b. Paid Connection Fees: MMWC shall honor all previously paid connection fees at the rate and under the rule prevailing at the time the connection fee was paid, provided that MMWC declares that such agreement is personal only to the owner and/or person who applied for, paid and received said connection fee and shall not be applicable to any successor owners or any such person who has heretofore paid their connection fee.
- c. Termination of Service: In the event of termination of service for non-payment of any valid fees or charges owed to MMWC or for any other violation of these Water Policies, the Property Owner shall be assessed the base fee monthly and an involuntary shut-off fee. No service disconnected for non-payment shall be reinstated until all delinquent charges have been paid in full, including, but not limited to interest, late fees, attorney's fees and miscellaneous fees directly associated with termination of service.
- d. Revocation of Connection Rights: Prior to actual connection to the water system, the right to connect MMWC's system and receive services hereunder shall be revocable by MMWC upon non-payment of any fees owing to MMWC or for any other violation of these Water Policies. If the right to connect to MMWC's system is revoked, the Property Owner may reacquire such connection rights only by reapplying for service in accordance herewith and after paying all fees due and owing MMWC and the existing connection fees charged by MMWC under these Water Policies.

5.8 Initiation and Control of Service:

- a. Initiation of Service: The Property owner shall schedule a mutually agreeable time for inspection of the water service line installation and the connection to the main. A minimum of at least seven (7) days must be provided. All connections shall be made under the supervision of the "Inspector" for MMWC and at the sole expense of the applicant. In no event shall MMWC provide water service prior to inspection and approval of the water service line installation. The connections for the curb stop through the street-side of the cistern will be provided by MMWC at applicant's expense. The connection to the main will be performed by MMWC authorized personnel only. No connection shall be covered until inspected and approved by MMWC. The applicant/owner shall be solely responsible to adequately prepare for any initiation of service. If a contractor and/or owner fails to excavate and execute the connection at the scheduled time and date, or fails to properly initiate the service, they shall pay MMWC an hourly charge per MMWC schedule of fees for the additional trips made and time spent by MMWC authorized personnel. MMWC shall bear no responsibility for any damage or injuries resulting from such initiation of service.

b. Control of Shut-off Valve and Meter Pit Valve: Once connected to MMWC's water system, only MMWC authorized personnel shall perform all "turn-ons" and "turn-offs" of the water system through the shut-off valve or meter pit valve. MMWC will access "turn-on/turn-off" charges per the schedule of fees except when initial service is provided.

Article VI

Construction of Service Lines

6.1 Compliance with Water Policies: The requirements of these Water Policies are applicable to the construction of all service lines and shall be complied with by all property owners.

6.2 Separate Service Lines Required: Each residence shall have no more than one service line installed at the expense of the property owner.

6.3 Construction and Connection:

a. Construction:

- Connection period is from May 15th to October 15th (weather permitting).
- Service lines shall be constructed by property owners in accordance with this Water Policy.
- Service lines must consist of 3/4" SDR9 HDPE or 200PSI blue pex.
- All piping must be buried a minimum of seven (7) feet, with tracer wire installed from the connection at the main to the street side of the cistern.
- All piping must be insulated from the point of connection on the main to the cistern. Blue board may be also required depending on the property location.
- All fittings must be wrapped with wax tape; however, inspections must occur prior to the wax tape being applied.
- Fittings from the connection point on the main to the street side of the cistern will be provided to the owner at the prevailing cost. This cost is not included in the connection fee. A diagram for installation is included as exhibit B.
- The curb stop will be installed immediately inside the property owner's property line in an easily accessible location. A four (4") inch PVC standpipe with cap will be installed over the curb stop for access.
- The meter pit will be provided by MMWC at the prevailing cost. The meter pit must be installed with a minimum of six (6") inches above grade. No flush installation will be permitted.
- A precast concrete cistern with a minimum of 1,500 gallons must be installed at each residential property. No fiberglass cisterns are permitted. No cisterns may be installed in any structures. The cistern must have two 3/4" fittings installed at the bottom of the cistern. All cisterns must have a minimum of a 2 foot by 4-foot riser with a lid. All cisterns must have an electrical source to provide for the required cistern heater. If the cistern has an inner lid, a small ceramic heater may be placed

between the lids. If the cistern does not have an inner lid, a tank heater (floating) will need to be used. The electrician should wire according to the type of cistern you purchase. Stainless steel or schedule 80 PVC piping must be used inside the cistern. Be aware if schedule 80 PVC piping is used and the cistern freezes, there will be no way to thaw the cistern. A 3/4" inch float valve must be installed inside the cistern not less than one foot from the top of the cistern. No chain float valves are permitted. The float valve ball must be at least four (4) inches solid copper or six (6) inches heavy plastic material. Toilet float balls are not permitted. Cistern manufacturers recommend that the cistern be flushed before using the tank for consumptive use.

- All pumps must be equipped with a low-pressure switch.
- All contractors doing work on or related to any service line installation shall be licensed by Teller County and provide MMWC a copy of their liability insurance with MMWC being named as additional insured.

b. Excavations:

- The contractor shall be required to contact MMWC prior to beginning any excavation work in order to (1) determine the approximate location of the main line, location of all property owner components, and (2) obtain the written permission of MMWC to excavate (on forms supplied by MMWC).
- All excavation for service installation shall be adequately guarded by barricades and lights to protect the public from hazards. Roads and/or private property disturbed in the course of the work shall be excavated, backfilled, compacted and otherwise restored by the excavator, at the expense of the owner or excavator, in a manner satisfactory with all county regulations. All inspection fees required by any government agency shall be paid by the contractor doing the work.

c. Property Owner's Liability for Contractors: The Property Owner shall be fully responsible for any and all damage caused by their contractors and all subcontractors or other noncompliance with these Water Policies.

d. Insurance: All contractors performing work on or related to the water system shall be licensed in Teller County in their field and provide proof of insurance to MMWC prior to the performance of any work, with MMWC named as additional insured.

e. Service Line Inspection: All service lines shall be inspected and approved by MMWC prior to backfilling the ditch. The Property Owner or his contractor shall contact MMWC to schedule the open ditch inspection of all service lines with not less than three (3) business days prior to the date of inspection is required. If any service line is backfilled without MMWC's inspection and approval of the line, the Property Owner will be required to re-excavate the line so the appropriate inspection and approval may occur. In such an event, the Property Owner shall pay to MMWC an hourly charge per the schedule of fees for the additional trips made and time spent by the MMWC authorized personnel.

Article VII

Rates and Charges

7.1 General: All charges of whatever nature to be levied for the provision of water service shall be governed by the By-Laws and these Water Policies. The Board of Directors shall annually review the rates, charges and fees to be charged by MMWC. Any new rates will be published sixty (60) days prior to taking effect. Nothing contained herein shall limit the Board of Directors from modifying rates, charges and fees or from modifying any classification used for establishing such rates and charges. The water meter billing rates shall be set to cover the cost of operation and maintenance of the water system. Vacant landowners will share in the responsibility of maintaining the water system and maintaining their water rights by being charged an annual availability fee.

7.2 Water Charges: Water charges shall be as reflected in the schedule of fees and charges, as published on MMWC's website and on site. Metered charges shall begin with physical connection to the water main and continue monthly even if service is shut-off. Vacant landowners are charged annually and must maintain a current status to be able to connect to the water system.

7.3 Connection Fee: A connection fee shall be charged to all Property Owners connecting to the water system. The connection fee shall be set by the Board of Directors and shall reflect MMWC's costs. It shall be assessed and paid before the permit for service is issued. Connection fees shall be assessed as provided for in the schedule of fees and charges. Connection fees may be prepaid and connection permit issued after the Property Owner obtains a building permit for the residence from Teller County and full approval from Cripple Creek Mountain Estates Property Owners Association.

7.4 Payment of Service Charges:

a. Billing: All monthly water charges shall be billed in arrears, following the reading of meters. MMWC shall read water meters on a monthly basis, unless impacted by weather. In the event meters cannot be read due to inclement weather or other unforeseen circumstances, estimated readings will occur. Billing for vacant landowners (availability fees) shall be sent annually, normally in January.

b. Payment: Bills for water users shall be sent monthly with the due date being the 15th of the month. A late fee will be assessed thirty (30) days following the due date. The property owner is personally responsible for paying all water bills and providing MMWC with his or her correct billing address. Tenants will not be billed. Acceptable payments are by personal check, money order, cash or using the PayPal link on the website, www.mountainmutual.com. A returned check fee will be assessed against the account of any customer whose check is returned for whatever reason including insufficient funds. MMWC may, at its discretion, require certified funds. Billing for vacant landowners (availability fees) shall be sent annually, normally in January. A late fee will be assessed thirty (30) days following the due date. All other payment requirements apply to availability customers as listed above for water users.

7.5 Billing Disputes:

- a. **Written Notice:** If a Property Owner believes a billing statement is in error, they must provide written notice to MMWC of the alleged error. The alleged error will be researched and a written response will be provided to the Property Owner. If the owner and business office staff cannot resolve the issue, it will be elevated to the Board of Directors.
- b. **Determination:** The determination by the Board regarding the alleged error will be final. Following the Board's determination, payment shall be due no later than 10 days from the date of determination.

7.6 Non-Payment:

- a. **Penalty:** If the Property Owner/member becomes delinquent in payment of any charges due MMWC, MMWC shall assess an interest charge of eighteen (18) percent per annum or a minimum charge of \$12.50, whichever is greater on the unpaid balance. The member or non-member customer shall not be entitled to water, water service, to vote at meetings of members or be eligible to become a director or officer until he/she has paid all delinquent assessments or charges, including any accrued interest and any attorneys' fee and costs which MMWC may have incurred to collect the delinquent assessment or charges.
- b. **Termination of Service:** MMWC shall have the right, in its sole discretion to terminate water service to any Property Owner who is more than thirty (30) days delinquent in payment for services. A Termination of Service Notice will be sent to the Property Owner by US mail or email to their last known address. If the Property Owner's account is not paid in full by the prescribed date on the Termination of Service Notice, water service will be turned off to the property and a reinstatement fee will apply to the account. If the Property Owner turns his/her own service back on after Termination of Service has occurred, appropriate legal action may be instituted for such wrongful conduct in violation of the Water Policies and By-Laws.
- c. **Forfeiture:** MMWC shall have the right, in its sole discretion to forfeit water rights to any Property Owner who become severely delinquent in the charges assessed to the account. Reinstatement of water rights shall be charged accordingly as in the Schedule of Fees.
- d. **Costs Assessed:** If a Property Owner becomes delinquent in his or her account, they shall be responsible for all costs and expenses incurred in the collection of said account, including costs of collection and reasonable attorney's fees.
- e. **Renewal of Service:** After Termination of Service for non-payment, the Property Owner's water service shall be renewed only upon payment in full of all charges, fees,

interest, penalties, costs and expenses due MMWC. MMWC shall have up to forty-eight (48) hours after payment is received by MMWC to reinstate service.

f. Teller County Tax Sales: A tax sale does not expunge any previous balance owed on the property.

g. Lien: MMWC shall have a perpetual lien upon all memberships thereof and the water rights represented by the same, for any and all assessments, charges of any type and all other debts owned MMWC until the same are fully paid.

h. Other Remedies: In addition to any other remedies provided for in the By-Laws or by law, MMWC may have the following remedies for delinquent assessments and charges:

I. MMWC may sue for the amount due.

II. MMWC may foreclose its lien in the manner provided by law.

III. Memberships of any member who becomes delinquent in the payment of any assessment or other charge due MMWC may be forfeited to MMWC and/or sold, after demand has been made for the amount due, either in person or by written or printed notice duly mailed to the last known address of such member at least thirty (30) days prior to the time the forfeiture is to take effect. The remedies provided in section 5, Article VI of the By-Laws, for collecting delinquent assessments and charges and forfeiting memberships are cumulative and shall not be deemed to take away or affect any other right which MMWC now or may hereafter have relative to the collection of delinquent assessments and charges and foreclosure of any lien against any membership.

IV. The delinquent member may at any time before forfeiture and/or sale of the membership has the privilege of paying all amounts due plus all costs in the matter, including attorneys' fees to prevent the forfeiture and/or sale of the membership.

Article VIII

Dispute Resolution

8.1 Dispute Resolution by the Board: Any dispute regarding the interpretation, construction, application or enforcement of these Water Policies shall be sent in writing to the Board of Directors. The disputing party may also be heard by the Board upon request at a regular monthly meeting of the Board of Directors.

Adoption of Water Policies

This Water Policy of Mountain Mutual Water Company was adopted by the Board of Directors by proper resolution of the Board on the 9th day of March , 2021.

Michael Bonar

Secretary of the Board of Directors

Mountain Mutual Water Company

Application for Water Connection Permit:

1. The undersigned Applicant hereby requests from Mountain Mutual Water Company to connect to the central water system main for the residence located within the boundaries of Cripple Creek Mountain Estates, being identified as:

Lot _____ Filing _____

with a property address of _____.

The applicant acknowledges that he/she has been provided with, has read and is familiar with the Water Policies of MMWC.

2. Applicant realizes that as a necessary and integral part of this Application, the following is hereby submitted:
 - a. An accurate diagram of the proposed location of the shut-off valve, meter pit and cistern in relation to the septic field.
 - b. Full approval from CCME POA Architectural Committee in the form of a written formal approval letter, signed by the Architectural Committee chair.
 - c. Name of excavator performing installation, along with excavator's contact information.Applicant understands that this Application cannot and will not be considered without these documents.
3. Applicant acknowledges that he/she shall not be allowed to connect to the MMWC water system without approval of this Application, payment of the connection fee, payment of the water meter, payment of the required connection parts and compliance with the Water Policies and By-Laws of MMWC. Applicant further acknowledges that once physically connected to the water system, the monthly water base rate will apply even if applicant consumes no water.
4. The Applicant agrees that he/she is bound by the Water Policies of MMWC and that he/she shall comply with those Water Policies at all times. Applicant agrees to be responsible for any and all damage caused by his/her contractors and all subcontractors as a result of their non-compliance with the Water Policies or otherwise. Specifically, without limitation, Applicant and its contractor shall comply with all provisions of the Water Policies regarding initiation of service, construction of service lines, excavations, connection of service lines to the main, meter pit and cistern and service line inspections, as set forth in Sections 4.1 through 6.3 of the Water Policies, a copy of which these sections are attached as Exhibit A and incorporated into this application.
5. Applicant acknowledges and agrees that full payment of the connection fee and payment of the water meter is due and shall be paid upon submittal of this Application.

6. Applicant acknowledges and agrees that prior to beginning excavation work within CCME, the applicant shall contact MMWC to schedule an on-site visit to make final placement of shut-off valve, meter pit and cistern.
7. Applicant acknowledges and agrees that the connection fee paid may not be transferred to any other person or property except with the written permission of the Board, which approval shall be in sole discretion of the Board.
8. Applicant acknowledges and agrees that a water meter inside a meter pit is required and that the installation and location of the meter pit shall be subject to the approval of MMWC, as set forth in Section 4.1 subsection d. See Exhibit A.
9. Applicant acknowledges and agrees that Mountain Mutual Water Company shall not in any event be responsible or liable for any costs, damages or liabilities associated with the construction, installation or operation of any private water lines.
10. Applicant acknowledges and agrees that in no event will water service be initiated prior to full compliance with the above requirements, together with written approval of this application and issuance by MMWC of a Connection Permit.
11. Applicant acknowledges and agrees that this Application is specific for the property listed above with diagrams submitted with this Application. Any expiration of permits applying to said property shall require the Applicant to reapply for the Water Connection Permit. Any changes to the permits or diagrams while this Application is pending shall require that Applicant supplement or amend this Application.

Dated this _____ day of _____, 20____.

Applicant(s)

Applicant(s)

Exhibit A

4.1 Water Meters Required:

e. Water Meters Required: All Property Owners shall have a water meter installed in their meter pit. No connection shall be made to MMWC's system without the current meter fee being paid prior to installation. The installation and location of the meter pit, curb stop and cistern shall be subject to the approval and inspection of MMWC. The property owner shall be responsible for maintaining accessible conditions to both the meter pit and cistern. In the event access is unavailable to read the meter, an estimated reading will occur until access is available.

5.8 Initiation and Control of Service:

a. Initiation of Service: The Property owner shall schedule a mutually agreeable time for inspection of the water service line installation and the connection to the main. A minimum of at least seven (7) days must be provided. All connections shall be made under the supervision of the "Inspector" for MMWC and at the sole expense of the applicant. In no event shall MMWC provide water service prior to inspection and approval of the water service line installation. The connections for the curb stop through the street-side of the cistern will be provided by MMWC at applicant's expense. The connection to the main will be performed by MMWC authorized personnel only. No connection shall be covered until inspected and approved by MMWC. The applicant/owner shall be solely responsible to adequately prepare for any initiation of service. If a contractor and/or owner fails to excavate and execute the connection at the scheduled time and date, or fails to properly initiate the service, they shall pay MMWC an hourly charge per MMWC schedule of fees for the additional trips made and time spent by MMWC authorized personnel. MMWC shall bear no responsibility for any damage or injuries resulting from such initiation of service.

b. Control of Shut-off Valve and Meter Pit Valve: Once connected to MMWC's water system, only MMWC authorized personnel shall perform all "turn-ons" and "turn-offs" of the water system through the shut-off valve or meter pit valve. MMWC will access "turn-on/turn-off" charges per the schedule of fees except when initial service is provided.

Article VI Construction of Service Lines:

6.1 Compliance with Water Policies: The requirements of these Water Policies are applicable to the construction of all service lines and shall be complied with by all property owners.

6.2 Separate Service Lines Required: Each residence shall have no more than one service line installed at the expense of the property owner.

6.3 Construction and Connection:

a. Construction:

- Connection period is from May 15th to October 15th (weather permitting).
- Service lines shall be constructed by property owners in accordance with this Water Policy.
- Service lines must consist of 3/4" SDR9 HDPE or 200PSI blue pex.
- All piping must be buried a minimum of seven (7) feet, with tracer wire installed from the connection at the main to the street side of the cistern.
- All piping must be insulated from the point of connection on the main to the cistern. Blue board may be also required depending on the property location.
- All fittings must be wrapped with wax tape; however, inspections must occur prior to the wax tape being applied.
- Fittings from the connection point on the main to the street side of the cistern will be provided to the owner at the prevailing cost. This cost is not included in the connection fee. A diagram for installation is included as Exhibit B.
- The curb stop will be installed immediately inside the property owner's property line in an easily accessible location. A four (4") inch PVC standpipe with cap will be installed over the curb stop for access.
- The meter pit will be provided by MMWC at the prevailing cost. The meter pit must be installed with a minimum of six (6") inches above grade. No flush installation will be permitted.
- A precast concrete cistern with a minimum of 1,500 gallons must be installed at each residential property. No fiberglass cisterns are permitted. No cisterns may be installed in any structures. The cistern must have two 3/4" fittings installed at the bottom of the cistern. All cisterns must have a minimum of a 2 foot by 4-foot riser with a lid. All cisterns must have an electrical source to provide for the required cistern heater. If the cistern has an inner lid, a small ceramic heater may be placed between the lids. If the cistern does not have an inner lid, a tank heater (floating) will need to be used. The electrician should wire according to the type of cistern you purchase. Stainless steel or schedule 80 PVC piping must be used inside the cistern. Be aware if schedule 80 PVC piping is used and the cistern freezes, there will be no way to thaw the cistern. A 3/4" inch float valve must be installed inside the cistern not less than one foot from the top of the cistern. No chain float valves are permitted. The float valve ball must be at least four (4) inches solid copper or six (6) inches heavy plastic material. Toilet float balls are not permitted.
- All pumps must be equipped with a low-pressure switch.
- All contractors doing work on or related to any service line installation shall be licensed by Teller County and provide MMWC a copy of their liability insurance with MMWC being named as additional insured.

b. Excavations:

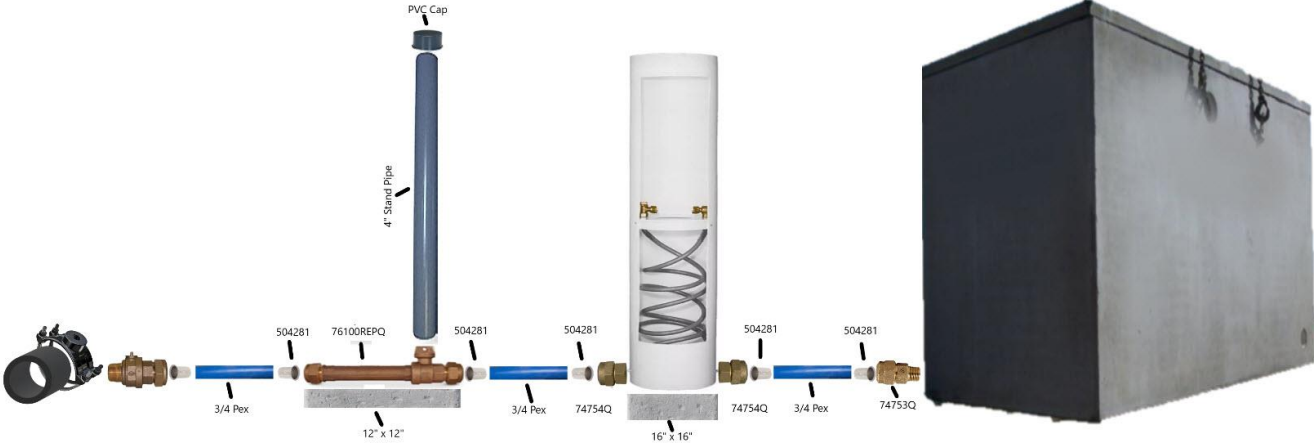
- The contractor shall be required to contact MMWC prior to beginning any excavation work in order to (1) determine the approximate location of the main line, location of all property owner components, and (2) obtain the written permission of MMWC to excavate (on forms supplied by MMWC).
- All excavation for service installation shall be adequately guarded by barricades and lights to protect the public from hazards. Roads and/or private property disturbed in the course of the work shall be excavated, backfilled, compacted and otherwise restored by the excavator, at the expense of the owner or excavator, in a manner satisfactory with all county regulations. All inspection fees required by any government agency shall be paid by the contractor doing the work.

c. Property Owner's Liability for Contractors: The Property Owner shall be fully responsible for any and all damage caused by their contractors and all subcontractors or other noncompliance with these Water Policies.

d. Insurance: All contractors performing work on or related to the water system shall be licensed in Teller County in their field and provide proof of insurance to MMWC prior to the performance of any work, with MMWC named as additional insured.

e. Service Line inspection: All service lines shall be inspected and approved by MMWC prior to backfilling the ditch. The Property Owner or his contractor shall contact MMWC to schedule the open ditch inspection of all service lines with not less than three business days prior to the date of inspection is required. If any service line is backfilled without MMWC's inspection and approval of the line, the Property Owner will be required to re-excavate the line so the appropriate inspection and approval may occur. In such an event, the Property Owner shall pay to MMWC an hourly charge per the schedule of fees for the additional trips made and time spent by the MMWC authorized personnel.

Exhibit B



Schedule of Rates and Fees

7/1/2021

| | |
|--|--|
| Water Use: | \$2.25 per 100 gallons (\$0.0225/gal) |
| Base Fee: | \$37.50 monthly, per meter |
| Availability: | \$250.00 annually, per vacant lot |
| Returned Check/Bank Charge: | \$20.00 per occurrence |
| Lien Filing Or Release Fee: | \$13.00 plus administrative handling cost of up to \$45.00 per lien or release |
| Transfer of Membership Fee: | \$150.00 connected residential users, per metered lot \$75.00 vacant lots, per lot |
| Water Delivery Fee: | \$75.00 plus charges for the water quantity delivered |
| Voluntary Turn-off Fee: | No Charge. Call office to schedule (you do not have to be present); monthly base charges continue to apply |
| Voluntary Turn-on Fee: | \$25.00 per occurrence plus monthly base fee. Call office to schedule |
| Meter Tampering Fee: | \$250.00 per occurrence; may also result in involuntary shut-off of water until resolved. Applies to curb-stop valve also. |
| Involuntary Shut-off Fee: | \$200.00 plus monthly base fee |
| New Connection Fee: | \$1,500.00 (membership must be current and in good standing) |
| Meter Pit: | Current market price |
| Meter & Installation: | \$375.00 (includes meter) |
| Connection fittings: | Current market price |
| Bacterial Water Potability Test: | \$21.00 per occurrence (contact office for more details) |
| Reinstatement of Forfeited Membership: | \$10,000.00 (see By-Laws for Membership details and consequences) |
| Service Calls: | \$75/hour (1 hour minimum charge; labor only) |

Water Connection Permit
Valid for 6 Months (182 days)

APPROVED THIS _____ DAY OF _____, 20____

By The
Mountain Mutual Water Company

To: _____
Property Owner

For: _____
Legal Property Address

Approved Excavator: _____

Water Connection Fee Paid: \$ _____

Water Meter Paid: \$ _____

Meter Pit and connection parts Paid: \$ _____

The use and any transfer of this permit, is governed, controlled and restricted by Water Policies of Mountain Mutual Water Company.

This permit is effective this _____ day of _____, 20____

Permit is valid for only 6 months (182 days) from the date if approval.

These fees are NON-REFUNDABLE after expiration date of Approved Permit Agreement!

Office use only: Approved by: _____ **Date** _____

Date connected: _____