

ARTICLE V

Water Regulations

5.00 <u>General.</u> This section is intended to provide general regulations regarding use of the District's water system.

Every customer using water from the District's water system shall thereby be deemed to have consented and agreed to the terms and provisions of these Rules and Regulations and to have acknowledged the right of the District to discontinue water service in the event of the failure of such customer to comply with the terms and provisions of these Rules and Regulations, including failure to make timely payments of all rates and charges. All applicants for and users of service and connections to the system shall be required to accept such conditions of pressure, supply and service as are provided by the distribution system at the location of the service connection and hold the District harmless for any damages arising out of low pressure, high pressure, inadequate supply or interruptions of service. The District specifically does not accept responsibility for the maintenance of pressure and it reserves the right to discontinue service while making repairs, replacement and connections or performing other work in the operation of the water system. Consumers dependent upon a continuous supply should provide emergency storage. Except as provided elsewhere or by special agreement, each house or structure for which the application for water service is hereafter made which fronts on a public street or private road shall have a separate service connection, including a separate meter.

5.01 <u>Use and/or Diversion of Water in Violation of District Rules and Regulations</u>. Any use and/or diversion of water in violation of these rules and regulations shall be of such importance as to justify immediate discontinuance of water service, without notice, and the violator may be prosecuted before a court of competent jurisdiction. Any attempt to take water from the District's system without proper registration on a water meter shall constitute prima facie evidence of diversion of water by the customer in whose name service is being rendered, or by a person benefitting from the use of such diverted water. This use/diversion of water may include the installation of water consuming devices ahead of the meter; tampering or interfering with pipes, devices, or equipment connected to the District water distribution system; damage to, alterations of, or obstruction of, any meter (including the breaking of meter seals) which will permit the use of water without

its proper registration on the District's meter; and turning water on after it has been shut off by the District. If service has been discontinued for use/diversion of water in violation of District Rules and Regulations, the District will not render water service to the customer or to any other person for the customer's use at the same or any other location until:

- A. Customer has paid all applicable bills.
- B. Customer has reimbursed the District for all costs incurred in making corrections necessary to prevent further diversion of water.



- 5.02 <u>Access for District Employees</u>. Customers will provide access to their property at all reasonable times for authorized employees of the District. This access may be necessary for determining violations of these Rules and Regulations or for conducting routine inspections. Refusal to permit any reasonable inspections or investigations shall be grounds for discontinuance of water service.
- 5.03 <u>Refusal to Deliver Water When Contamination of Supply May Result</u>. The District may refuse to deliver water to any property where any condition exists which might lead to the contamination of the public water supply, and the District may continue to refuse delivery of water to any such property until such condition is remedied by the customer.
- 5.04 <u>Water Use During Emergency</u>. In the event of scarcity of water or failure or partial failure of supply for any reason, the Board of Directors shall have power to restrict and limit use of water from said system to in house use and/or livestock use only. Notice of the imposition of such restriction may be by phone, or by written notice delivered or mailed and shall be effective until customers are notified otherwise.

5.05 <u>Drought Response Guidelines:</u>

A. Definitions:

- (1) **Stage 1 Drought:** A Stage 1 Drought exists when a call on the Arkansas River would reduce the flow in the Bessemer Irrigation Ditch Co. canal below 71 CFS.
- (2) **Stage 2 Drought:** A Stage 2 Drought exists when a call on the Arkansas River would reduce the normal flow of other water rights owned by the District.
- (3) **Stage 3 Drought:** A Stage 3 Drought exists when a call on the Arkansas River reduces the flow in the Bessemer Irrigation Ditch Co. canal below 40 CFS, and the District's other water rights are also reduced due to calls by senior decrees. A Stage 3 drought may also exist if the District's storage reservoirs are at or below a combined 80% of capacity.



B. District responses in the event of a drought:

(1) **Stage 1 Drought:**

- a. The District will set a tone for a dry irrigation season;
- b. Inform customers of the conditions and try to reduce the usage to prevent a Stage 2 condition;
- c. Contact high usage Commercial customers informing them of conditions; and,
- d. Encourage voluntary reductions usage by District patrons.

(2) Stage 2 Drought:

The District will increase the customers awareness of the drought conditions and possible voluntary water saving measures via:

- i. A website based information Informational postings; or
- ii. Special mailings on water saving tips.



Stage 3 Drought:

- a. **Residential Accounts:** The District will inform the residential customers that the maximum usage per month will be limited to 30,000 gallons, or whatever lesser amount the Board may determine, depending on the severity of the drought.
 - i. Any residential tap usage over the 30,000 gallon or other Board designated maximum will incur a surcharge of \$10.00 per thousand gallons used in excess of the designated maximum. The District will contact patrons who exceed the designated maximum and provide information to assist the patron in reducing water usage.
 - ii. If a residential tap user exceeds the designated maximum a second time (i.e., after the District has provided information on water saving tips) the surcharge will be increased to \$20.00 per thousand gallons used.
 - iii. If a residential tap user continues to exceed the designated maximum the imposition of the \$20.00 per thousand gallon surcharge, a flow restriction device may be installed in the residential meter and the higher surcharge will continue.
- a. Commercial Accounts: Commercial accounts will be limited to their historic average water usage (based on the average of their per month water usage over the preceding two years). No increase of water usage will be allowed. Water saving information will be provided to help maintain or lower usage.
 - i. Livestock feeding operations will not be allowed to increase their water consumption; however, water for legally mandated dust control may be continued upon written permission from the District Manager.
 - ii. No fire hydrant meters will be issued except for special human health needs.



Stage 3 Drought: (Cont'd)

- c. **Institutional Accounts:** Institutional accounts such as schools will be limited to in-building uses and watering only the main playing fields. No watering of practice fields and landscaped areas will be allowed. Information will be provided on other water saving measures. Violation of this limitation may result in installation of flow restriction devices on the institutional taps.
- d. **Commercial and Institutional Accounts** will be monitored monthly for actual usage.
- e. **Commercial and Institutional Accounts** may be charged a surcharge of \$10.00 per 1,000 gallons if they exceed the two year average in a two month period.
- f. **Duration of Stage 3**: Stage 3 Drought restrictions will remain in effect until the call on the Arkansas River has changed such that the Bessemer Irrigation Ditch Co. canal flow is above 70 CFS, the District's junior water rights are in priority and the District's storage reservoirs are collectively at 90% capacity and filling.
- 5.06 <u>Ground Wire Attachments</u>. All persons are forbidden to attach any ground wire or wires to any plumbing which is or may be connected to a service connection or main belonging to the District unless such plumbing is adequately connected to an effective driven ground installation on the premises. The District will hold the customer liable for any damage to its property occasioned by such ground wire attachments.



5.07 Cross-Connections.

- A. Cross-connection Inspection: All water connections served by the District shall be subject to a cross-connection inspection or survey. As a result of such inspection the customer shall comply with the following:
 - (1) Physically disconnect alternative water sources from the water service lines receiving water from the District system.
 - (2) Eliminate all hazardous cross-connections and back siphonage conditions.
 - (3) Install and maintain the back flow prevention devices required to protect the District's water customers and system. In cases where the customer installs a service line which has two or more connections to the District's system whereby a looped private water system is created, the customer shall install a District approved check valve at each connection to the District's main to avoid circulation through the private system. If the potential hazard of the private system requires backflow prevention devices on the private service line, the required District approved devices shall be installed by the customer in lieu of the check valves.
 - (4) Agree to make regular tests of the backflow prevention devices or check valves to certify to the District that such devices are in operational condition.
 - (5) Agree to meet all requirements of the State of Colorado regulations concerning cross connections.



Marijuana Water Regulations

5.08 Use of Water in Conjunction with cultivation, growing, manufacture, processing, research and development, distribution, testing and sale of industrial hemp, medical marijuana, retail marijuana, medical marijuana-infused products, and/or retail marijuana-infused products.

- A. In addition to all other District Policies, Rules and Regulations, the following shall apply to all patrons who desire to utilize District supplied water for the cultivation, growing, manufacture, processing, research and development, distribution, testing or sale of industrial hemp, medical marijuana, retail marijuana, medical marijuana-infused products, and/or retail marijuana-infused products (hereafter collectively referred to as Marijuana Operation);
 - District water shall only be supplied upon receipt by District of documentation and permits from
 applicable governmental agencies reflecting the patron's permitted or authorized use or uses, and
 establishing that the patron's Marijuana Operation has been approved by and is in accord with
 Colorado law and Chapter 5.12, Marijuana Licensing, of Pueblo County, Colorado Regulations
 and all Pueblo County, Colorado Regulations relating to Industrial Hemp and Hemp
 Establishments.
 - 2. All such accounts are declared to be Commercial Accounts.
 - 3. Each water service connection supplying water for Marijuana or Hemp Operations must have a water meter purchased from District capable of being read electronically and profiled to report daily water use;
 - 4. Each patron requesting water service or continued water service for Marijuana Operations, shall provide the District, with patron's application for service, with patron's best estimate of the daily and monthly quantity of water patron will require in conjunction with patron's Marijuana Operation.
 - 5. For so long as only a portion of the District's water supply appears available for delivery to patrons involved in any Marijuana Operations, District reserves the right:
 - a. To limit the number of patrons whom to whom it may provide water for Marijuana Operations; and,
 - b. To reduce the quantity of water being provided to patrons of existing Marijuana Operations, on a pro-rata basis.

5.09 Use of Water.

The use of District water by a patron may be modified or terminated by the District in order for District to comply with (1) policy directives or guidelines respecting the use of federal water facilities issued by the Bureau of Reclamation of the United States Department of the Interior or any other federal agency, or (2) the terms of a federal contract, license or permit; or (3) applicable law.

5.10 Outdoor Use of Potable Water for Commercial Agricultural Products Prohibited:

- A. No potable water delivered through the District's water supply system may be used to water any commercial outdoor cultivation or growing of agricultural products including but not limited to the commercial outdoor growing of vegetables, flower and marijuana plants.
- B. Potable water delivered through the District's water supply system may be used for the indoor (greenhouse) commercial cultivation or growing of agricultural products including but not limited to vegetables, flower and marijuana plants.