

**UTE PASS WATER DISTRICT
RESOLUTION NO. 2023 - 5**

A RESOLUTION OF THE UTE PASS WATER DISTRICT ESTABLISHING RULES AND REGULATIONS FOR SERVICE FEES OF THE DISTRICT

WHEREAS, the Ute Pass Water District (the “District”) is a quasi-municipal corporation and political subdivision of the State of Colorado organized pursuant to the Colorado Special District Act, §32-1-101, *et seq.*, C.R.S. (the “Act”); and

WHEREAS, the Board of Directors (the “Board”) is authorized to adopt rates, fees, tolls and charges for the services furnished by the District (collectively “fees”) and rules and regulations establishing policies with regard to such fees; and

WHEREAS, the Board desires to enact a comprehensive resolution establishing rules and regulations with regard to fees for services provided by the District.

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF UTE PASS WATER DISTRICT:

1. Service Fees. Fees for services provided by the District shall be established by the Board. Fees shall be fixed at a reasonable amount based on an evaluation of the cost of providing services and may be increased or decreased at any time provided all required notices are given prior to any changes.

2. Billing. Except for special assessments, all fees shall be billed monthly. Bills shall be sent to the owner at the address shown in the District records. Owners may file a written request for a change of address for future billings. The failure to receive a regular monthly billing statement shall not result in a reduction of fees or a waiver of late charges. It is the responsibility of the Owner to insure prompt payment of all fees for services.

3. Penalties and Interest Charges for Delinquent Accounts. If any monthly charge is not paid in full within five days after the scheduled due date, a late payment penalty of \$15 will be assessed. Interest at the rate of 1% per month will be charged on any account which is more than 60 days past due. Interest will not be charged on late payment penalties.

4. Leak Billing Adjustment. In order for the District to consider a reduction in a customer's water bill for excessive water usage caused by a leak, the customer must: (i) notify the District of the water leak within ten (10) working days from the date the customer received their high water bill; (ii) repair the water leak within ten (10) working days from the date the customer had knowledge of the water leak, or such additional time as may reasonably be necessary under the circumstances; and (iii) submit an application for leak relief on forms provided by the District with all supporting documentation. If the Board determines that the leak was not caused by the customer or a third party who may be legally liable to the customer for costs associated with the leak (i.e. contractor, tenant, etc.), that the customer notified the District of the leak within ten (10) working days from the date the customer received their high water bill, and that the customer repaired the water leak within ten (10) working days from the date the customer had knowledge of the water leak, or such additional time as may reasonably be necessary under the circumstances, the District may

reduce the customer's water bill so that all water usage is billed at the lowest per gallon rate. A reduction of the customer's water bill, if a one is made, may only occur once every two years. If the customer is on City of Durango sewer, and the City approves a sewer billing adjustment in accordance with its procedures, the District will approve a billing adjustment at the lowest per gallon rate.

5. Collection. All fees shall be the personal responsibility of all owners of the property served. Pursuant to statute, the District has a lien against the property served which is perpetual until paid. Delinquent account may be collected by any of the following methods or combinations thereof: (i) recording of a notice of lien; (ii) foreclosure of the lien; (iii) civil suit against the owners; and (iv) certification of delinquent account to the county treasurer for collection in the same manner as property taxes. All costs of collection, including recording costs, filing fees, publication costs, sheriff's fees and reasonable attorney's fees, shall be added to the account.

6. Discontinuance of Service. In addition to the collection procedures provided in Section 5, the District may discontinue service to any water user for any account which is delinquent for a period in excess of ninety (90) days, for a violation of these Rules and Regulations including a failure to follow restrictions on water use as provided by resolution or for any other cause which is deemed appropriate for discontinuance of service. Prior to any discontinuance of service, written notice shall be given advising the owner of the property of such proposed discontinuance, either by delivery to the owner of the property or posting in a conspicuous place on the property, and providing a 72-hour period from the date of such notice for remedying the situation or requesting a hearing as provided in Section 6. All costs of disconnection and reconnection, including materials and labor, will be added to the account.

7. Procedures. Any person who is or may be affected by any disconnection notice shall be entitled to a hearing before the Board of Directors. Written notice requesting a hearing shall be delivered to the Authority or the authorized representative of the Authority within 72 hours as provided in Section 5. The hearing shall be held at the next regular meeting unless the Board schedules a special meeting for the hearing. At the hearing the aggrieved person may present testimony and evidence concerning the action and the Board may consider other testimony and evidence from District personnel, employees and any other pertinent witnesses. A determination shall be made by the Board as soon as possible following the conclusion of the hearing which shall be final. From the time a written request for a hearing is delivered until a final determination is made, all collection procedures, discontinuation of service procedures and other enforcement actions being taken by the District shall be suspended provided, however, that regular service fees, penalties and interest on the delinquency shall continue to accrue during the period of suspension.

8. Severability. In the event any provision of this Resolution is declared invalid by a Court of competent jurisdiction, such finding shall have no effect upon the validity and enforceability of the remaining provisions of this Resolution.

9. Effective Date. This resolution shall replace all prior resolutions concerning these matters and shall take effect immediately upon its adoption and approval.

ADOPTED this 14th day of March 2023.

UTE PASS WATER DISTRICT

BY: Shelby Lieb
President

ATTEST:
RJ Burger
Secretary