

Town of Rico Memorandum

Date: April 11, 2025

TO: Town of Rico Board of Trustees
 FROM: Chauncey McCarthy, Rico Town Manager
 SUBJECT: April Board of Trustees Regular Meeting

Consideration of a letter from Atlantic Richfield Company requesting an extension for deadline to establish clean soil stockpile (Pg. 13)

Included in the packet is a letter from Atlantic Richfield Company requesting a 90-day extension to establish a clean soil stockpile.

Consideration of Task Order Number 3, Sewer Design, Bohannon Huston (Pg. 14-56)

Included in the packet for the Board's consideration is Task Order No. 3, which proposes an amendment to the Town's existing master agreement with Bohannon Huston, Inc. The existing master agreement has also been included in the packet. This Task Order authorizes the design phase for the Town of Rico's wastewater treatment and collection system project.

This design work will build upon prior phases completed over the past couple of years under Task Order No. 1 (Preliminary Engineering Report) and Task Order No. 2 (Environmental Information Document). Under Task Order No. 3, Bohannon Huston will provide engineering services for the design of the wastewater treatment and collection system. The scope of task ordered No. 3 includes project management, site data acquisition, coordination for required permits through CDPHE. The engineering design phase includes construction documents for a new membrane bioreactor (MBR) wastewater treatment plant, and a supporting collection system consisting of approximately 27,400 linear feet of gravity sewer, 2,000 linear feet of force main, and three lift stations. Design deliverables will be provided in four key milestones—30%, 60%, 90%, and 100%—to ensure timely review and alignment with Town and regulatory requirements.

The total cost for services under Task Order No. 3 would be \$1,580,190, and will be funded with the portion of the Town's Congressionally Directed Spending that was awarded in 2021 which will require the approval of a non-competitive grant application

Recommended Action: Approval of Task Order No. 3, contingent upon the Town receiving the Congressionally Directed Spending (CDS) EPA Community Grant

Consideration of quarter 1 financial statements (Pg. 57-73)

Included in the packet are financial statements for the first quarter of fiscal year 2025 (ending March 31, 2025) reflect early-year activity across all Town of Rico funds, including the General Fund, Water Fund, Street Fund, Sanitation Fund, Park Fund, VCUP Fund, and Conservation Trust Fund. As this is only one quarter into the fiscal year, several revenues and expenses are either seasonal or one-time and have not yet been realized. These statements are best viewed as a preliminary snapshot of the fiscal year rather than a forecast of final outcomes.

In the General Fund, revenues total \$539,412 while expenditures through March were \$175,498. Several significant annual expenses such as insurance and the Town's financial audit have already been paid, contributing to higher early-year totals. The large increase in revenue for quarter 1 was due to a donation from the Rico Historical Society for the purchase of the Rico Community Church. Revenue over

expenditures for the quarter is \$363,914. When capital activity is included, particularly a DOLA grant, for the Town Shop revenue over expenditures increases to \$618,014.

The Water Fund is operating within expectations. Year-to-date revenue is \$42,486 (27.3% of the annual budget), while expenditures total \$28,303 (21% of budget). With no capital activity to date, the fund's revenue over expenditures stands at \$14,183.

The Street Fund reports \$52,249 in revenue (60.6% of budget), boosted by delayed Highway Users Tax distributions from Q3 and Q4 of 2024 that were received in 2025. Expenses are modest at \$21,975 (20% of budget), resulting in revenue over expenditures of \$30,274.

In the Sanitation Fund, expenditures have exceeded revenues by \$7,334, due mainly to early-year engineering costs and payroll allocations. No capital revenues or expenses have been posted, though a \$1.65 million EPA/CDS grant is budgeted and expected later this year.

The Park Fund brought in \$16,366 in operating revenue (59.4% of budget), while spending has been limited to \$3,962 (13.6%). Revenue over expenditures is \$12,404. Capital revenues and project expenses related to grants from GOCO, EL Pomar, Gates Family Foundation and the Rico Center are anticipated in upcoming quarters.

The VCUP Fund has received \$239,000 in revenue from initial and annual payments, along with incremental cost reimbursement. No expenditures have been incurred to date, resulting in revenue over expenditures of \$238,843. The use of these funds is governed by the VCUP funding and settlement agreement.

The Conservation Trust Fund received \$1,013 in revenue from lottery proceeds and interest. With no expenses to date, revenue over expenditures for the quarter is \$1,013, and the fund's balance remains at just over \$54,000.

Overall, the Town's financial position is strong across all funds. While some early-year expenses such as insurance have already been paid and major revenues such as property taxes are still forthcoming, all funds are operating within expectations. A budget amendment will be presented to the Board toward the end of the summer to incorporate the unanticipated donation from the Rico Historical Society and account for additional expenditures related to the purchase of the Community Church, Town Park improvement project and the unexpected replacement of the Piedmont water line crossing the Dolores River

Recommended Action: Approve Quarter 1 financial reports as presented

Consideration of first reading of Ordinance No. 2025-02 An ordinance of the Town of Rico, Colorado, repealing Ordinance No. 2019-06, as amended by Ordinance No. 2024-01, and adopting new Water Operations Rules and Regulations and providing for penalties for violation of same (Pg. 74-135)

Included in the packet is Ordinance No. 2025-02, which repeals Ordinance No. 2019-06, as amended by Ordinance No. 2024-01, and adopts the 2025 Rico Water Rules and Regulations. To support the Board's review, a staff comparison memo is also included, summarizing key changes between the 2019 Water Rules and the proposed 2025 version. The memo provides a crosswalk of article titles, outlines major policy and procedural updates, and highlights structural improvements across the document. A copy of Ordinance No. 2019-06 is included in the packet for historical reference. The required resolution adopting water rates and fees will be presented to the Board for consideration at the May 14, 2025 meeting.

Recommended Action: Approval of the first reading of Ordinance No. 2025-02 An ordinance of the Town of Rico, Colorado, repealing Ordinance No. 2019-06, as amended by Ordinance No. 2024-01, and adopting new Water Operations Rules and Regulations and providing for penalties for violation of same

Consideration of Town of Rico Digital Accessibility Plan (Pg. 136-141)

Included in the packet for the Board’s consideration is the proposed Town of Rico Digital Accessibility Plan, developed in response to state legislative requirements. Under House Bill 21-1110, all state and local government entities must ensure that their digital content—websites, online services, and public-facing documents—comply with WCAG 2.1 Level AA standards. With the passage of House Bill 24-1454, the compliance deadline has been extended to July 1, 2025, allowing additional time for small municipalities to implement accessibility measures.

Town staff has initiated compliance efforts, including the recent addition of a built-in accessibility adjustment feature on all Town webpages. The proposed plan adopts a phased approach to remediation, prioritizing high-traffic and frequently used digital content while outlining a timeline for ongoing improvements. Given the Town’s limited staffing and resources, the plan also includes provisions for claiming a reasonable accommodation exception in cases where full remediation would constitute a financial hardship or undue administrative burden, consistent with both state and federal guidance

Recommended Action: Approval of the Town of Rico Digital Accessibility Plan

Town of Rico Road Dust Palliative Application

I’ve been coordinating with Dolores County staff to determine their capacity to prep and apply mag chloride this spring. The Road and Bridge Superintendent indicated they should be available to do the work in mid-May. I’ve also spoken with the County Attorney about drafting an Intergovernmental Agreement (IGA), which will be presented to the Board of County Commissioners. The IGA will outline the scope of work and billing details. The County plans to provide an exhibit with a cost sheet, including hourly operational costs for each piece of equipment, along with pass-through billing for materials. I’ll be presenting this to the BOCC for approval at their April 21 meeting and also meeting with the road and bridge superintendent in town later this month to go over project details.

Street Fund mill levy and sales tax ballot measures

Revenue for the Street Fund has historically been low, with expenditures exceeding annual revenues in many recent years. The Board should consider pursuing a mill levy increase or placing a sales tax measure on the ballot to help generate additional funding for this essential department. Anticipated expenses include the salary for a new Public Works Director, the purchase of a smaller front-end loader, long-term street maintenance and material costs, dust suppression, equipment repairs and upgrades, and the acquisition of necessary tools to support daily operations.

Current revenue from the Town’s dedicated mill levy is approximately \$14,000, while annual sales tax revenue allocated to the Street Fund totals around \$24,000. Additional revenue is received from mineral leasing, severance tax, the Highway Users Tax Fund (HUTF), County Road and Bridge reapportionment, and lodging tax distributions. However, many of these sources are variable and less dependable year-to-year. Notably, mineral leasing and severance tax revenues are projected to decline significantly, according to the state.

With a coordinated election scheduled for November and upcoming deadlines required by the County to participate, the Board should be prepared to discuss both funding options—mill levy and sales tax—at this meeting. This will allow Town staff to begin drafting proposed ballot language for consideration at

the May Board meeting. If directed to proceed, the first reading of the ordinance authorizing the ballot measure could take place in June, followed by a second reading and final adoption in August, ensuring the Town meets all submission deadlines for the coordinated election.

Concepts for the Board to consider include a mill levy increase of up to 12 mills, a 0.5% increase in the local sales tax rate accompanied by a reallocation of 20% of total sales tax revenue to the Street Fund (up from the current 10%), and the potential voter-approved transfer of a portion of taxes currently dedicated to the Sewer Fund for use in the Street Fund. The legality of the latter option requires further investigation before proceeding. These funding strategies may be presented individually or in combination, depending on the Board's priorities and the level of community support.

Rico water system

Terra Firm is preparing a scope of work and cost estimates for wetlands delineation and technical assistance required to secure the necessary permits for the Dolores River crossing. Site visits with two potential contractors are expected to take place in the coming weeks, with the goal of receiving detailed estimates by the end of May.

The draft of the Silver Creek Project Needs Assessment is nearing completion. A site visit with the engineering team is scheduled for the end of April, and the final draft is expected to be submitted to the State Revolving Fund by June.

Park and recreation project update

Town was awarded a grant for \$40,000 from the Rico center to install power and lights in the pavilion once constructed. I put the project out to bid and only received one bid from Mathews Electric. The bid was for \$33,000. Lewis Excavation is expected to start the pavilion earthwork and concert in May with the skatepark construction beginning in June.

Resolution and requirements for a letter of support

Mayor Fallon has requested that Trustees come prepared to discuss the development of a potential resolution and set of requirements for issuing letters of support. The intent is to establish a more formal framework and timeline to guide the process when an organization requests a letter of support from the Town of Rico.

RICO TOWN BOARD MEETING MINUTES

Date: March 19, 2025
Call to Order 7:03 PM

Trustees Present:

Mayor Patrick Fallon
Mayor Pro Tem Cristal Hibbard
Trustee Benn Vernadakis
Trustee Gerrish Willis
Trustee Scott Poston
Trustee Joe Dillsworth

Trustees Absent:

Trustee Chris Condon

Staff Present. Chauncey McCarthy, Anna Wolf (Zoom),

Approval of the Agenda

Motion

To approve the agenda.

Moved by Mayor Pro Tem Cristal Hibbard, seconded by Trustee Scott Poston

Vote. A roll call vote was taken and the motion was approved, 6-0.

Voting Yes Trustee Scott Poston, Trustee Benn Vernadakis, and Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard Joe Dillsworth.

Approval of the Minutes

Motion

To approve the minutes of February 19, 2025.

Moved by, Trustee Gerrish Willis, seconded by Trustee Benn Vernadakis.

Vote. A roll call vote was taken and the motion was approved, 6-0.

Voting Yes Trustee Scott Poston, Trustee Benn Vernadakis, and Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard Joe Dillsworth.

Motion

To approve the minutes of March 3, 2025 adding Silver Creek Activation.

Moved by, Trustee Gerrish Willis, seconded by Trustee Benn Vernadakis.

Vote. A roll call vote was taken and the motion was approved, 6-0.

Voting Yes Trustee Scott Poston, Trustee Benn Vernadakis, and Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard Joe Dillsworth.

Consent Agenda

Payment of the Bills

Motion

To approve payment of the bills.

Moved by Trustee Benn Vernadakis, seconded by Mayor Pro Tem Cristal Hibbard

Vote. A roll call vote was taken and the motion was approved, 6-0.

Voting Yes Trustee Scott Poston, Trustee Benn Vernadakis, and Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard Joe Dillsworth.

Public Comment:

Presentation:

60% Stormwater design, Anderson Engineering

Anderson engineering gives Presentation.

Board of Trustee has discussion.

Funding sources were discussed.

Action Items:

Consideration of Columbia Tailings soil storage proposal

Mayor Patrick Fallon gives summary.

Board has discussion.

Mayor Patrick Fallon expresses that this should be a Special use permit.

AR representative Mr. Mcanulty will have a letter to the Town to amend the agreement to bring in the stock pile after the agreed upon

Trustee Benn Vernadakis believes the Board cannot make a decision on this without a public hearing.

Public Comment: Travis Tayrien, Dylan Robertson, Jim Baron

Motion

Move require the applicant to follow the procedure for a special use permit, to delay this approval until that happens

Moved by Trustee Scott Poston, seconded by Trustee Benn Vernadakis.

Vote. A roll call vote was taken and the motion did not pass, 3-3.

Voting Yes Trustee Scott Poston, Trustee Benn Vernadakis, and Mayor Patrick Fallon. Voting No Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard, and Joe Dillsworth.

Motion

To deny this request and recommend that ARCO pursue a special use permit

Moved by Mayor Patrick Fallon, seconded by Trustee Benn Vernadakis.

Vote. A roll call vote was taken and the motion did not pass, 5-1.

Voting Yes Trustee Scott Poston, Trustee Benn Vernadakis, and Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard. Voting No Joe Dillsworth.

Public hearing and consideration of a road building and disturbance permit application Carter Way, Breitenbach applicant

Mayor Patrick Fallon gives summary.

Applicant gives explanation.

Board has discussion.

Public Comment: Jim Baron

Motion

Move to grant a private driveway agreement and a road building permit between the Town of Rico and the owners of Lots 13 – 20 Block 17 with the conditions that were proposed by the planning commission and to also grant a disturbance permit with variance for reduction of the inner buffer setback for the wetlands buffer zone from 100 feet to 20 feet

Moved by Mayor Pro Tem Cristal Hibbard, seconded by Trustee Benn Vernadakis.

Vote. A roll call vote was taken and the motion was approved, 6-0.

Voting Yes Trustee Scott Poston, Trustee Benn Vernadakis, and Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard Joe Dillsworth.

Consideration of a letter of support for the Town of Rico's Fiscal Year 2026 congressionally directed spending request

Mayor Patrick Fallon gives introduction

Town Manager gives explanation.

Board has discussion.

Motion

For the Mayor to sign the letter as drafted with the exception of leaving out whether it is conditional or absolute right with the well water.

Moved by Trustee Gerrish Willis, seconded by Mayor Pro Tem Cristal Hibbard.

Vote. A roll call vote was taken and the motion was approved, 6-0.

Voting Yes Trustee Scott Poston, Trustee Benn Vernadakis, and Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard Joe Dillsworth

Consideration of a letter of support for Rico Geothermal Coalition Phase 3 grant request

Teal Stetson-Lee gives summary

Motion

Move to approve this letter ahead of the March deadline.

Moved by Trustee Gerrish Willis, seconded by Trustee Joe Dillsworth.

Vote. A roll call vote was taken and the motion was approved, 6-0.

Voting Yes Trustee Scott Poston, Trustee Benn Vernadakis, and Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard Joe Dillsworth

Staff ReportClerk's report:

Working on finding different health insurance for employee health insurance.

Dog licenses are available.

Manager's report

Jonathan Burnett is leaving so the Parks position will be advertised again.

Access agreement have been sent out for the VCUP, some were not correct. Working through the issues.

Permitting software to all become digital.

Water system succession plan in works.

VCUP soil manager job has been posted.

Sewer spending for design granted. Task order to be presented next month. Bohanna & Huston will present in April.

Discussion Items

RFP 2025-01 Town of Rico Road Dust Palliative Application

Town Manager Chauncey McCarthy gives summary. No bids have come in yet. May look to have ARCO leverage their position to get companies to bid.
Public Comment: Dylan Robertson

Rico Water System

Town Manager Chauncey McCarthy gives summary.
Next month water rates to be brought to the Board.
Discussion on work that needs to be done on water crossing main.
Public Comment: Dylan Robertson

Rico Town Park

Town Manager Chauncey McCarthy gives summary.
Still seeking more grants if possible.
Bids have come in for the pavilion project. The board members recommend Bria Lewis.

C-Safe investment account

Town Manager Chauncey McCarthy gives summary.
Town Board approves investment in C-SAFE from the water fund, leaving \$100,000 in the Dolores State Bank.

Joint Board of Trustees and Planning Commission meeting

Joint meeting to be held May 14, 2025 at 6:00PM

Motion

Move to adjourn.

Moved by Trustee Benn Vernadakis, seconded by Trustee Scott Poston.

Vote. A roll call vote was taken and the motion was approved, 6-0.

Voting Yes Trustee Scott Poston, Trustee Benn Vernadakis, and Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard Joe Dillsworth

Anna Wolf
Rico Town Clerk

Patrick Fallon
Mayor

NEW Town of Rico - General Fund
Check Register
For the Period From Apr 1, 2025 to Apr 30, 2025

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
18402	4/8/25	Jon Kelly	10000	375.00
18403	4/8/25	Fraley Propane, LLC	10000	485.00
18404	4/8/25	Orkin	10000	304.00
18405	4/8/25	Kaplan Kirsch LLC	10000	790.50
18406	4/8/25	Jennifer Stark	10000	508.00
18407	4/8/25	Zircon Container Compan	10000	95.00
18408	4/8/25	Century Link	10000	53.67
18409	4/8/25	CEBT	10000	4,439.40
18410	4/8/25	San Miguel Power Associ	10000	119.00
18411	4/8/25	Rico Telephone Company	10000	261.36
18412	4/8/25	Karp Neu Hanlon, PC	10000	1,612.00
18413	4/8/25	Alpine Title	10000	<u>410,310.18</u>
Total				<u><u>419,353.11</u></u>

NEW Town of Rico - Open Park Fund
Check Register
For the Period From Apr 1, 2025 to Apr 30, 2025

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
1793	4/8/25	San Miguel Power Associ	11000	<u>30.00</u>
Total				<u><u>30.00</u></u>

2018 NEW Town of Rico - Street Fund
Check Register
For the Period From Apr 1, 2025 to Apr 30, 2025

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
2990	4/8/25	Slavens, Inc	10000	17.05
2991	4/8/25	Lewis Excavation, Inc	10000	700.00
2992	4/8/25	Partners in Parts, Inc	10000	121.21
2993	4/8/25	WM Corporate Services, I	10000	166.67
2994	4/8/25	San Miguel Power Associ	10000	163.00
2995	4/8/25	Rico Telephone Company	10000	50.00
Total				<u>1,217.93</u>

NEW Town of Rico - Water Fund
Check Register
For the Period From Apr 1, 2025 to Apr 30, 2025

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
4712	4/8/25	La Plata County PH Dept	10000	77.00
4713	4/8/25	Fraley Propane LLC	10000	200.00
4714	4/8/25	Rico Telephone Company	10000	115.00
4715	4/8/25	Dewco	10000	276.06
4716	4/8/25	San Miguel Power Associ	10000	488.00
4717	4/8/25	Dolores Water Conservanc	10000	3,000.05
4718	4/8/25	PVS DX, INC	10000	171.89
Total				<u>4,328.00</u>

Atlantic Richfield Company

317 Anaconda Road
Butte, MT 59701

March 24, 2025

VIA EMAIL

Chauncey McCarthy, Town of Rico Manager
2 Commercial Street
Rico, CO, 81332

Re: Rico Townsite VCUP – Extension for Deadline to Establish Clean Soil Stockpile

Dear Chauncey:

This letter is to confirm that the Town of Rico agrees to a 90-day extension of the deadline for Atlantic Richfield Company to establish the Clean Soil Stockpile pursuant to § 7.7.1 of the Voluntary Cleanup Program Implementation, Funding, and Settlement Agreement (“VCUP Agreement”), as discussed at the Town of Rico Board of Trustees meeting on March 19, 2025.

By signing and returning this letter, the Town confirms its agreement that the deadline for establishing the Clean Soil Stockpile under the VCUP Agreement will be extended from April 1, 2025, to June 30, 2025. We ask that an authorized Town representative please acknowledge the Town’s agreement to this extension by countersigning below and returning a copy of this letter to me at your earliest convenience.

Sincerely,



Mike McAnulty, Liability Manager, for Atlantic Richfield Company

mcanumc@bp.com

ACKNOWLEDGED AND AGREED:

_____, authorized representative for the Town of Rico, Colorado

Name:

Title:

Date:

cc: Thomas Bloomfield, Kaplan Kirsch & Rockwell LLP
Wilton Anderson, Karp Neu Hanlon PC
Nathan Block, Atlantic Richfield Company
Lucas Satterlee, Davis Graham & Stubbs LLP

TASK ORDER NO. 3

In accordance with Paragraph 1.01, Main Agreement, of the Agreement Between Owner and Engineer for Professional Services—Task Order Edition dated April 18, 2023 , Owner and Engineer agree as follows:

1. TASK ORDER DATA

Effective Date of Task Order:	January 31, 2025
Owner:	Town of Rico
Engineer:	Bohannon Huston, Inc.
Specific Project (title):	Town of Rico Wastewater Treatment & Collection System Design Phase
Specific Project (description):	Design Phase for a municipal wastewater system, including collection and treatment
Related Task Orders:	Task Order No. 1 (Preliminary Engineering Report) Task Order No. 2 (Environmental Information Document)

2. BASELINE INFORMATION

Baseline Information. Owner has furnished the following Specific Project information to Engineer as of the Effective Date of the Task Order. Engineer's scope of services has been developed based on this information. As the Specific Project moves forward, some of the information may change or be refined, and additional information will become known, resulting in the possible need to change, refine, or supplement the scope of services.

Specific Project Title:	Town of Rico Wastewater Treatment & Collection System Engineering Report
Prior Studies, Reports, Plans:	1) <i>Preliminary Engineering Report – Wastewater - Town of Rico</i> . December 2018. Prepared by SGM. 2) <i>Preliminary Engineering Report Update</i> – Prepared by Bohannon Huston Inc. June 2024
Facility Location(s):	Rico, CO
Current Specific Project Budget:	\$1,600,000
Known Specific Project Limitations:	Public Impact and CDPHE Permitting

3. SERVICES OF ENGINEER (“SCOPE”)

- A. The specific basic services to be provided or furnished by Engineer under this task order are:
 - Exhibit A to task order, “Engineer’s Services for Task Order,” as attached to this specific task order.
- B. All services included above compose basic services for purposes of Engineer’s compensation under this task order.

4. DELIVERABLES SCHEDULE

The project schedule will be provided at the kick-off meeting and presented as a Gantt Chart based on the work breakdown structure of the project. The schedule shall provide milestone deliverable data and also identify critical

paths that have the greatest influence on executing tasks. The schedule shall be updated periodically throughout the completion of work and changes to the schedule shall be discussed with the Owner as they are known.

5. ADDITIONS TO OWNER'S RESPONSIBILITIES

- A. Owner shall have those responsibilities set forth in Article 2 of the Main agreement, and the following supplemental responsibilities that are specific to this task order: None.

6. TASK ORDER SCHEDULE

- A. In addition to any schedule provisions provided in Exhibit B or elsewhere, the parties shall meet the following schedule: None.

7. ENGINEER'S COMPENSATION

- A. The terms of payment are set forth in Article 4 of the Main Agreement.
- B. Owner shall pay Engineer for services rendered under this task order as follows:

Description of Service	Amount	Basis of Compensation
1. Basic Services		
Task 1. Project Management and Communication	\$118,150	Lump Sum
Task 2. Supplemental Site Data Acquisition	\$415,160	Lump Sum
Task 3A. Design Phase (30%)	\$225,661	Lump Sum
Task 3B. Design Phase (60%)	\$389,230	Lump Sum
Task 3C. Design Phase (90%)	\$335,869	Lump Sum
Task 3D. Design Phase (100%)	\$96,120	Lump Sum
TOTAL COMPENSATION	\$1,580,190	

- C. Compensation items and totals based in whole or in part on Hourly Rates or Direct Labor are estimates only. Lump sum amounts and estimated totals included in the breakdown by phases incorporate Engineer's labor, overhead, profit, reimbursable expenses (if any), and Subconsultants' charges (if any). For lump sum items, Engineer may alter the distribution of compensation between individual phases (line items) to be consistent with services rendered but shall not exceed the total lump sum compensation amount unless approved in writing by the Owner.

8. ENGINEER'S PRIMARY SUBCONSULTANTS FOR TASK ORDER, AS OF THE EFFECTIVE DATE OF THE TASK ORDER

- A. Aqua Engineering

9. EXHIBITS AND ATTACHMENTS

- A. Exhibit A to task order—Engineer's Services for Task Order
- B. Exhibit B to task order—Task Order Deliverables Schedule
- C. Exhibit C to task order—Design Fee and Manhour Estimate

Execution of this task order by Owner and Engineer makes it subject to the terms and conditions of the Main Agreement and its exhibits and appendices, which Main Agreement, exhibits, and appendices are incorporated by this reference.

OWNER		ENGINEER	
By:	Town of Rico	By:	Bohannon Huston Inc
Print Name:	Chauncy McCarthy	Print Name:	Todd Burt, PE
Title:	Town Manager	Title:	Senior Vice President
Date:		Date:	January 31, 2025
Signature:		Engineer's License and State of:	46405 CO
		Signature	
OTHER (If Needed)		ENGINEER	
By:		By:	Bohannon Huston Inc
Print Name:		Print Name:	Leslie Small
Title:		Title:	Chief Operations Officer
Date:		Date:	January 31, 2025
Signature:		Engineer's License and State of:	N/A
		Signature	
DESIGNATED REPRESENTATIVE FOR TASK ORDER		DESIGNATED REPRESENTATIVE FOR TASK ORDER	
Name:	Chauncy McCarthy	Name:	Andrew Swartswalter, PE
Title:	Town Manager	Title:	Project Manager
Email Address:	townmanager@ricocolorado.gov	Email Address:	aswartswalter@bhinc.com
Phone:	970-967-2863	Phone:	505-221-7801
Date:	January 31, 2025	Date:	January 31, 2025

TOWN OF RICO WASTEWATER SYSTEM – TREATMENT AND COLLECTION

EXHIBIT A- DESIGN SERVICES SCOPE OF WORK

TASK 1—PROJECT MANAGEMENT AND COMMUNICATION

Objective: This task consists of communications, coordination, meetings, and project administration and management during the project. Engineer will conduct a project kick-off meeting with the Town of Rico (Town) and other stakeholders to obtain additional project information, Town, and stakeholder input, and to develop critical success factors for design and implementation of the project. The project kickoff meeting will also serve as a design workshop with the Engineer’s team, Town staff, and operations staff. Using the available information as the preliminary basis of design, we will go over the major design elements, and the Town’s design preferences for the project.

Bohannon Huston (BHI) will also meet with the Town in monthly, face-to-face progress meetings and bi-weekly conference calls to keep the Town informed of the project’s progress and obtain additional input from the Town as necessary. Monthly progress meetings will be held at the Town’s offices and will include representatives that may have express interest in the project development. Bi-weekly conference calls will focus on action items and items critical to the project schedule. The Engineer will also provide the Town with monthly progress reports summarizing project technical status. These reports will include progress made, problems resolved, anticipated problem areas, recommended solutions, and upcoming activities.

Other project management activities that will be performed under this task are management of subcontracts, project accounting, scheduling and budget tracking, and maintenance of project files.

Assumptions:

- The duration of project management includes design phase of 12 months for this project.
- The project kickoff meeting will be held at the Town’s offices with Town staff, Engineer’s client service manager, project manager, project engineer, and subconsultants.
- Design phase monthly progress meetings will be held virtually, unless otherwise agreed upon by the parties.
- Design phase bi-weekly progress meetings will be conducted via virtual meeting.
- Monthly progress reports will be provided with monthly invoices.
- Additional meetings (including design review meetings) have been included in other tasks.

Deliverables:

- Kick-off meeting agenda, presentation, and meeting minutes
- Monthly progress reports – delivered via e-mail
- Monthly progress meeting agenda and minutes
- Monthly invoices for Engineer’s services

TASK 2—PRE-DESIGN PHASE SERVICES

SUBTASK 2A – SUPPLEMENTAL SITE DATA ACQUISITION

Objective: Work under this task includes geotechnical investigation and surveying required to support the design of the facilities in the Town. Permitting associated with the construction of the facilities will also be included in this task.

SUBTASK 2B – GEOTECHNICAL INVESTIGATION

The purpose of the geotechnical investigation is to determine the site subsurface conditions and based upon the conditions encountered; develop geotechnical and foundation design recommendations for the design of buildings, slabs, foundations, and other structural components within the project. The geotechnical report will include results of the field exploration including boring logs including depth to bedrock; design criteria related to the recommended foundation systems including design values for shallow foundations, slab-on-grade design recommendations, foundation bearing pressures, site grading, pavement design and drainage, estimated settlement, site seismic classification, and subgrade preparation and earthwork recommendations. The Geotechnical Report will be signed by a Colorado registered Professional Engineer.

Assumptions:

- The scope of this work will be conducted by a subconsultant to BHI. An allowance has been included in the fee once this firm has been selected and the scope is further defined during the design phase.

Deliverables:

- Written geotechnical report summarizing findings and recommendations for foundation and other design conditions. Geotechnical report will be included as an appendix to the design specifications.

SUBTASK 2C – SURVEY AND SUBSURFACE UTILITY EXPLORATION (SUE)

Objective: Engineer will perform design survey of the existing site to the extent required which includes the entire WWTP site and corridors along the proposed collection system alignments. Topographic survey will be performed using a combination of aerial and on-site ground surveying methods as best suits the needs of the project.

Engineer will utilize the services of a subconsultant to perform SUE services. SUE services will be used during design for verification of utility locations and connections.

Assumptions:

- Survey will be prepared with 1-ft elevation contours based upon NAD 83 and NAVD 88 datum.
- Access to the site will be made available by the Town.
- Alignments are located within Public Right of Way and survey within private properties is not required.
- The SUE services shall be performed by a subconsultant to BHI. An allowance has been included in the fee for this work. The subconsultant and scope of services shall be further defined during the design phase of the project.

Deliverables:

- Digital AutoCAD files of the design survey and SUE data for the project site.

SUBTASK 2D – FEMA FLOODPLAIN REVIEW

Objective: The Engineer will overlay the FEMA floodplain information with the proposed WWTP site. The WWTP site will be located outside the boundaries of the FEMA 100-year floodplain.

Assumptions:

- Engineer will use publicly available information from FEMA to identify the zones near the WWTP site.
- No analysis or modeling of the flood plain will be performed. A base flood plan elevation will not be determined.

The information shall be reviewed with the Dolores County Floodplain manager.

Deliverables:

- Engineer will prepare a site layout showing the FEMA information.
- Meeting minutes will be prepared based on the discussion with the Dolores Floodplain manager

SUBTASK 2E – PERMITTING

Objective: The Engineer will provide permitting coordination services during the design phase; engineer will schedule and participate in meetings with CDPHE to discuss the overall project and permitting requirements. The Engineer will meet with CDPHE to review the discharge permit and discuss the proposed project and facilities.

Assumptions:

- A new permit from CDPHE is required for the discharge of the effluent.

Deliverables:

- Engineer will prepare and submit meeting minutes.

TASK 3 – DESIGN PHASE SERVICES

Objective: This task consists of developing construction documents for the upgrades to the facility as identified in the Preliminary Engineering Report dated June 2024. High quality effluent will be achieved by the new plant and wastewater will be conveyed through a new collection system consisting of ~ 27,400 LF of gravity collection, 2,000 LF of force main and two (2) lift stations in the collection system. Major design elements include the following items. The items noted below are assumed to be part of the base bid. Bid alternates may be used once the available funding is known and construction cost estimates are developing during the design:

Volume 1: Wastewater Treatment Plant:

- The WWTP shall have an average design flow of 53,600 gpd and a peak hourly flow of 134,000 gpd. The following requirements are also assumed:
 - The WWTP process will be consistent with the recommendations in the PER which identified a membrane bioreactor (MBR) as the recommended approach
 - Total nitrogen will be reduced to less than 10 mg/L
 - Entire WWTP will be constructed within a single pre-engineered metal building
 - Membrane supplier will be pre-selected as part of the design process and design will be based on a single supplier. It is anticipated the design will include a “package” type system from a supplier like Kubota
 - A lift station will be used at the entrance to the treatment plant

Volume 2. Collection System: (The collection system will be designed to accommodate three (3) phases for construction of the system)

- The wastewater collection system shall consist of the following components:
 - 27,400 LF of Gravity Collection System
 - 2,000 LF of Force Main
 - Three (3) Lift Stations

- Trenchless methods shall be considered for critical crossings such as roadways or water features

Deliverables: Design will include intermediate milestones of 30%, 60%, 90% and 100% for review submittals to the Town. Submittal of the deliverables will be made approximately 2 weeks prior to a review meeting to be held of the milestone submittal. Drawings will be completed in AutoCAD; specifications will utilize the Towns front ends and documents required by funding agency.

TASK 3A: PRELIMINARY DESIGN (30% DESIGN PACKAGE)

The major activities included in this subtask include preparation of 30% design level drawings and framework for front end and technical specifications. This task also includes the equipment selection for the major process components associated with the WWTP. The 30% design submittal will include:

- General sheets and anticipated drawing list
- Civil site, utility and preliminary site piping layout
- Process mechanical plans
- Process and Instrumentation Diagrams (P&IDs)
- Collection System Plan and Profile Sheets (alignment with existing grade profile)
- Lift Station Site Layout
- General/Supplemental Conditions and listing of Technical Specification Sections
- 30% opinion of probable construction cost

TASK 3B: PRE-FINAL DESIGN (60% DESIGN PACKAGE)

Based on the 60% design, internal quality review, and the Town's review comments, the Engineer will further develop the design to 60% level. The major activities included in this subtask include preparation of 60% design level drawings and specifications. The 60% design submittal will include:

- General sheets and complete drawing list
- Civil site, utility, grading, and site piping plans
- Architectural building sections and details
- Structural plans and details
- Process mechanical plans and details
- Instrumentation, Control and Electrical plans and details
- HVAC and building mechanical plans and details
- Collection System Plan and Profile Sheets (alignment with final profile)
- Lift Station Site Layout and detail sheets
- Front end and major equipment technical specification sections
- 60% opinion of probable construction cost

TASK 3C: PRE-FINAL DESIGN (90% DESIGN PACKAGE)

Based on the 90% design, internal quality review, and the Town's review comments, the Engineer will further develop the design to 90% level. The major activities included in this subtask include preparation of 60% design level drawings and specifications. The 90% design submittal will include:

- General sheets and complete drawing list
- Civil site, utility, grading, and site piping plans
- Architectural building sections and details
- Structural plans and details
- Process mechanical plans and details

- Instrumentation, Control and Electrical plans and details
- HVAC and building mechanical plans and details
- Collection System Plan and Profile Sheets (alignment with final profile)
- Lift Station Site Layout and detail sheets
- Front end and major equipment technical specification sections
- 90% opinion of probable construction cost

TASK 3D FINAL DESIGN (100% DESIGN PACKAGE)

Based on the 90% design, internal quality review, and the Town's review comments, the Engineer will further develop the design to 100% level. The major activities included in this subtask include preparation of bid ready drawings, design report/calculations and specifications. The 100% design level plans and specifications will be developed as a "Pre-Final" set for final quality and agency review. Minor modifications will be incorporated into the "Final" set used for bidding. The "Pre-Final" submittal at the 100% milestone will consist of all plans and specifications and a final construction cost estimate.

Assumptions:

- Agency reviews are not required at the 30% design submittals. These submittals will be used for internal and Town reviews.
- A 30% design review meeting, 60% design review meeting and 90% design review meeting will be held with the Town to go over comments. Some members of the design team may attend virtually.
- Each deliverable will be submitted approximately 2 weeks prior to design review meetings for the Town benefit.
- Construction Cost estimates will be developed to the level of detail appropriate to the milestone percentage completion of the design.
- Engineer's standard technical specifications and CAD standards when not provided by the Town.
- Engineer will submit final plans, specifications, bid documents and design report/calculations for approval by funding agency. Revisions will be made as necessary to achieve funding agency approval
- Engineer will utilize the BHI's CAD Layering and Sheet Naming Conventions

Deliverables:

- Drawings: 22-inch x 34-inch format; five (5) copies of half-size drawing will be provided to the Town at each milestone for review purposes. One (1) master 22-inch x 34-inch paper plotted set of bid package drawings will be provided at 100% submittal.
- Specifications will follow CSI 48-division format for technical sections; front end documents will utilize Town-provided format or General/Supplemental Conditions and other documents as appropriate for the Town and funding agencies. Electronic specifications will be provided at each review milestone. One (1) master hard copy set of specifications will be provided at 100% submittal.
- Electronic drawing and specification files in Adobe Portable Document Format (.pdf) will be provided at each milestone for review purposes.
- 30%, 60%, 90%, and final construction cost estimate.

Exhibit B—Task Order Deliverables Schedule

Paragraphs 2.04.E, 3.02.A, and Exhibit A of the Main Agreement will be supplemented by a project schedule. The project schedule will be provided at the kick-off meeting and presented as a Gantt Chart based on the work breakdown structure of the project. The schedule shall provide milestone deliverable data and also identify critical paths that have the greatest influence on executing tasks. The schedule shall be updated periodically throughout the completion of work and changes to the schedule shall be discussed with the Owner as they are known.

AGREEMENT BETWEEN OWNER AND ENGINEER FOR PROFESSIONAL SERVICES—TASK ORDER EDITION

MAIN AGREEMENT

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AGREEMENT BETWEEN OWNER AND ENGINEER FOR PROFESSIONAL SERVICES—TASK ORDER EDITION

MAIN AGREEMENT

This Main Agreement is a part of the Agreement between The Town of Rico (Owner) and Bohannan Huston, Inc. (Engineer). Other terms used in the Agreement are defined in Article 7.

From time-to-time, Owner may request that Engineer provide professional services for Specific Projects. Each engagement will be documented by a task order. This Main Agreement sets forth the general terms and conditions that apply to all duly executed Task Orders.

Owner and Engineer further agree as follows:

ARTICLE 1—SERVICES OF ENGINEER

1.01 General

- A. Engineer’s services will be detailed in a duly executed Task Order for each Specific Project, or for a portion of a Specific Project.
- B. The Main Agreement is not a commitment by Owner to issue any Task Orders.
- C. Engineer will not be obligated to perform any prospective Task Order unless and until (1) Owner and Engineer agree to the particulars of the assignment, including the scope of Engineer's services, time for performance, Engineer's compensation, and all other appropriate matters, and include such particulars in the Task Order, and (2) Owner and Engineer both sign the Task Order.
- D. Each duly executed Task Order will be subject to the terms and conditions of (a) this Main Agreement; (b) the Main Agreement’s exhibits; (c) any executed written amendments of the Main Agreement (see Exhibit C); (d) the specific Task Order itself; (e) the specific Task Order’s exhibits; and (f) any amendments or modifications of the specific Task Order.

1.02 Task Order Procedure

- A. The general recommended format of a Task Order is presented in the accompanying Task Order Form. Commonly used task order exhibits are presented in the accompanying Exhibits to Task Order document.
- B. Each specific task order will indicate:
 1. Project background data;
 2. Specific services to be performed by Engineer (“Scope”), including key deliverables;
 3. Additions or modifications to owner’s responsibilities;
 4. Task order schedule;
 5. Engineer’s Compensation for task order; and
 6. Primary subconsultants, if any.

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- C. With respect to the Engineer's scope of services under a specific Task Order, each specific Task Order will either (1) be accompanied by and incorporate an Exhibit A, "Engineer's Services Under Task Order," and Exhibit B, "Deliverables Schedule," prepared for the specific Task Order, or (2) state a customized scope of services and deliverables schedule in the Task Order document itself or in an attachment.
- D. Upon signature of the Task Order by both parties (but no earlier than the Effective Date of the specific Task Order), Engineer will commence performance and furnish, or cause to be furnished, the services authorized by the Task Order.
- E. Task Orders may be amended as set forth in Paragraph 8.05.B of this Main Agreement.
- F. All phases of Engineer's services under each Task Order will include management of Engineer's Specific Project responsibilities, including but not limited to the following management tasks, whether separately tracked and itemized or included as being incidental to other phase and scope task items.
 1. Develop and submit an Engineering Services Schedule. The Engineering Services Schedule will:
 - a. be updated on a regular basis, and as required to reflect any programmatic decisions by Owner.
 - b. include, but not be limited to, an anticipated sequence of tasks; estimates of task duration; interrelationships among tasks; milestone meetings and submittals; anticipated schedule of construction; and other pertinent Project events.
 2. Develop and submit detailed work plans from Exhibit A to Task Order tasks.
 3. Coordinate services within Engineer's internal team, and with Subconsultants and Engineer's Subcontractors.
 4. Prepare for and participate in meetings with consultants and contractors working on other parts of the Specific Project that may affect, or be affected by, Engineer's services or resulting construction.
 5. Prepare and submit monthly engineering services progress reports to the Owner. Include a summary of services performed in period, expected progress in next period, percent completion of current tasks, and a description of major issues or concerns.
 6. Special Invoicing: In addition to, or as a substitute for, Engineer's standard invoicing, for each invoice provide the specified additional information or documentation, following the invoicing procedures indicated: Not Applicable.
 7. Conduct ongoing management tasks, including:
 - a. Maintaining communications records and files pertaining to or arising from Engineer's services;
 - b. With respect to Engineer's services and other directly relevant parts of the Specific Project, prepare for and participate in periodic progress meetings with Owner to discuss progress, schedule, budget, issues, potential problems and their resolution; and
 - c. Preparing agendas prior to and minutes following all Engineer-led meetings.

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- G. Unless a different standard is expressly set forth in a specific Task Order, in all phases of Engineer's services, Engineer shall prepare draft and final Drawings in accordance with Engineer's CAD standards using Civil 3D version 2021 software.
- H. The source documents for the draft and final Specifications in all phases of Engineer's services will be Engineer's standard specifications unless a different source document is expressly identified in the specific Task Order.

1.03 Sequencing and Coordination

- A. For each Task Order, the Work to be designed or specified by Engineer, upon which the Engineer's scope has been established, will be performed or furnished under one prime Construction Contract, unless specified otherwise in the Task Order.
- B. If the Work designed or specified by Engineer under a specific Task Order is to be performed or furnished under more than one prime Construction Contract, or if Engineer's services are to be separately sequenced with the work of one or more of Owner's consultants or contractors (such as in the case of fast-tracking), then:
 1. the Task Order's Deliverables Schedule will account for the need to sequence and properly coordinate Engineer's services as applicable to the Work under the Construction Contracts; or
 2. If the Task Order does not address such sequencing and coordination, then Owner and Engineer will jointly develop a schedule for sequencing and coordination of services prior to commencement of final design services; this schedule is to be prepared and included in or become an amendment to the authorizing Task Order, whether the work under such contracts is to proceed concurrently or sequentially.

ARTICLE 2—OWNER'S RESPONSIBILITIES

2.01 Application of Owner's Responsibilities

- A. The responsibilities of Owner set forth in Article 2 apply to each Specific Project and each specific Task Order. Supplemental responsibilities of Owner applicable only to a specific Task Order may be stated in the specific Task Order.

2.02 Project Information

- A. To the extent Owner has not already provided the following, or has new, additional, or revised information from that previously provided, Owner shall provide Engineer with information and data needed by Engineer in the performance of the Specific Project, including Owner's:
 1. design objectives and constraints;
 2. space, capacity, and performance requirements;
 3. flexibility and expandability needs;
 4. design and construction standards;
 5. budgetary limitations; and

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6. any other available information pertinent to the Specific Project including reports and data relative to previous designs, construction, or investigation at or adjacent to the Site.
- B. Following Engineer's assessment of initially-available information and data and upon Engineer's request, Owner shall obtain, furnish, or otherwise make available (if necessary through retention of specialists or consultants) such additional information and data as is reasonably required to enable Engineer to complete its Basic and Additional Services under the Task Order; or, with consent of Engineer, Owner may authorize the Engineer to obtain or provide all or part of such additional information as Additional Services. Such additional information or data may include the following:
1. Property descriptions.
 2. Zoning, deed, and other land use restrictions.
 3. Surveys, Mapping, and Utility Documentation.
 4. Property, boundary, easement, right-of-way, and other special surveys or data, including establishing relevant reference points.
 5. Explorations and tests of subsurface conditions at or adjacent to the Site; geotechnical reports and investigations; drawings of physical conditions relating to existing surface or subsurface structures at the Site; hydrographic surveys, laboratory tests and inspections of samples, materials, and equipment; with appropriate professional interpretation of such information or data.
 6. Environmental assessments, audits, investigations, and impact statements, and other relevant environmental, historical, or cultural studies relevant to the Specific Project, the Site, and adjacent areas.
 7. Data or consultations as required for the specific Task Order but not otherwise identified in this Agreement.
- C. Owner shall examine all alternative solutions, studies, reports, sketches, Drawings, Specifications, proposals, and other documents presented by Engineer (including obtaining advice of an attorney, risk manager, insurance counselor, financial/municipal advisor, and other advisors or consultants as Owner deems appropriate with respect to such examination) and render in writing timely decisions pertaining thereto.
- D. If a specific Task Order requires Engineer to assist Owner in collating the various cost categories that comprise Total Project Costs, Owner shall furnish to Engineer data as to Owner's anticipated costs for services to be provided to Owner by others (including, but not limited to, accounting, bond and financial, independent cost estimating, insurance counseling, and legal advice).
- E. Owner shall advise Engineer if any invention, design, process, product, or device that Owner has requested, required, or recommended for inclusion in the Drawings or Specifications prepared or furnished under a Task Order will be subject to payment (whether by Owner or Contractor) of any license fee or royalty to others, as required by patent rights or copyrights.

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- F. Owner shall inform Engineer as to whether Engineer’s assistance is requested with respect to Owner’s evaluation of the possible use of Project Strategies, Technologies, and Techniques, as defined in Exhibit A to Task Order.
- G. Owner shall inform Engineer as to whether Engineer’s assistance is requested in identifying opportunities for enhancing the sustainability of the Specific Project.

2.03 Owner’s Instructions Regarding Bidding and Construction Contract Documents

- A. Owner shall give instructions to Engineer regarding Owner’s procurement of construction services (including instructions regarding advertisements for bids, instructions to bidders, and requests for proposals, as applicable) and Owner’s construction contract practices and requirements, and furnish to Engineer (or give specific directions requesting Engineer to use copies already in Engineer’s possession) the following:
 1. Owner’s standard contract forms, general conditions (if other than the current edition of EJCDC® C-700, Standard General Conditions of the Construction Contract), supplementary conditions, text, and related documents and content for Engineer to include in the draft bidding-related documents (or requests for proposals or other construction procurement documents), and in draft Construction Contract Documents;
 2. insurance and bonding requirements;
 3. protocols for electronic transmittals during bidding and construction;
 4. Owner’s safety and security programs applicable to Contractor and other Constructors;
 5. diversity and other social responsibility requirements;
 6. bidding and contract requirements of funding, financing, or regulatory entities;
 7. other specific conditions applicable to the procurement of construction or contract documents;
 8. any other information necessary for Engineer to assist Owner in preparing, for each Specific Project, bidding-related documents (or requests for proposals or other construction procurement documents) and Construction Contract Documents.
- B. Owner shall have responsibility for the final content of (1) such bidding-related documents (or requests for proposals or other construction procurement documents), and (2) those portions of any Construction Contract other than the design (as set forth in the Drawings, Specifications, or otherwise) and other engineering or technical matters.
 1. Owner shall seek the advice of Owner’s legal counsel, risk managers, and insurance advisors with respect to the drafting and content of such documents.
- C. Owner shall place and pay for advertisements for Bids in appropriate publications.

2.04 Owner-Furnished Services

- A. Recognizing and acknowledging that Engineer's services and expertise do not include the following services, Owner shall obtain, as required for each Specific Project:
 1. Accounting, bond and financial advisory services (including, if applicable, “municipal advisor” services as described in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) and the municipal advisor registration rules issued by

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the Securities and Exchange Commission), independent cost estimating, and insurance counseling services.

2. Legal services, including attorney review of proposed Construction Contract Documents, legal services required by Owner, legal services needed as a result of issues raised by Contractor, and Project-related legal services reasonably requested by Engineer.
 3. Auditing services, including those needed by Owner to ascertain how or for what purpose Contractor has used money paid to it.
- B. Owner shall provide the services of an independent testing laboratory to perform all inspections, tests, and approvals of samples, materials, and equipment required by the Construction Contract Documents (other than those required to be furnished or arranged by Contractor), or to evaluate the performance of materials, equipment, and facilities of Owner, prior to their incorporation into the Work with appropriate professional interpretation thereof. Owner shall provide Engineer with the findings and reports generated by testing laboratories, including findings and reports obtained from or through Contractor.
 - C. Owner shall acquire or arrange for acquisition of the Site(s) and any temporary or permanent rights of access, easements, or property rights needed for each Specific Project.
 - D. With respect to the portions or phases of each Specific Project designed or specified by Engineer, Owner shall provide, obtain, or arrange for:
 1. all required reviews, approvals, consents, and permits from governmental authorities having jurisdiction, and
 2. such reviews, approvals, and consents from others as may be necessary for completion of each portion or phase of the Specific Project.
 - E. Owner may delegate to a Contractor or others the responsibilities set forth in Paragraphs 2.04.C and D.

2.05 Owner's General Responsibilities

- A. Owner shall inform Engineer of the policies, procedures, and requirements of Owner that are applicable to Engineer's performance of services under this Agreement and under each Task Order.
- B. Owner will provide Engineer with Owner's budget for each Specific Project, including type and source of funding to be used and will promptly inform Engineer if the budget or funding sources change.
- C. Owner shall inform Engineer in writing of any safety or security programs that are applicable to the personnel of Engineer, its Subconsultants, and Engineer's Subcontractors, as they visit the Site or otherwise perform services under this Agreement and under each Task Order.
- D. Owner shall arrange for safe access to and make all provisions for Engineer to enter upon public and private property as required for Engineer to perform services under this Agreement and under each Task Order.
- E. Owner shall provide necessary direction and make decisions, including prompt review of Engineer's submittals, and carry out its other responsibilities in a timely manner so as not to delay Engineer's performance of its services.

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- F. Owner shall be responsible for all requirements and instructions that it furnishes to Engineer pursuant to this Agreement, and for the accuracy and completeness of all programs, reports, data, and other information furnished by Owner to Engineer pursuant to this Agreement or any Task Order. Engineer may use and rely upon such requirements, programs, instructions, reports, data, and information in performing or furnishing services under this Agreement or any Task Order, subject to any express limitations or reservations applicable to the furnished items.
- G. Owner shall give prompt written notice to Engineer whenever Owner observes or otherwise becomes aware of:
 1. any development that affects the scope or time of performance of Engineer's services;
 2. the presence at the Site of any Constituent of Concern; or
 3. any relevant, material defect or nonconformance in: (a) Engineer's services, (b) the Work, (c) the performance of any Constructor, or (d) Owner's performance of its responsibilities under this Agreement.
- H. Owner shall advise Engineer of the identity and scope of services of any independent consultants employed by Owner to perform or furnish services in regard to a Specific Project, including, but not limited to, cost estimating, project peer review, value engineering, and constructability review.
- I. If Owner designates a construction manager, site representative, or any individual or entity other than, or in addition to, Engineer to represent Owner at the Site, then Owner shall define and set forth, in an exhibit to the governing Task Order, the duties, responsibilities, and limitations of authority of such other party and the relation thereof to the duties, responsibilities, and authority of Engineer.
- J. Owner shall:
 1. Attend and participate in the pre-bid conference, bid opening, pre-construction conferences, construction progress and other job-related meetings, and Site visits to determine Substantial Completion and readiness of the completed Work for final payment.
 2. Primarily communicate with Engineer's Subcontractors and Subconsultants through the Engineer.
 - a. Promptly inform Engineer of the substance of any communications between Owner and Engineer's Subcontractors or Subconsultants.
 - b. Refrain from directing the services of Engineer's Subcontractors or Subconsultants.
 3. Authorize Engineer to provide Additional Services as set forth in Part 2 of Exhibit A of each Task Order, as required.
 4. Perform or provide the following:
 - a. All other Owner responsibilities expressly identified in any Task Order, not otherwise set forth in this Agreement.

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2.06 Payment

- A. Owner shall pay Engineer as set forth in each Task Order, pursuant to the applicable terms of Article 4.

ARTICLE 3—TERM AND TERMINATION

3.01 Term and Termination

- A. This Agreement will begin on the effective date and shall continue until terminated as provided herein.
- B. Either party may terminate the agreement upon seven (7) days advance written notice.

3.02 Commencement

- A. Engineer is authorized to begin rendering services under a Task Order as of the Effective Date of the Task Order.

3.03 Time for Completion

- A. The Effective Date of the Task Order and the times for completing services or providing deliverables will be stated in each Task Order.
- B. If, through no fault of Engineer, such periods of time or dates are changed, or the orderly and continuous progress of Engineer's services is impaired, or Engineer's services are delayed or suspended, then the time for completion of Engineer's services, and the rates and amounts of Engineer's compensation, will be adjusted equitably.
- C. If Owner authorizes changes in the scope, extent, or character of a Specific Project, or of Engineer's services, then the time for completion of Engineer's services, and the rates and amounts of Engineer's compensation, will be adjusted equitably.
- D. If the Contract Times to complete the Work under a Construction Contract are extended beyond the period stated in the governing Task Order, Owner will pay Engineer for the additional services during the extension based on the Standard Hourly Rates Method of Payment.
- E. If Engineer fails, for reasons within the control of Engineer, to complete the performance required in a Task Order within the time set forth, as duly adjusted, then Owner shall be entitled, as its sole remedy, to the recovery of direct damages to the extent, if any, resulting from such failure by Engineer.

ARTICLE 4—INVOICES AND PAYMENTS

4.01 Invoices

- A. Preparation and Submittal of Invoices: Engineer shall prepare invoices in accordance with its standard invoicing practices; the terms of any progress reporting and special invoicing requirements in Paragraph 1.03, or as otherwise required in Exhibit A to the Task Order; and with the applicable terms of Appendix 1 to Main Agreement, Reimbursable Expenses Schedule, and Appendix 2 to Main Agreement, Standard Hourly Rates Schedule. Engineer

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shall submit its invoices to Owner monthly. Invoices are due and payable within 30 days of receipt.

4.02 Payments

- A. Application to Interest and Principal: Payment will be credited first to any interest owed to Engineer and then to principal.
- B. Disputed Invoices: If Owner disputes an invoice, either as to amount or entitlement, then Owner shall promptly advise Engineer in writing of the specific basis for doing so, may withhold only that portion so disputed, and must pay the undisputed portion, subject to the terms of Article 4. After a disputed item has been resolved, Engineer shall include the agreed-upon amount on a new invoice.
- C. Failure to Pay: If Owner fails to make any undisputed payment due Engineer within 30 days after receipt of Engineer's invoice, then:
 1. amounts due Engineer will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day, and
 2. Engineer may, after giving 7 days' written notice to Owner, suspend services under this Agreement until Owner has paid in full amounts due. Owner waives any and all claims against Engineer for any such suspension.
- D. Sales or Use Taxes: If after the Effective Date of a Task Order any governmental entity takes an action that imposes additional sales or use taxes on Engineer's services or compensation under the Task Order, then Engineer may invoice such additional sales or use taxes for reimbursement by Owner. Owner shall reimburse Engineer for the cost of such invoiced additional sales or use taxes; such reimbursement will be in addition to the compensation to which Engineer is entitled under the terms of this Main Agreement and the specific Task Order.

4.03 Basis of Compensation

- A. The bases of compensation (compensation methods) for Basic Services (including if applicable the bases of compensation for individual phases of Basic Services) and for Additional Services must be identified in each specific Task Order (Task Order Form, Paragraph 6). Owner shall pay Engineer for services in accordance with the applicable basis of compensation.
- B. The three following bases of compensation are used for services under Task Orders, as identified in each specific Task Order:
 1. Lump Sum (plus any expenses expressly eligible for reimbursement)
 2. Standard Hourly Rates (plus any expenses expressly eligible for reimbursement)
- C. The terms and conditions applicable to each of the three compensation methods are set forth in Paragraph 4.04.

4.04 Explanation of Compensation Methods

- A. Lump Sum
 1. Owner shall pay Engineer a Lump Sum amount for the specified category of services.

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2. The Lump Sum will include compensation for Engineer's services and services of Engineer's Subcontractors and Subconsultants, if any. The Lump Sum constitutes full and complete compensation for Engineer's services in the specified category, including labor costs, overhead, profit, expenses (other than those expenses expressly eligible for reimbursement, if any), and Engineer's Subcontractor and Subconsultant charges.
 3. In addition to the Lump Sum, Engineer is also entitled to reimbursement from Owner for the following expenses reasonably and necessarily incurred by Engineer in connection with the performing or furnishing of the services in the specified category (see Appendix 1 for rates or charges):
 - a. None
 4. The portion of the Lump Sum amount billed for Engineer's services will be based upon Engineer's estimate of the proportion of the total services completed during the billing period to the Lump Sum.
- B. Standard Hourly Rates**
1. For the specified category of services, the Owner shall pay Engineer an amount equal to the cumulative hours charged to the Specific Project by each class of Engineer's employees times Standard Hourly Rates for each applicable billing class. Under this method, Engineer shall also be entitled to reimbursement from Owner for the expenses identified in Paragraph 4.05 below, and Appendix 1.
 2. Standard Hourly Rates include salaries and wages paid to personnel in each billing class plus the cost of customary and statutory benefits, general and administrative overhead, non-project operating costs, and operating margin or profit.
 3. Engineer's Reimbursable Expenses Schedule and Standard Hourly Rates are attached to this Agreement as Appendices 1 and 2.
 4. The total estimated compensation for the specified category of services will be stated in the Task Order. This total estimated compensation will incorporate all labor at Standard Hourly Rates, and reimbursable expenses (including Engineer's Subcontractor and Subconsultant charges, if any).
 5. The amounts billed will be based on the cumulative hours charged to the specified category of services on the Specific Project during the billing period by each class of Engineer's employees times Standard Hourly Rates for each applicable billing class, plus reimbursable expenses (including Engineer's Subcontractor and Subconsultant charges, if any).
 6. The Standard Hourly Rates and Reimbursable Expenses Schedule will be adjusted annually (as of April 4, 2024) to reflect equitable changes in the compensation payable to Engineer.

4.05 Reimbursable Expenses

- A. Under the Lump Sum method basis of compensation to Engineer, unless expressly indicated otherwise the Lump Sum amount includes the following categories of expenses: transportation (including mileage), lodging, and subsistence incidental thereto; providing and maintaining field office facilities including furnishings and utilities; toll telephone calls,

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mobile phone services, and courier charges; reproduction of reports, Drawings, Specifications, bidding-related or other procurement documents, Construction Contract Documents, and similar Specific Project-related items; and Engineer's Subcontractor and Subconsultant charges. These expenses are not reimbursable under the Lump Sum method, unless expressly indicated otherwise in Paragraph 4.04.A.3 above.

- B. Expenses eligible for reimbursement under the Direct Labor Costs Times a Factor and Standard Hourly Rate methods of compensation include the following expenses reasonably and necessarily incurred by Engineer in connection with the performing or furnishing of Basic and Additional Services for the Task Order:
 1. Transportation (including mileage), lodging, and subsistence incidental thereto;
 2. Providing and maintaining field office facilities including furnishings and utilities;
 3. Toll telephone calls, mobile phone services, and courier services; reproduction of reports, Drawings, Specifications, bidding-related or other procurement documents, Construction Contract Documents, and similar Specific Project-related items;
 4. Consultant charges; and
 5. Other expenses identified in Appendix 1.
- C. Reimbursable expenses reasonably and necessarily incurred in connection with services provided under the Standard Hourly Rate method must be paid at the rates set forth in Appendix 1, Reimbursable Expenses Schedule, subject to the factors set forth below.
- D. Whenever Engineer is entitled to compensation for the charges of its Consultants, those charges will be the amount billed by such Consultants to Engineer times a factor of 10%.
- E. The external reimbursable expenses and Consultants' factors include Engineer's overhead and profit associated with Engineer's responsibility for the administration of such services and costs.

4.06 Other Provisions Concerning Payment

- A. Estimated Compensation Amounts
 1. Engineer's estimate of the amounts that will become payable for services are only estimates for planning purposes, are not binding on the parties, and are not the minimum or maximum amounts payable to Engineer under the Agreement.
 2. When estimated compensation amounts have been stated in a Task Order and it subsequently becomes apparent to Engineer that a compensation amount thus estimated will be exceeded, Engineer shall give Owner written notice thereof, allowing Owner to consider its options, including suspension or termination for Owner's convenience of Engineer's services under the Task Order. Upon notice, Owner and Engineer will promptly review the matter of services remaining to be performed and compensation for such services. Owner shall either exercise its right to suspend or terminate Engineer's services under the Task Order for Owner's convenience, agree to such compensation exceeding said estimated amount, or agree to a reduction in the remaining services to be rendered by Engineer, so that total compensation for such services will not exceed said estimated amount when such services are completed. If Owner decides not to suspend the Engineer's services during the negotiations and

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Engineer exceeds the estimated amount before Owner and Engineer have agreed to an increase in the compensation due Engineer or a reduction in the remaining services, then Engineer will be paid for all services rendered.

ARTICLE 5—OPINIONS OF COST

5.01 Opinions of Probable Construction Cost

- A. Engineer's opinions of probable Construction Cost (if any) are to be made based on Engineer's experience, qualifications, and general familiarity with the construction industry. However, because Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that proposals, bids, or actual Construction Cost will not vary from opinions of probable Construction Cost prepared by Engineer. If Owner requires greater assurance as to probable Construction Cost, then Owner agrees to obtain an independent cost estimate.

5.02 Opinions of Total Project Costs

- A. The services, if any, of Engineer with respect to Total Project Costs will be limited to assisting the Owner in tabulating the various categories that comprise Total Project Costs. Engineer assumes no responsibility for the accuracy of any opinions of Total Project Costs.

ARTICLE 6—GENERAL CONSIDERATIONS

6.01 Standards of Performance

- A. **Standard of Care:** The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Engineer makes no warranties, express or implied, under this Agreement or otherwise, in connection with any services performed or furnished by Engineer.
- B. **Technical Accuracy:** Owner shall not be responsible for discovering deficiencies in the technical accuracy of Engineer's services. Engineer shall correct deficiencies in technical accuracy without additional compensation unless such corrective action is directly attributable to deficiencies in Owner-furnished information.
- C. **Engineer's Subcontractors and Subconsultants:** Engineer may retain such Engineer's Subcontractors and Subconsultants as Engineer deems necessary to assist in the performance or furnishing of the services, subject to reasonable, timely, and substantive objections by Owner.
- D. **Reliance on Others:** Subject to the standard of care set forth in Paragraph 6.01.A, Engineer may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.

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- E. Compliance with Laws and Regulations, and Policies and Procedures
1. Engineer and Owner shall comply with applicable Laws and Regulations.
 2. Engineer shall comply with the policies, procedures, and instructions of Owner that are applicable to Engineer's performance of services under this Agreement and that Owner provides to Engineer in writing, subject to the standard of care set forth in Paragraph 6.01.A, and to the extent compliance is not inconsistent with professional practice requirements.
 3. This Agreement is based on Laws and Regulations and Owner-provided written policies and procedures as of the Effective Date. The following may be the basis for modifications to Owner's responsibilities or to Engineer's scope of services, times of performance, or compensation:
 - a. changes after the Effective Date of the Task Order to Laws and Regulations,
 - b. the receipt by Engineer after the Effective Date of the Task Order of Owner-provided written policies and procedures, and
 - c. changes after the Effective Date of the Task Order to Owner-provided written policies or procedures.
- F. General Conditions of Construction Contract: The general conditions for any construction contract documents prepared hereunder are to be the current edition of EJCDC® C-700, Standard General Conditions of the Construction Contract, prepared by the Engineers Joint Contract Documents Committee, unless expressly indicated otherwise in this Agreement.
- G. Copies of Drawings and Specifications: If Engineer is required to prepare or furnish Drawings or Specifications under a specific Task Order, Engineer shall deliver to Owner at least one complete electronic copy of such Drawings and Specifications, signed and sealed according to applicable Laws and Regulations, and one complete printed copy, duly signed and sealed.
- H. Engineer shall not be required to sign any document, no matter by whom requested, that would result in Engineer having to certify, guarantee, or warrant conditions whose existence the Engineer cannot ascertain within the authorized scope of Engineer's services. Owner agrees not to make resolution of any dispute with Engineer or payment of any amount due to Engineer in any way contingent upon Engineer signing any such document.
- I. Engineer shall not at any time supervise, direct, control, or have authority over any Constructor's work, nor will Engineer have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, or the safety precautions and programs incident thereto, for security or safety at the Site, nor for any failure of a Constructor to comply with Laws and Regulations applicable to that Constructor's furnishing and performing of its work. Engineer shall not be responsible for the acts or omissions of any Constructor.
- J. Engineer neither guarantees the performance of any Constructor nor assumes responsibility for any Constructor's failure to furnish and perform the Work in accordance with the Construction Contract Documents.

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- K. Engineer shall not be responsible for any decision made regarding the Construction Contract Documents, or any application, interpretation, clarification, or modification of the Construction Contract Documents, other than those made by Engineer.
- L. Engineer is not required to provide and does not have any responsibility for surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or surety bonding requirements.
- M. Engineer's services do not include providing legal advice or representation.
- N. Engineer's services do not include (1) serving as a "municipal advisor" for purposes of the registration requirements of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission, or (2) advising Owner, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, or other similar matters concerning such products or issuances.
- O. While at the Site, Engineer, its Subconsultants, and Engineer's Subcontractors, and their employees and representatives will comply with the applicable requirements of Contractor's and Owner's safety programs of which Engineer has been informed in writing.

6.02 Ownership and Use of Documents

- A. All Documents are instruments of service, and Engineer owns the Documents, including all associated copyrights and the right of reuse at the discretion of the Engineer. Engineer shall continue to own the Documents and all associated rights whether or not the Specific Project is completed.
 1. Owner may make and retain copies of Documents for information and reference in connection with the use of the Documents on the Specific Project.
 2. Engineer grants Owner a limited license to use the Documents on the Specific Project, extensions of the Specific Project, and for related uses of the Owner, subject to receipt by Engineer of full payment due and owing for all services relating to preparation of the Documents, and subject to the following limitations:
 - a. Owner acknowledges that such Documents are not intended or represented to be suitable for use on the Specific Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Specific Project, on any other project, or for any other use or purpose, without written verification or adaptation by Engineer;
 - b. any such use or reuse, or any modification of the Documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to its officers, directors, members, partners, agents, employees, and Subconsultants;
 - c. Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and Subconsultants from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting

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from any use, reuse, or modification of the Documents without written verification, completion, or adaptation by Engineer; and

- d. such limited license to Owner shall not create any rights in third parties.
- B. If Engineer, at Owner's request, verifies the suitability of the Documents, completes them, or adapts them for extensions of the Project or for any other purpose, then Owner shall compensate Engineer at rates or in an amount to be agreed upon by Owner and Engineer.
- C. Engineer shall inform Owner if Engineer is aware of any invention, design, process, product, or device specified in the Drawings, Specifications, or other Documents that is subject to payment (whether by Owner or Contractor) of any license fee or royalty to others, as required by patent rights or copyrights. If Engineer's good-faith inclusion in the Drawings, Specifications, or other Documents of new, innovative, or non-standard technologies, for the benefit of Owner and the Project, results in third-party claims of infringement or violation of intellectual property rights, then Owner and Engineer shall share equally the costs of defending against, settling, or paying such claims.
- D. Engineer will obtain Owner's consent, which will not be unreasonably withheld, prior to releasing any publicity, including news and press releases, promotional publications, award and prize competition submittals, and other advertising regarding the subject matter of this Agreement. Nothing herein will limit the Engineer's right to include information in statements of qualifications and proposals to others accurately describing its participation and participation of employees in the Project.

6.03 Electronic Transmittals

- A. To the fullest extent practical, Owner and Engineer agree to transmit, and accept, all correspondence, Documents, text, data, drawings, information, and graphics related to each Specific Project, in electronic media or digital format, either directly, or through access to a secure Project website, in accordance with Exhibit F, Electronic Documents Protocol (EDP).
 - 1. Compliance with the EDP by Engineer shall be considered a Basic Service and no direct or separate compensation will be paid to Engineer for such compliance, unless provisions for separate compensation are expressly set forth in the EDP or in a specific Task Order.
 - 2. Engineer's costs directly attributable to changes in Engineer's Electronic Documents obligations, after the effective date of this Agreement, necessitated by revisions to Exhibit F, delayed adoption of Exhibit F, or implementation of other Electronic Documents protocols, will be compensated as Additional Services.
- B. If this Agreement does not include Exhibit F, or a specific Task Order expressly excludes the application of Exhibit F or otherwise does not establish or include protocols for transmittal of Electronic Documents by Electronic Means, then Owner and Engineer may operate without specific protocols or may jointly develop such protocols at a later date.
- C. Except as stated otherwise in Exhibit F (if included in this Agreement), when transmitting Electronic Documents by Electronic Means, the transmitting party makes no representations as to long term compatibility, usability, or readability of the Electronic Documents resulting from the recipient's use of software application packages, operating systems, or computer

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hardware differing from those used in the drafting or transmittal of the Electronic Documents, or from those established in applicable protocols.

- D. This Agreement (including the EDP) is not intended to create obligations for Owner or Engineer with respect to transmittals to or from third parties, except as expressly stated in the EDP.

6.04 Insurance

- A. Engineer shall procure and maintain insurance as set forth in Exhibit G.
- B. Additional Insureds: The Engineer's commercial general liability, automobile liability, and umbrella or excess liability policies, must:
 1. include and list as additional insureds Owner, and any individuals or entities identified as additional insureds in Exhibit G;
 2. include coverage for the respective officers, directors, members, partners, and employees of all such additional insureds;
 3. afford primary coverage to these additional insureds for all claims covered thereby (including as applicable those arising from both ongoing and completed operations); and
 4. not seek contribution from insurance maintained by the additional insured.
- C. Owner shall procure and maintain insurance as set forth in Exhibit G.
- D. Owner shall require Contractor to purchase and maintain policies of insurance covering workers' compensation, general liability, motor vehicle damage and injuries, and other insurance necessary to protect Owner's and Engineer's interests in the Project. Owner shall require Contractor to cause Engineer, its Subconsultants, and Engineer's Subcontractors to be listed as additional insureds with respect to such liability insurance purchased and maintained by Contractor for the Project. Owner shall give Engineer access to any certificates of insurance and copies of endorsements and policies obtained by Owner from Contractor.
- E. Owner and Engineer shall each deliver to the other certificates of insurance evidencing the coverages indicated in Exhibit G. Such certificates must be furnished prior to commencement of Engineer's services and at renewals thereafter during the life of the Agreement.
 1. Upon request by Owner or any other insured, Engineer shall also furnish other evidence of such required insurance, including but not limited to copies of policies, documentation of applicable self-insured retentions (if allowed) and deductibles, full disclosure of all relevant exclusions, and evidence of insurance required to be purchased and maintained by Subconsultants and Engineer's Subcontractors. In any documentation made available for review under this provision, Engineer may redact (a) any confidential premium or pricing information and (b) any wording specific to projects or jurisdictions other than those applicable to this Agreement.
- F. All construction contracts entered into by Owner with respect to a Specific Project must require builder's risk or similar property insurance.
- G. All policies of property insurance relating to a Specific Project, including but not limited to any builder's risk or similar policy, must allow for waiver of subrogation rights and contain provisions to the effect that in the event of payment of any loss or damage the insurers will

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have no rights of recovery against any insured thereunder or against Engineer, its Subconsultants, or Engineer's Subcontractors. Owner and Engineer waive all rights against each other, Contractor, Engineer's Subcontractors and Subconsultants, and the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from any of the perils or causes of loss covered by any such builder's risk or similar policy and any other property insurance relating to the Specific Project. Owner and Engineer shall take appropriate measures in other Specific Project-related contracts to secure waivers of rights consistent with those set forth in this paragraph.

- H. All policies of insurance must contain a provision or endorsement that the coverage afforded will not be canceled, and that renewal will not be refused, until at least 10 days prior written notice has been given to the primary insured. Upon receipt of such notice, the primary insured must promptly forward a copy of the notice to the other party to this Agreement and replace the coverage being cancelled or reduced to conform to the requirements of this Agreement.
- I. At any time, Owner may request that Engineer, or Engineer's Subcontractors or Subconsultants, at Owner's sole expense, provide additional insurance coverage, increased limits, or revised deductibles that are more protective than those specified in Exhibit G. If so, requested by Owner, and if commercially available, Engineer shall obtain and shall require Engineer's Subcontractors or Subconsultants to obtain such additional insurance coverage, different limits, or revised deductibles for such periods of time as requested by Owner, and Exhibit G will be supplemented to incorporate these requirements.

6.05 Suspension and Termination

A. Suspension

1. By Owner: Owner may suspend Engineer's services under a specific Task Order for up to 90 days upon 7 days' written notice to Engineer.
2. By Engineer: Engineer may, after giving 7 days' written notice to Owner, suspend services under a Task Order:
 - a. if Owner has failed to pay Engineer for invoiced services and expenses under that Task Order, as set forth in Paragraphs 4.02.B and 4.02.C;
 - b. in response to the presence of Constituents of Concern at the Site, as set forth in Paragraph 6.09.D; or
 - c. if persistent circumstances beyond the control of Engineer have prevented it from performing its obligations under the Task Order.
3. A suspension under a specific Task Order, whether by Owner or Engineer, does not affect the duty of the two parties to proceed with their obligations under other Task Orders.

B. Termination for Cause—Task Order

1. Either party may terminate a Task Order for cause upon 30 days' written notice in the event of substantial failure by the other party to perform in accordance with the terms of this Agreement and the specific Task Order, through no fault of the terminating party.

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- a. Notwithstanding the foregoing, the Task Order will not terminate under Paragraph 6.05.B.1 if the party receiving such notice begins, within 7 days of receipt of such notice, to correct its substantial failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt thereof; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30 day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein will extend up to, but in no case more than, 60 days after the date of receipt of the notice.
 2. In addition to its termination rights in Paragraph 6.05.B.1, Engineer may terminate a Task Order for cause upon 7 days' written notice:
 - a. if Owner demands that Engineer furnish or perform services contrary to Engineer's responsibilities as a licensed professional;
 - b. if the Engineer's services under the Task Order are delayed or suspended for more than 90 days for reasons beyond Engineer's control; or
 - c. as the result of the presence at or adjacent to the Site of undisclosed Constituents of Concern, as set forth in Paragraph 6.09.E.
 3. Engineer will have no liability to Owner on account of any termination by Engineer for cause.
- C. Termination for Cause—Main Agreement: In the case of a default by Owner in its obligation to pay Engineer for its services under more than one specific Task Order, Engineer may request immediate payment of all amounts invoiced on other Task Orders, and may invoice Owner for continued services on such Task Orders on a two-week billing cycle, with payment due within one week of an invoice. If Owner fails to make such payments, then upon 7 days' notice Engineer may terminate this Main Agreement and all Task Orders.
- D. Termination for Convenience by Owner: Owner may terminate a Task Order or this Main Agreement for Owner's convenience, effective upon Engineer's receipt of notice from Owner.
- E. Effective Date of Termination: If Owner terminates the Main Agreement for cause or convenience, Owner may set the effective date of termination at a time up to 30 days later than otherwise provided to allow Engineer to demobilize personnel and equipment from the Site, to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble project materials in orderly files. Engineer shall be entitled to compensation for such tasks.
- F. Payments Upon Termination: In the event of any termination under Paragraph 6.05, Engineer will be entitled to invoice Owner and to receive full payment for all services that have been performed or furnished in accordance with this Main Agreement and the specific Task Order, and all reimbursable expenses incurred through the effective date of termination. Upon making such payment, Owner will have the limited right to the use of Documents, at Owner's sole risk, subject to the provisions of Paragraph 6.02.A.
1. If Owner has terminated a Task Order for cause and disputes Engineer's entitlement to compensation for services and reimbursement of expenses, then Engineer's entitlement

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to payment and Owner's rights to the use of the Documents will be resolved in accordance with the dispute resolution provisions of this Main Agreement or as otherwise agreed in writing.

2. If Owner has terminated the Main Agreement for convenience, or if Engineer has terminated a Task Order for cause, then Engineer will be entitled, in addition to the payments identified above, to invoice Owner and receive payment of a reasonable amount for services and expenses directly attributable to termination, both before and after the effective date of termination, such as reassignment of personnel, costs of terminating contracts with Engineer's Subcontractors or Subconsultants, and other related close-out costs, using methods and rates for Additional Services as set forth in this Main Agreement.

6.06 Successors, Assigns, and Beneficiaries

- A. Owner and Engineer are hereby bound and the successors, executors, administrators, and legal representatives of Owner and Engineer (and to the extent permitted by Paragraph 6.06.B the assigns of Owner and Engineer) are hereby bound to the other party to this Agreement and to the successors, executors, administrators and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Main Agreement and any Task Order issued under this Main Agreement.
- B. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, claims arising out of this Agreement or money that is due or may become due) in this Main Agreement, or in any Task Order, without the written consent of the other party, except to the extent that any assignment, subletting, or transfer is mandated by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Main Agreement or any Task Order.
- C. Unless expressly provided otherwise in this Main Agreement:
 1. All duties and responsibilities undertaken pursuant to this Main Agreement or any Task Order will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.
 2. Nothing in this Main Agreement or in any Task Order will be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any Constructor, other third-party individual or entity, or to any surety for or employee of any of them.
 3. Owner agrees that the substance of the provisions of this Paragraph 6.06.C will appear in all Construction Contracts associated with this Main Agreement and its Task Orders.

6.07 Dispute Resolution

- A. Owner and Engineer agree to negotiate all disputes between them in good faith for a period of 30 days from the date of notice, prior to invoking mediation.
- B. Mediation: Owner and Engineer agree that they shall first submit any and all unsettled claims, counterclaims, disputes, and other matters in question between them arising out of or relating to this Main Agreement or any Task Order hereunder, or to any breach of this Main Agreement or any Task Order ("Disputes") to mediation. Owner and Engineer agree to

participate in the mediation process in good faith. The process will be conducted on a confidential basis, and must be completed within 120 days.

- C. If the parties fail to resolve a dispute through mediation under Paragraph 6.07.B, then either or both may invoke the applicable dispute resolution procedures of Exhibit H. If Exhibit H is not included, or if no applicable dispute resolution method is specified in Exhibit H, then the parties may exercise their rights at law.

6.08 Controlling Law; Venue

- A. This Main Agreement and all Task Orders (unless expressly stated otherwise) are to be governed by the Laws and Regulations of the state in which the principal office of the Owner is located: Colorado
- B. Venue for any exercise of rights at law will be the state court having jurisdiction at the location of Owner's principal office; or at the choice of either party, and if federal jurisdictional requirements can be met, in federal court in the district in which Owner's principal office is located.

6.09 Environmental Condition of Site

- A. With respect to each specific Task Order, Specific Project, and Site (unless indicated otherwise in a specific Task Order), Owner represents to Engineer that, as of the Effective Date of the Task Order, to the best of Owner's knowledge, no Constituents of Concern, other than those disclosed in writing to Engineer, exist at or adjacent to the Site.
- B. Undisclosed Constituents of Concern. For purposes of this Paragraph 6.09, the presence at or adjacent to the Site of Constituents of Concern that were not disclosed to Engineer pursuant to Paragraph 6.09.A, in such quantities or circumstances that such Constituents of Concern may present a danger to persons or property exposed to them, will be referred to as "undisclosed" Constituents of Concern.
 1. The presence at the Site of materials that are necessary for the execution of the Work, or that are to be incorporated in the Work, and that are controlled and contained pursuant to industry practices, Laws and Regulations, and the requirements of this Agreement or the Construction Contract, are not undisclosed Constituents of Concern.
 2. Constituents of Concern that are to be located, identified, studied, removed, or remediated as part of the services under a Task Order are not undisclosed Constituents of Concern.
 3. Constituents of Concern that are to be located, identified, studied, removed, or remediated as part of the services under another professional services contract for Owner, or as part of the work under a construction or remediation contract, are not undisclosed Constituents of Concern if Engineer has been informed of the general scope of such contract.
- C. If Engineer encounters or learns of an undisclosed Constituent of Concern at the Site, then Engineer shall notify (1) Owner and (2) appropriate authorities having jurisdiction if Engineer reasonably concludes that doing so is required by applicable Laws or Regulations.
- D. It is acknowledged by both parties that for all Task Orders the Engineer's scope of services does not include any services related to undisclosed Constituents of Concern. If Engineer or

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any other party encounters, uncovers, or reveals an undisclosed Constituent of Concern, or if encountered, uncovered, or revealed Constituents of Concern are present in substantially greater quantities or substantially different locations than disclosed or anticipated, or if investigative or remedial action, or other professional services, are necessary or required by applicable Laws and Regulations with respect to such Constituents of Concern, then Engineer may, at its option and without liability for direct, consequential, or any other damages, suspend performance of services on the portion of the Specific Project adversely affected thereby until such portion of the Specific Project is no longer so affected; and Owner shall promptly determine whether to retain a qualified expert to evaluate such condition or take any necessary corrective action.

- E. If the presence at a Site of undisclosed Constituents of Concern, or of Constituents of Concern in substantially greater quantities or in substantially different locations than disclosed or anticipated, adversely affects the performance of Engineer's services under a specific Task Order, then:
 1. if the adverse effects do not preclude Engineer from completing its Specific Project services in general accordance with the Task Order on unaffected or marginally affected portions of the Specific Project, Engineer may accept an equitable adjustment in its compensation or in the time of completion, or both; and the Task Order will be amended to reflect changes necessitated by the presence of such Constituents of Concern; or
 2. if the adverse effects are of such materiality to the overall performance of Engineer that it cannot complete its Specific Project services without significant changes to the scope of services, time of completion, and compensation, then Engineer may terminate the Task Order for cause on 7 days' written notice.
- F. Owner acknowledges that Engineer is performing professional services for Owner and that Engineer is not and will not be required to become an "owner," "arranger," "operator," "generator," or "transporter" of hazardous substances, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended, which are or may be encountered at or near the Site in connection with Engineer's activities under this Agreement.

6.10 Indemnification and Mutual Waiver

- A. Indemnification by Engineer: To the fullest extent permitted by Laws and Regulations, Engineer shall indemnify and hold harmless Owner, and Owner's officers, directors, members, partners, agents, and employees, from losses, damages, and judgments (including reasonable consultants' and attorneys' fees and expenses) arising from third-party claims or actions relating to a Specific Project, provided that any such claim, action, loss, damages, or judgment is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of Engineer or Engineer's officers, directors, members, partners, agents, employees, Subconsultants, or Engineer's Subcontractors. This indemnification provision is subject to and limited by the provisions, if any, agreed to by Owner and Engineer in Exhibit I, "Limitations of Liability."
- B. Environmental Indemnification: To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Engineer and its officers, directors, members,

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partners, agents, employees, Subconsultants, and Engineer's Subcontractors from all claims, costs, losses, damages, actions, and judgments (including reasonable consultants' and attorney's fees and expenses) caused by, arising out of, relating to, or resulting from a Constituent of Concern at, on, or under a Site, provided that:

1. any such claim, cost, loss, damages, action, or judgment is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, and
 2. nothing in this paragraph obligates Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence or willful misconduct.
- C. No Defense Obligation: The indemnification commitments in this Agreement do not include a defense obligation by the indemnitor unless such obligation is expressly stated.
- D. Percentage Share of Negligence: To the fullest extent permitted by Laws and Regulations, a party's total liability to the other party and anyone claiming by, through, or under the other party for any cost, loss, or damages caused in part by the negligence of the party and in part by the negligence of the other party or any other negligent entity or individual, will not exceed the percentage share that the party's negligence bears to the total negligence of Owner, Engineer, and all other negligent entities and individuals.
- E. Mutual Waiver: To the fullest extent permitted by Laws and Regulations, Owner and Engineer waive against each other, and the other's employees, officers, directors, members, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement, any Task Order, or a Specific Project, from any cause or causes. Such excluded damages include but are not limited to loss of profits or revenue; loss of use or opportunity; loss of good will; cost of substitute facilities, goods, or services; and cost of capital.

6.11 Records Retention

- A. Engineer shall maintain on file in legible form, for a period of five years following completion or termination of its services under a specific Task Order, or such other period as required by Laws and Regulations, all Documents, records (including cost records), and design calculations related to Engineer's services or pertinent to Engineer's performance under the Task Order. Upon Owner's request, Engineer shall provide a copy of any such item to Owner at cost.

6.12 Miscellaneous Provisions

- A. Notices: Any notice required under this Main Agreement or a Task Order will be in writing, and delivered: in person (by commercial courier or otherwise); by registered or certified mail; or by e-mail to the recipient, with the words "Formal Notice" or similar in the e-mail's subject line. All notices must be effective upon the date of receipt.
- B. Survival: Subject to applicable Laws and Regulations, all express representations, waivers, indemnifications, and limitations of liability included in this Main Agreement or in a Task Order will survive completion or termination for any reason.

- C. Severability: Any provision or part of the Main Agreement or any Task Order held to be void or unenforceable under any Laws or Regulations will be deemed stricken, and all remaining provisions will continue to be valid and binding upon Owner and Engineer.
- D. No Waiver: A party's non-enforcement of any provision will not constitute a waiver of that provision, nor will it affect the enforceability of that provision or of the remainder of this Agreement.
- E. Accrual of Claims: To the fullest extent permitted by Laws and Regulations, all causes of action arising under this Main Agreement and any Task Order will be deemed to have accrued, and all statutory periods of limitation will commence, no later than the date of Substantial Completion; or, if Engineer's services do not include Construction Phase services, or the Specific Project is not completed, then no later than the date of Owner's last payment to Engineer under the applicable Task Order.

ARTICLE 7—DEFINITIONS

7.01 Defined Terms

- A. Wherever used in this Agreement (as defined herein), terms (including the singular and plural forms) printed with initial capital letters have the meanings indicated in the text above, in the exhibits, or in the following definitions:
 1. Addenda—Written or graphic instruments issued prior to the opening of bids which clarify, correct, or change the bidding requirements or the proposed Construction Contract Documents.
 2. Additional Services—The services to be performed for or furnished to Owner by Engineer in accordance with Article 2 of Exhibit A of a specific Task Order.
 3. Agreement—This written contract for professional services between Owner and Engineer, including the Main Agreement, all exhibits and appendices to the Main Agreement identified in Paragraphs 8.01 and 8.02, all duly executed amendments, and all Task Orders, including all exhibits and duly executed amendments to such Task Orders.
 - a. Main Agreement—See definition at Paragraph 7.01.A.28 below.
 4. Application for Payment—The form acceptable to Engineer which is to be used by Contractor during the course of the Work in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Construction Contract.
 5. Basic Services—The services to be performed for or furnished to Owner by Engineer in accordance with Part 1 of Exhibit A of a specific Task Order.
 6. Bidding/Proposal Documents—Documents related to the selection of the Contractor, including advertisements or invitations to bid; requests for proposals; instructions to bidders or proposers, including any attachments such as lists of available Site-related documents; bid forms; bids; proposal forms; proposals; bidding requirements; and qualifications documents.

MAIN AGREEMENT.

7. Change Order—A document which is signed by Contractor and Owner and authorizes an addition, deletion, or revision in the Work or an adjustment in the Construction Contract Price or the Construction Contract Times, or other revision to the Construction Contract, issued on or after the effective date of the Construction Contract.
8. Change Proposal—A written request by Contractor, duly submitted in compliance with the procedural requirements set forth in the Construction Contract, seeking an adjustment in Construction Contract Price or Construction Contract Times, or both; contesting an initial decision by Engineer concerning the requirements of the Construction Contract Documents or the acceptability of Work under the Construction Contract Documents; challenging a set-off against payments due; or seeking other relief with respect to the terms of the Construction Contract.
9. Constituents of Concern—Asbestos, petroleum, radioactive materials, polychlorinated biphenyls (PCBs), lead-based paint (as defined by the HUD/EPA standard), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to Laws and Regulations regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.
10. Construction Contract—The entire and integrated written contract between the Owner and Contractor concerning the Work.
11. Construction Contract Documents—Those items designated as “Contract Documents” in the Construction Contract, and which together comprise the Construction Contract. See also definition of “Front-End Construction Contract Documents” below.
12. Construction Contract Price—The money that Owner has agreed to pay Contractor for completion of the Work in accordance with the Construction Contract Documents.
13. Construction Contract Times—The number of days or the dates by which Contractor must: (a) achieve milestones, if any, in the Construction Contract; (b) achieve Substantial Completion; and (c) complete the Work.
14. Construction Cost—The cost to Owner of the construction of those portions of a Specific Project designed or specified by or for Engineer under a Task Order, including construction labor, services, materials, equipment, insurance, and bonding costs, and allowances for contingencies. Construction Cost does not include costs of services of Engineer or other design professionals and consultants; cost of land or rights-of-way, or compensation for damages to property; Owner’s costs for legal, accounting, insurance counseling, or auditing services; interest or financing charges incurred in connection with the Project; or the cost of other services to be provided by others to Owner. Construction Cost is one of the items comprising Total Project Costs.
15. Constructor—Any person or entity (not including the Engineer, its employees, agents, representatives, or Subconsultants, or Engineer’s Subcontractors), performing or supporting construction activities relating to a Specific Project, including but not limited to Contractors, Subcontractors, Suppliers, Owner’s work forces, utility companies, other contractors, construction managers, design-builders, testing firms, shippers, and truckers, and the employees, agents, and representatives of any or all of them.

MAIN AGREEMENT.

16. Contractor—The entity or individual with which Owner enters into a Construction Contract.
17. Documents—All documents expressly identified as deliverables in this Main Agreement or in any Task Order, whether in printed or Electronic Document form, required to be provided or furnished by Engineer to Owner. Such specifically required deliverables may include, by way of example, Drawings, Specifications, data, reports, building information models, and civil integrated management models.
18. Drawings—That part of the Construction Contract Documents that graphically shows the scope, extent, and character of the Work to be performed by Contractor.
19. Effective Date of the Main Agreement—The date indicated in this Main Agreement on which it becomes effective, but if no such date is indicated, it means the date on which the Main Agreement is signed and delivered by the last of the two parties to sign and deliver.
20. Effective Date of the Task Order—The date indicated in a specific Task Order on which the Task Order becomes effective, but if no such date is indicated, it means the date on which the Task Order is signed and delivered by the last of the two parties to sign and deliver.
21. Electronic Document—Any Specific Project-related correspondence, attachments to correspondence, data, documents, drawings, information, or graphics, including but not limited to Shop Drawings and other Submittals, that are in an electronic or digital format.
22. Electronic Means—Electronic mail (email), upload/download from a secure Specific Project website, or other communications methods that allow: (a) the transmission or communication of Electronic Documents; (b) the documentation of transmissions, including sending and receipt; (c) printing of the transmitted Electronic Document by the recipient; (d) the storage and archiving of the Electronic Document by sender and recipient; and (e) the use by recipient of the Electronic Document for purposes permitted by this Agreement. Electronic Means does not include the use of text messaging, or of Facebook, Twitter, Instagram, or similar social media services for transmission of Electronic Documents.
23. Engineer—The individual or entity named as such in this Main Agreement.
24. Engineer's Subcontractor—An individual, firm, vendor, or other entity having a contract with Engineer to furnish general services, equipment, or materials with respect to a Specific Project as an independent contractor.
25. Field Order—A written order issued by Engineer which requires minor changes in the Work but does not change the Construction Contract Price or the Construction Contract Times.
26. Front-End Construction Contract Documents—Those Construction Contract Documents whose primary purpose is to establish legal and contractual terms and conditions, typically including the Owner-Contractor agreement, bonds, general conditions, and supplementary conditions. The term excludes the Drawings and Specifications, and any

MAIN AGREEMENT.

Construction Contract Documents delivered or issued after the effective date of the Construction Contract.

27. Laws and Regulations; Laws or Regulations—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.
28. Main Agreement—The portion of the Agreement containing the general terms and conditions of the contract between Owner and Engineer, applicable to all Task Orders, including but not limited to provisions regarding task order procedures, Owner responsibilities, invoice and payment procedures, standard of care, ownership of documents, suspension and termination, and definitions.
29. Owner—The individual or entity named as such in this Main Agreement and for which Engineer's services are to be performed. Unless indicated otherwise, this is the same individual or entity that will enter into any Construction Contracts concerning Specific Projects.
30. Record Drawings—Drawings depicting the completed Specific Project, or a specific portion of the completed Specific Project, prepared by Engineer and based on Contractor's record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, and written interpretations and clarifications, as delivered to Engineer and annotated by Contractor to show changes made during construction.
31. Resident Project Representative—As authorized by a specific Task Order, the representative of Engineer assigned to assist Engineer at the Site during the Construction Phase. As used herein, the term Resident Project Representative (RPR) includes any assistants or field staff of the RPR. The duties and responsibilities of the RPR (if any) will be as set forth in each Task Order.
32. Samples—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and that establish the standards by which such portion of the Work will be judged.
33. Shop Drawings—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Construction Contract Documents.
34. Site—Lands or areas to be indicated in the Construction Contract Documents for a Specific Project as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements, and such other lands furnished by Owner which are designated for the use of Contractor.
35. Specifications—The part of the Construction Contract Documents that consists of written requirements for materials, equipment, systems, standards, and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable to the Work.

MAIN AGREEMENT.

EJCDC® E-505, Agreement between Owner and Engineer for Professional Services—Task Order Edition.

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36. **Specific Project**—A specifically identified and defined total undertaking to be accomplished for Owner by engineers, contractors, and others, including planning, study, design, construction, testing, commissioning, and start-up, and of which the services to be performed or furnished by Engineer under a specific Task Order are a part.
37. **Subconsultant**—An individual, design firm, consultant, or other entity having a contract with Engineer to furnish professional services with respect to a Specific Project as an independent contractor.
38. **Subcontractor**—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work.
39. **Submittal**—A written or graphic document, prepared by or for Contractor, which the Construction Contract Documents require Contractor to submit to Engineer, or that is indicated as a Submittal in the Schedule of Submittals accepted by Engineer. Submittals may include Shop Drawings and Samples; schedules; product data; Owner-delegated designs; sustainable design information; information on special procedures; testing plans; results of tests and evaluations, source quality-control testing and inspections, and field or Site quality-control testing and inspections; warranties and certifications; Suppliers' instructions and reports; records of delivery of spare parts and tools; operations and maintenance data; Project photographic documentation; record documents; and other such documents required by the Contract Documents. Submittals, whether or not approved or accepted by Engineer, are not Construction Contract Documents. Change Proposals, Change Orders, Claims, notices, Applications for Payment, and requests for interpretation or clarification are not Submittals.
40. **Substantial Completion**—The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Construction Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms "substantially complete" and "substantially completed" as applied to all or part of the Work refer to Substantial Completion thereof.
41. **Supplier**—A manufacturer, fabricator, supplier, distributor, materialman, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or a Subcontractor.
42. **Task Order**—A document executed under this Main Agreement by Owner and Engineer (including incorporated exhibits and amendments if any), stating the scope of services, Engineer's compensation, times for performance of services, and other relevant information.
43. **Total Project Costs**—The total cost of planning, studying, designing, constructing, testing, commissioning, and start-up of the Specific Project, including Construction Cost and all other Specific Project labor, services, materials, equipment, insurance, and bonding costs, allowances for contingencies, and the total costs of services of Engineer or other design professionals and consultants, together with such other project-related costs that Owner furnishes for inclusion, including but not limited to cost of land, rights-of-way, compensation for damages to properties and private utilities (including relocation if not part of Construction Cost), Owner's costs for legal, accounting, insurance counseling, and auditing services, interest and financing charges incurred in

MAIN AGREEMENT.

connection with the Specific Project, and the cost of other services to be provided by others to Owner.

44. **Underground Facilities**—All active or not-in-service underground lines, pipelines, conduits, ducts, encasements, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or systems at the Site, including but not limited to those facilities or systems that produce, transmit, distribute, or convey telephone or other communications, cable television, fiber optic transmissions, power, electricity, light, heat, gases, oil, crude oil products, liquid petroleum products, water, steam, waste, wastewater, storm water, other liquids or chemicals, or traffic or other control systems. An abandoned facility or system is not an Underground Facility.
45. **Work**—The entire construction or the various separately identifiable parts thereof required to be provided under the Construction Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction; furnishing, installing, and incorporating all materials and equipment into such construction; and may include related services such as testing, start-up, and commissioning, all as required by the Construction Contract Documents.
46. **Work Change Directive**—A written directive to Contractor issued on or after the effective date of the Construction Contract, signed by Owner and recommended by Engineer, ordering an addition, deletion, or revision in the Work.

B. Terminology

1. The word “day” means a calendar day of 24 hours measured from midnight to the next midnight.

ARTICLE 8—EXHIBITS AND APPENDICES TO MAIN AGREEMENT; TASK ORDER FORM; EXHIBITS TO TASK ORDER; SPECIAL PROVISIONS

8.01 Exhibits to Main Agreement

- A. Reserved.
- B. Reserved.
- C. Exhibit C, Amendment to Main Agreement (form).
- D. Reserved.
- E. Reserved.
- F. Exhibit F, Electronic Documents Protocol (EDP).
- G. Exhibit G, Insurance.
- H. Exhibit H, Dispute Resolution.
- I. Exhibit I, Limitations of Liability.

8.02 Appendices to Main Agreement

- A. The following appendices are incorporated by reference and made a part of this Main Agreement:

MAIN AGREEMENT.

EJCDC® E-505, Agreement between Owner and Engineer for Professional Services—Task Order Edition.

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1. Appendix 1—Reimbursable Expenses Schedule
2. Appendix 2—Standard Hourly Rates Schedule

8.03 Resource Documents: Task Order Form and Exhibits to Task Order

- A. The parties acknowledge the accompanying documents, “Part 3 of 4: Task Order Form” and “Part 4 of 4: Exhibits to Task Order.” These documents are a resource for the parties’ use when a specific Task Order is issued. To the extent practical and applicable to a Specific Project, the parties will use the Task Order Form and Exhibits to Task Order as the basis for preparing the specific Task Order and its exhibits. The Task Order Form and Exhibits to Task Order are not a part of this Main Agreement or binding on the parties except to the extent they serve as the basis for a duly executed Task Order and its exhibits.

8.04 Executed Task Orders and Their Exhibits

- A. When a specific Task Order is duly executed by Owner and Engineer, the Task Order and its exhibits become an integral part of the Agreement, governed by the Main Agreement and its exhibits.

8.05 Total Agreement; Amendments to Main Agreement and Task Orders

- A. This Agreement (as defined herein) constitutes the entire contractual agreement between Owner and Engineer and supersedes all prior written or oral understandings.
- B. Amendments:
 1. This Main Agreement may only be amended, supplemented, modified, or canceled by a written instrument duly executed by both parties. Such written instruments should be based whenever possible on the format of Exhibit C to this Main Agreement.
 2. Amendments and modifications to a Task Order may be made by execution of a new, expressly related Task Order, or by execution of a written amendment to the Task Order.
 3. Nothing in any Task Order will be construed as revising or modifying the terms and conditions of the Main Agreement or its exhibits, except as expressly stated in such Task Order.

8.06 Designated Representatives

- A. With the execution of this Main Agreement, Engineer and Owner shall each designate a specific individual to act as representative under the Main Agreement. Such an individual must have authority to execute Task Orders, transmit instructions, receive information, and render decisions with respect to this Main Agreement, on behalf of the party that the individual represents.
- B. With the execution of each Task Order, Engineer and Owner shall each designate a specific individual to act as representative with respect to the Task Order. Such individual must have authority to transmit instructions, receive information, and render decisions with respect to the specific Task Order, on behalf of the party that the individual represents.

8.07 Engineer's Certifications

- A. Engineer certifies that it has not engaged in corrupt, fraudulent, or coercive practices in competing for or in executing the Agreement. For the purposes of this Paragraph 8.07:

MAIN AGREEMENT.

1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the selection process or in the Agreement execution;
2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the selection process or the execution of the Agreement to the detriment of Owner, or (b) to deprive Owner of the benefits of free and open competition;
3. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the selection process or affect the execution of the Agreement.

8.08 Conflict of Interest

- A. Nothing in this Agreement will be construed to create or impose any duty on the part of Engineer that would conflict with Engineer's paramount obligations to the public health, safety, and welfare under the professional practice requirements governing Engineer, its Subconsultants, and all licensed professionals employed by Engineer or its Subconsultants.
- B. If during the term of this Agreement a potential or actual conflict of interest arises or is identified:
 1. Engineer and Owner together will make reasonable, good faith efforts to avoid or eliminate the conflict of interest; to mitigate any adverse consequences of the conflict of interest; and, if necessary and feasible, to modify this Agreement to address the conflict of interest and its consequences, such that progress under the Agreement may continue.
 2. Such efforts will be governed by applicable Laws and Regulations and by any pertinent Owner's policies, procedures, and requirements (including any conflict-of-interest resolution methodologies) provided to Engineer under Paragraph 2.04.A of this Agreement.

This Main Agreement's Effective Date is **[date to be inserted at the time of execution]**.

Owner:

Town of Rico

(name of organization)

By: _____

(individual's signature)

Date: _____

(date signed)

Name: _____

(typed or printed)

Title: _____

(typed or printed)

Attach evidence of authority to sign.

Attest: _____

(individual's signature)

Title: _____

(typed or printed)

Address for giving notices:

Designated Representative:

Name: _____

(typed or printed)

Title: _____

(typed or printed)

Address:

Phone: _____

Email: _____

Engineer:

Bohannan Huston, Inc.

(name of organization)

By: _____

(individual's signature)

Date: April 12, 2023

(date signed)

Name: Todd Burt, PE

(typed or printed)

Title: Senior Vice President

(typed or printed)

Attach evidence of authority to sign.

Attest: _____

(individual's signature)

Title: _____

(typed or printed)

Address for giving notices:

7500 Jefferson Street NE

Albuquerque, NM 87109

Designated Representative:

Name: Carolyn Pepin, PE

(typed or printed)

Title: Project Manager

(typed or printed)

Address:

9785 Maroon Circle, Suite 140

Englewood, CO 80112

Phone: 303-799-5103

Email: cpepin@bhinc.com

MAIN AGREEMENT.

NEW TOWN OF RICO - GENERAL FUND
BALANCE SHEET
MARCH 31, 2025

ASSETS

CURRENT ASSETS		
CASH - CHECKING	\$	753,409.10
C-SAFE		696,841.14
CASH WITH TREASURER		374.95
		<hr/>
TOTAL CURRENT ASSETS		1,450,625.19
PROPERTY AND EQUIPMENT		
		<hr/>
TOTAL PROPERTY AND EQUIPMENT		0.00
OTHER ASSETS		
		<hr/>
TOTAL OTHER ASSETS		0.00
		<hr/>
TOTAL ASSETS	\$	<u><u>1,450,625.19</u></u>

LIABILITIES AND CAPITAL

CURRENT LIABILITIES		
FICA & FEDERAL W/H PAYABLE	\$	32,049.56
STATE W/H PAYABLE		847.43
COPFL		288.11
EMPLOYEE PERA		12,352.32
		<hr/>
TOTAL CURRENT LIABILITIES		45,537.42
LONG-TERM LIABILITIES		
		<hr/>
TOTAL LONG-TERM LIABILITIES		0.00
		<hr/>
TOTAL LIABILITIES		45,537.42
CAPITAL		
FUND BALANCE		787,073.87
NET INCOME		618,013.90
		<hr/>
TOTAL CAPITAL		1,405,087.77
		<hr/>
TOTAL LIABILITIES & CAPITAL	\$	<u><u>1,450,625.19</u></u>

NEW Town of Rico - General Fund
Comparative Income Statement to Budget
For the Three Months Ending March 31, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE VARIANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Revenues - Operating					
Property Tax	\$ 28,261.84	\$ 105,250.00	(76,988.16)	25,827.49	26.85
Sales & Use Tax	67,477.96	250,000.00	(182,522.04)	16,444.59	26.99
SO Tax	1,324.21	4,000.00	(2,675.79)	394.05	33.11
Cigarette Tax	101.01	150.00	(48.99)	30.48	67.34
Del Tax & Interest	349.95	1,000.00	(650.05)	93.51	35.00
Payroll Transfer Funds	32,795.01	208,160.00	(175,364.99)	16,054.59	15.75
Building Permits	0.00	10,000.00	(10,000.00)	0.00	0.00
Development Applications	0.00	2,000.00	(2,000.00)	0.00	0.00
Business Licenses	50.00	2,500.00	(2,450.00)	50.00	2.00
Dog Licenses	20.00	120.00	(100.00)	0.00	16.67
Interest	7,925.06	40,000.00	(32,074.94)	2,726.52	19.81
Fines	4,557.00	20,000.00	(15,443.00)	882.00	22.79
Miscellaneous	325,000.00	0.00	325,000.00	325,000.00	0.00
Excise Tax/Building Permit	0.00	2,500.00	(2,500.00)	0.00	0.00
Septic Permit	0.00	800.00	(800.00)	0.00	0.00
Lodging Tax	3,150.06	8,000.00	(4,849.94)	0.00	39.38
Attorney Pass Thru	67,759.15	60,000.00	7,759.15	15,679.37	112.93
SMPA Dividend Check	641.28	400.00	241.28	0.00	160.32
	<hr/>	<hr/>	<hr/>	<hr/>	
Total Revenues - Operating	539,412.53	714,880.00	(175,467.47)	403,182.60	75.45
Expenses - Operating					
Building Inspector	0.00	(2,500.00)	2,500.00	0.00	0.00
Town Administrator	(25,155.00)	(100,620.00)	75,465.00	(8,385.00)	25.00
Town Clerk	(14,106.30)	(56,425.00)	42,318.70	(4,702.10)	25.00
Payroll Taxes	(4,095.62)	(23,000.00)	18,904.38	49.65	17.81
Public Works	(9,187.52)	(55,125.00)	45,937.48	(4,593.76)	16.67
Employee Benefits - Health	(12,519.00)	(50,000.00)	37,481.00	266.40	25.04
FAMILY	0.00	(1,150.00)	1,150.00	0.00	0.00
Professional - Town Attorney	(11,771.95)	(45,000.00)	33,228.05	(5,922.45)	26.16
Town Planner	(451.00)	(5,000.00)	4,549.00	0.00	9.02
POST Maintenance/Ice	(550.00)	(8,000.00)	7,450.00	0.00	6.88
Professional - Auditor	(6,500.00)	(6,500.00)	0.00	(6,500.00)	100.00
Attorney Pass Thru	(8,331.12)	(60,000.00)	51,668.88	(1,334.01)	13.89
Municipal Court Judge	(1,125.00)	(4,500.00)	3,375.00	(375.00)	25.00
Town Marshall	(3,640.00)	(20,000.00)	16,360.00	(1,120.00)	18.20
POST - Groomer	0.00	(8,000.00)	8,000.00	0.00	0.00
Website Maintenance	0.00	(750.00)	750.00	0.00	0.00
Fuel	(397.58)	(1,000.00)	602.42	0.00	39.76
Advertisement/Agenda & Notice	0.00	(1,000.00)	1,000.00	0.00	0.00

For Management Purposes Only

NEW Town of Rico - General Fund
Comparative Income Statement to Budget
For the Three Months Ending March 31, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE VARIANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Insurance	(8,995.08)	(9,400.00)	404.92	(322.39)	95.69
Supplies	(2,719.22)	(14,000.00)	11,280.78	(438.68)	19.42
Community meetings	0.00	(1,000.00)	1,000.00	0.00	0.00
Electric	(377.00)	(1,800.00)	1,423.00	(131.00)	20.94
Propane	(1,370.00)	(6,000.00)	4,630.00	(485.00)	22.83
Employee Benefits - Life	0.00	(140.00)	140.00	0.00	0.00
Telephone	(582.16)	(3,100.00)	2,517.84	(203.16)	18.78
Utilities - Other	(191.81)	(1,000.00)	808.19	0.00	19.18
Employee Benefits - PERA	(5,866.06)	(32,000.00)	26,133.94	(3,927.84)	18.33
Treasurer Fees	(568.75)	(2,000.00)	1,431.25	(517.49)	28.44
Dues & Fees	(1,541.52)	(2,500.00)	958.48	(50.00)	61.66
Employees Consideration	0.00	(4,000.00)	4,000.00	0.00	0.00
Facilities Maintenance	0.00	(10,000.00)	10,000.00	0.00	0.00
Travel/Conference Expenses	(447.00)	(7,500.00)	7,053.00	(447.00)	5.96
Miscellaneous	(17,200.75)	(6,000.00)	(11,200.75)	(15,858.00)	286.68
Sales & Use Tax	(31,435.92)	(48,000.00)	16,564.08	(3,288.92)	65.49
4th of July	0.00	(2,000.00)	2,000.00	0.00	0.00
Water Technician	0.00	(4,000.00)	4,000.00	0.00	0.00
Elections	0.00	(2,000.00)	2,000.00	0.00	0.00
Part Time Maintenance	(5,292.50)	(35,000.00)	29,707.50	(1,190.00)	15.12
Lodging Tax	(1,080.22)	(1,600.00)	519.78	0.00	67.51
Total Expenses - Operating	(175,498.08)	(641,610.00)	466,111.92	(59,475.75)	27.35
Net Income - Operating	\$ 363,914.45	\$ 73,270.00	290,644.45	343,706.85	496.68
Revenues - Capital Improvement					
Lease Purchase Transfer	\$ 0.00	\$ 20,000.00	(20,000.00)	0.00	0.00
DOLA EIAF Town Shop Grant	406,625.96	569,528.00	(162,902.04)	0.00	71.40
Total Revenues - Capital Improve	406,625.96	589,528.00	(182,902.04)	0.00	68.97
Expenses - Capital Improvement					
Town Shop Planning and Const	(152,526.51)	(945,000.00)	792,473.49	(2,130.00)	16.14
Lease Purchase Payment	0.00	(42,000.00)	42,000.00	0.00	0.00

For Management Purposes Only

NEW Town of Rico - General Fund
Comparative Income Statement to Budget
For the Three Months Ending March 31, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE VARIANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Total Expenses - Capital Improve	(152,526.51)	(987,000.00)	834,473.49	(2,130.00)	15.45
Net Income - Capital Improvement	\$ 254,099.45	\$ (397,472.00)	651,571.45	(2,130.00)	(63.93)
Revenues - Special Projects	0.00	0.00	0.00	0.00	0.00
Total Revenues - Special Projects	0.00	0.00	0.00	0.00	0.00
Expenses - Special Projects	0.00	0.00	0.00	0.00	0.00
Total Expenses - Special Projects	0.00	0.00	0.00	0.00	0.00
Net Income - Special Projects	\$ 0.00	\$ 0.00	0.00	0.00	0.00
Revenues - Other	0.00	0.00	0.00	0.00	0.00
Total Revenues - Other	0.00	0.00	0.00	0.00	0.00
Expenses - Other	0.00	0.00	0.00	0.00	0.00
Total Expenses - Other	0.00	0.00	0.00	0.00	0.00
Net Income - Other	\$ 0.00	\$ 0.00	0.00	0.00	0.00
TOTAL NET INCOME	\$ 618,013.90	\$ (324,202.00)	942,215.90	341,576.85	(190.63)
Beginning Fund Balance	787,073.87	0.00			
Ending Fund Balance	1,405,087.77	(324,202.00)			

Town of Rico - VCUP
 Comparative Income Statement to Budget
 For the Three Months Ending March 31, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE VARIANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Revenues - Operating					
Initial Payment	\$ 60,000.00	\$ 60,000.00	0.00	0.00	100.00
Annual Payment	102,800.00	102,800.00	0.00	0.00	100.00
Miscellaneous	1,152.75	0.00	1,152.75	0.00	0.00
Interest	43.30	0.00	43.30	40.56	0.00
Incremental Cost	75,000.00	75,000.00	0.00	0.00	100.00
Total Revenues - Operating	238,996.05	237,800.00	1,196.05	40.56	100.50
Expenses - Operating					
Misc. expense	(152.75)	0.00	(152.75)	0.00	0.00
Dust Control	0.00	(37,345.00)	37,345.00	0.00	0.00
Salary Stipend payroll transfe	0.00	(25,155.00)	25,155.00	0.00	0.00
Outreach and Education Program	0.00	(3,000.00)	3,000.00	0.00	0.00
Insurance	0.00	(2,300.00)	2,300.00	0.00	0.00
Soil Remediation Contractor	0.00	(35,000.00)	35,000.00	0.00	0.00
Road Resampling	0.00	(20,000.00)	20,000.00	0.00	0.00
Hydrat Water Meter	0.00	(10,000.00)	10,000.00	0.00	0.00
Permitting Software developmen	0.00	(30,000.00)	30,000.00	0.00	0.00
Incremental Cost	0.00	(75,000.00)	75,000.00	0.00	0.00
Total Expenses - Operating	(152.75)	(237,800.00)	237,647.25	0.00	0.06
Net Income - Operating	\$ 238,843.30	\$ 0.00	238,843.30	40.56	0.00
Revenues - Other					
Total Revenues - Other	0.00	0.00	0.00	0.00	0.00
Expenses - Other					
Total Expenses - Other	0.00	0.00	0.00	0.00	0.00
Net Income - Other	\$ 0.00	\$ 0.00	0.00	0.00	0.00
TOTAL NET INCOME	\$ 238,843.30	\$ 0.00	238,843.30	40.56	0.00

For Management Purposes Only

Town of Rico - VCUP
 Comparative Income Statement to Budget
 For the Three Months Ending March 31, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE VARIANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Beginning Fund Balance	0.00	0.00			
Ending Fund Balance	238,843.30	0.00			

2018 NEW Town of Rico - Street Fund
Comparative Income Statement to Budget
For the Three Months Ending March 31, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Revenues - Operating					
Property Tax	\$ 3,874.61	\$ 14,400.00	(10,525.39)	3,540.87	26.91
Sales and Use Tax	15,717.96	24,000.00	(8,282.04)	1,644.46	65.49
Specific Ownership Tax	181.56	500.00	(318.44)	54.02	36.31
Del Tax and Intrest	0.00	100.00	(100.00)	0.00	0.00
Franchise Tax	2,526.01	6,500.00	(3,973.99)	914.62	38.86
Highway Users Tax	14,532.92	17,900.00	(3,367.08)	14,532.92	81.19
Lodging Tax	540.11	800.00	(259.89)	0.00	67.51
County R&B Reapportionment	14,765.42	13,000.00	1,765.42	0.00	113.58
Mineral Leasing	0.00	5,000.00	(5,000.00)	0.00	0.00
Interest	110.00	550.00	(440.00)	39.98	20.00
Excise Tax	0.00	2,500.00	(2,500.00)	0.00	0.00
Severance	0.00	1,000.00	(1,000.00)	0.00	0.00
	<u>52,248.59</u>	<u>86,250.00</u>	<u>(34,001.41)</u>	<u>20,726.87</u>	<u>60.58</u>
Expenses - Operating					
Payroll Transfer	(10,630.51)	(60,375.00)	49,744.49	(6,656.63)	17.61
Snow Removal	0.00	(5,000.00)	5,000.00	0.00	0.00
Fuel	(2,949.16)	(15,000.00)	12,050.84	(2,949.16)	19.66
Equipt Repairs & Maintenance	(518.55)	(7,500.00)	6,981.45	(518.55)	6.91
Insurance	(5,500.00)	(5,500.00)	0.00	0.00	100.00
Supplies	(945.49)	(2,500.00)	1,554.51	(747.81)	37.82
Electric	(420.00)	(2,000.00)	1,580.00	(126.00)	21.00
Street Lights	(285.00)	(1,300.00)	1,015.00	(98.00)	21.92
Utilities - Other	(648.86)	(3,000.00)	2,351.14	(216.67)	21.63
Treasurer Fees	(77.49)	(275.00)	197.51	(70.82)	28.18
Equipment Rental	0.00	(5,000.00)	5,000.00	0.00	0.00
Gravel for Streets	0.00	(2,500.00)	2,500.00	0.00	0.00
	<u>(21,975.06)</u>	<u>(109,950.00)</u>	<u>87,974.94</u>	<u>(11,383.64)</u>	<u>19.99</u>
Net Income - Operating	<u>\$ 30,273.53</u>	<u>\$ (23,700.00)</u>	<u>53,973.53</u>	<u>9,343.23</u>	<u>(127.74)</u>

Revenues - Capital Improvement

For Management Purposes Only

2018 NEW Town of Rico - Street Fund
Comparative Income Statement to Budget
For the Three Months Ending March 31, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Total Revenues - Capital Improvement	0.00	0.00	0.00	0.00	0.00
Expenses - Capital Improvement					
Lease Purchase Transfer	\$ 0.00	\$ (10,000.00)	10,000.00	0.00	0.00
Total Expenses - Capital Improvement	0.00	(10,000.00)	10,000.00	0.00	0.00
Net Income - Capital Improvement	\$ 0.00	\$ (10,000.00)	10,000.00	0.00	0.00
Revenues - Other					
Total Revenues - Other	0.00	0.00	0.00	0.00	0.00
Expenses - Other					
Total Expenses - Other	0.00	0.00	0.00	0.00	0.00
Net Income - Other	\$ 0.00	\$ 0.00	0.00	0.00	0.00
TOTAL NET INCOME	\$ 30,273.53	\$ (33,700.00)	63,973.53	9,343.23	(89.83)
Beginning Fund Balance	209,608.88	0.00			
Ending Fund Balance	239,882.41	(33,700.00)			

NEW TOWN OF RICO - WATER FUND
BALANCE SHEET
MARCH 31, 2025

ASSETS

CURRENT ASSETS		
CHECKING-ENTERPRISE FUND	\$	115,535.77
C-SAFE		300,000.00
CD #1		5,022.56
ACCOUNTS RECEIVABLE		11,728.42
		<hr/>
TOTAL CURRENT ASSETS		432,286.75
PROPERTY AND EQUIPMENT		
LAND & IMPROVEMENTS		3,411,065.55
ACCUMULATED DEPRECIATION		(480,545.48)
		<hr/>
TOTAL PROPERTY AND EQUIPMENT		2,930,520.07
OTHER ASSETS		
		<hr/>
TOTAL OTHER ASSETS		0.00
		<hr/>
TOTAL ASSETS	\$	<u><u>3,362,806.82</u></u>

LIABILITIES AND CAPITAL

CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$	2,575.58
NOTES PAYABLE - CWCB		2,413.36
NOTES PAYABLE - GO BONDS		2,000.00
		<hr/>
TOTAL CURRENT LIABILITIES		6,988.94
LONG-TERM LIABILITIES		
		<hr/>
TOTAL LONG-TERM LIABILITIES		0.00
		<hr/>
TOTAL LIABILITIES		6,988.94
CAPITAL		
FUND BALANCE		3,341,634.63
NET INCOME		14,183.25
		<hr/>
TOTAL CAPITAL		3,355,817.88
		<hr/>
TOTAL LIABILITIES & CAPITAL	\$	<u><u>3,362,806.82</u></u>

NEW Town of Rico - Water Fund
Comparative Income Statement to Budget
For the Three Months Ending March 31, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Revenues - Operating					
Water Revenue	\$ 41,703.08	\$ 153,180.00	(111,476.92)	13,253.09	27.22
Interest	201.85	1,100.00	(898.15)	70.13	18.35
Electric Reimbursement	581.00	1,450.00	(869.00)	0.00	40.07
Total Revenues - Operating	42,485.93	155,730.00	(113,244.07)	13,323.22	27.28
Expenses - Operating					
Payroll Transfer	(16,858.50)	(86,501.00)	69,642.50	(7,445.96)	19.49
Professional - Town Attorney	0.00	(2,000.00)	2,000.00	0.00	0.00
Professional - Auditor	(500.00)	(6,500.00)	6,000.00	(500.00)	7.69
Repairs/Maintenance	(1,161.17)	(7,500.00)	6,338.83	(959.28)	15.48
Insurance	(6,500.00)	(6,500.00)	0.00	0.00	100.00
Supplies	(552.40)	(5,000.00)	4,447.60	(518.20)	11.05
Water Samples	(38.50)	(3,000.00)	2,961.50	0.00	1.28
Electric	(1,413.00)	(6,000.00)	4,587.00	(479.00)	23.55
Telecommunication	(679.11)	(2,700.00)	2,020.89	(115.00)	25.15
Software	0.00	(2,500.00)	2,500.00	0.00	0.00
Propane	(600.00)	(3,000.00)	2,400.00	(200.00)	20.00
Dolores Water Conservation Dis	0.00	(3,000.00)	3,000.00	0.00	0.00
Miscellaneous	0.00	(500.00)	500.00	0.00	0.00
Total Expenses - Operating	(28,302.68)	(134,701.00)	106,398.32	(10,217.44)	21.01
Net Income - Operating	\$ 14,183.25	\$ 21,029.00	(6,845.75)	3,105.78	67.45
Revenues - Capital Improvement					
Water Tap	\$ 0.00	\$ 25,000.00	(25,000.00)	0.00	0.00
Water system improvment fee	0.00	12,200.00	(12,200.00)	0.00	0.00
Total Revenues - Capital Improve	0.00	37,200.00	(37,200.00)	0.00	0.00
Expenses - Capital Improvement					
Tap Installation	0.00	(5,500.00)	5,500.00	0.00	0.00

For Management Purposes Only

NEW Town of Rico - Water Fund
 Comparative Income Statement to Budget
 For the Three Months Ending March 31, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Lease Purchase Transfer	0.00	(10,000.00)	10,000.00	0.00	0.00
GIS Development	0.00	(9,000.00)	9,000.00	0.00	0.00
Water Engineering Service	0.00	(20,000.00)	20,000.00	0.00	0.00
Total Expenses - Capital Improve	<u>0.00</u>	<u>(44,500.00)</u>	<u>44,500.00</u>	<u>0.00</u>	<u>0.00</u>
Net Income - Capital Improvement	<u>\$ 0.00</u>	<u>\$ (7,300.00)</u>	<u>7,300.00</u>	<u>0.00</u>	<u>0.00</u>
Revenues - Other					
Total Revenues - Other	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Expenses - Other					
Total Expenses - Other	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Income - Other	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL NET INCOME	<u>\$ 14,183.25</u>	<u>\$ 13,729.00</u>	<u>454.25</u>	<u>3,105.78</u>	<u>103.31</u>
Beginning Fund Balance	<u>3,341,634.63</u>	<u>0.00</u>			
Ending Fund Balance	<u>3,355,817.88</u>	<u>13,729.00</u>			

NEW Town of Rico - Open Park Fund
Comparative Income Statement to Budget
For the Three Months Ending March 31, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Revenues - Operating					
Sales & Use Tax	\$ 15,717.96	\$ 24,000.00	(8,282.04)	1,644.46	65.49
Lodging Tax	540.11	800.00	(259.89)	0.00	67.51
Interest	108.41	250.00	(141.59)	37.69	43.36
Excise Tax	0.00	2,500.00	(2,500.00)	0.00	0.00
Total Revenues - Operating	16,366.48	27,550.00	(11,183.52)	1,682.15	59.41
Expenses - Operating					
Flowers	0.00	(1,500.00)	1,500.00	0.00	0.00
Winter Festival	0.00	(1,500.00)	1,500.00	0.00	0.00
Grooming supplies	0.00	(1,000.00)	1,000.00	0.00	0.00
Winter Trail Grooming Payroll	(275.00)	(8,000.00)	7,725.00	(275.00)	3.44
Repairs & Maint. Equipment	0.00	(2,000.00)	2,000.00	0.00	0.00
Insurance	(3,600.00)	(3,600.00)	0.00	0.00	100.00
Supplies	(87.00)	(3,000.00)	2,913.00	(30.00)	2.90
Ice Rink & Park Maint. Payroll	0.00	(8,000.00)	8,000.00	0.00	0.00
Miscellaneous	0.00	(500.00)	500.00	0.00	0.00
Total Expenses - Operating	(3,962.00)	(29,100.00)	25,138.00	(305.00)	13.62
Net Income - Operating	\$ 12,404.48	\$ (1,550.00)	13,954.48	1,377.15	(800.29)
Revenues - Capital Improvement					
GOCO Grant	\$ 0.00	\$ 155,450.00	(155,450.00)	0.00	0.00
Rico Center Grant	0.00	40,000.00	(40,000.00)	0.00	0.00
Rico ScatePark 503c Donation	0.00	75,000.00	(75,000.00)	0.00	0.00
Total Revenues - Capital Improvement	0.00	270,450.00	(270,450.00)	0.00	0.00
Expenses - Capital Improvement					
Park Improvement	0.00	(385,450.00)	385,450.00	0.00	0.00
Total Expenses - Capital Improvement	0.00	(385,450.00)	385,450.00	0.00	0.00

For Management Purposes Only

NEW Town of Rico - Open Park Fund
 Comparative Income Statement to Budget
 For the Three Months Ending March 31, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Net Income - Capital Improvement	\$ 0.00	\$ (115,000.00)	115,000.00	0.00	0.00
Revenues - Special Projects					
Total Revenues - Special Projects	0.00	0.00	0.00	0.00	0.00
Expenses - Special Projects					
Total Expenses - Special Projects	0.00	0.00	0.00	0.00	0.00
Net Income - Special Projects	\$ 0.00	\$ 0.00	0.00	0.00	0.00
Revenues - Other					
Total Revenues - Other	0.00	0.00	0.00	0.00	0.00
Expenses - Other					
Total Expenses - Other	0.00	0.00	0.00	0.00	0.00
Net Income - Other	\$ 0.00	\$ 0.00	0.00	0.00	0.00
TOTAL NET INCOME	\$ 12,404.48	\$ (116,550.00)	128,954.48	1,377.15	(10.64)
Beginning Fund Balance	210,772.71	0.00			
Ending Fund Balance	223,177.19	(116,550.00)			

NEW Town of Rico - Sanitation Fund
Comparative Income Statement to Budget
For the Three Months Ending March 31, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Revenues - Operating					
Property Tax	\$ 8,550.18	\$ 31,845.00	(23,294.82)	7,813.71	26.85
Specific Ownership Tax	400.67	1,000.00	(599.33)	119.21	40.07
Del Tax and Interest	0.00	50.00	(50.00)	0.00	0.00
Interest	103.85	700.00	(596.15)	35.62	14.84
Total Revenues - Operating	9,054.70	33,595.00	(24,540.30)	7,968.54	26.95
Expenses - Operating					
Treasurers Fees	(171.00)	(600.00)	429.00	(156.27)	28.50
Miscellaneous/ Engineering	(11,186.74)	(15,000.00)	3,813.26	(8,199.24)	74.58
Payroll Transfer	(5,031.00)	(20,124.00)	15,093.00	(1,677.00)	25.00
Total Expenses - Operating	(16,388.74)	(35,724.00)	19,335.26	(10,032.51)	45.88
Net Income - Operating	\$ (7,334.04)	\$ (2,129.00)	(5,205.04)	(2,063.97)	344.48
Revenues - Capital Improve General					
CDS/EPA Grant	\$ 0.00	\$ 1,650,000.00	(1,650,000.00)	0.00	0.00
Total Revenues - Capital Improve Gener	0.00	1,650,000.00	(1,650,000.00)	0.00	0.00
Expenses - Capital Improve General					
Sewer Engineering	0.00	(1,650,000.00)	1,650,000.00	0.00	0.00
Total Expenses - Capital Improve Gener	0.00	(1,650,000.00)	1,650,000.00	0.00	0.00
Net Income - Capital Improve General	\$ 0.00	\$ 0.00	0.00	0.00	0.00
Revenues - Cap Improve - Dept Local Affairs					

For Management Purposes Only

NEW Town of Rico - Sanitation Fund
 Comparative Income Statement to Budget
 For the Three Months Ending March 31, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Total Revenues - Cap Imp Dept Local A	0.00	0.00	0.00	0.00	0.00
Expenses - Cap Improve - Dept Local Affairs					
Total Expenses - Cap Imp Dept Local Af	0.00	0.00	0.00	0.00	0.00
Net Income - Cap Imp Dept Local Aff	\$ 0.00	\$ 0.00	0.00	0.00	0.00
Revenues - Cap Improve - USDA Devel Loan					
Total Revenues - Capital Improvement	0.00	0.00	0.00	0.00	0.00
Expenses - Cap Improve USDA Devel Loan					
Total Expenses - Cap Impr USDA Devel	0.00	0.00	0.00	0.00	0.00
Net Income - Cap Impr USDA Devel Lo	\$ 0.00	\$ 0.00	0.00	0.00	0.00
Revenues - Cap Improve USDA Devel Grant					
Total Revenues - Cap Imp USDA Devel	0.00	0.00	0.00	0.00	0.00
Expenses - Cap Improve USDA Devel Grant					
Total Expenses - Cap Imp USDA Devel	0.00	0.00	0.00	0.00	0.00
Net Income - Capital Improvement	\$ 0.00	\$ 0.00	0.00	0.00	0.00
Revenues - Cap Improve - EPA Grant					
Total Revenues - Cap Improve EPA Gra	0.00	0.00	0.00	0.00	0.00

For Management Purposes Only

NEW Town of Rico - Sanitation Fund
 Comparative Income Statement to Budget
 For the Three Months Ending March 31, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Expenses - Cap Improve - EPA Grant					
Total Expenses - Cap Improve EPA Gra	0.00	0.00	0.00	0.00	0.00
Net Income - Cap Improve EPA Grant	\$ 0.00	\$ 0.00	0.00	0.00	0.00
TOTAL NET INCOME	\$ (7,334.04)	\$ (2,129.00)	(5,205.04)	(2,063.97)	344.48
Beginning Fund Balance	211,969.77	0.00			
Ending Fund Balance	204,635.73	(2,129.00)			

NEW Conservation Trust Fund
Comparative Income Statement to Budget
For the Three Months Ending March 31, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE VARIANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Revenues - Operating					
Total Revenues - Operating	0.00	0.00	0.00	0.00	0.00
Expenses - Operating					
Total Expenses - Operating	0.00	0.00	0.00	0.00	0.00
Net Income - Operating	\$ 0.00	\$ 0.00	0.00	0.00	0.00
Revenues - Other					
Interest	\$ 26.19	\$ 50.00	(23.81)	9.06	52.38
Lottery Proceeds	986.71	2,500.00	(1,513.29)	986.71	39.47
Total Revenues - Other	1,012.90	2,550.00	(1,537.10)	995.77	39.72
Expenses - Other					
FMP Capital Park Improvement G	0.00	(50,000.00)	50,000.00	0.00	0.00
Total Expenses - Other	0.00	(50,000.00)	50,000.00	0.00	0.00
Net Income - Other	\$ 1,012.90	\$ (47,450.00)	48,462.90	995.77	(2.13)
TOTAL NET INCOME	\$ 1,012.90	\$ (47,450.00)	48,462.90	995.77	(2.13)
Beginning Fund Balance	52,992.82	0.00			
Ending Fund Balance	54,005.72	(47,450.00)			



TOWN OF RICO
INCORPORATED OCTOBER 11, 1879
2 North Commercial Street
Post Office Box 9
Rico, Colorado 81332
Office # 970.967.2861
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www.ricocolorado.gov

April 10, 2025

To: Rico Board of Trustees
 From: Chauncey McCarthy, Town Manager
 Subject: Water Rules and Regulations Comparison Memo

This memo outlines the major changes between the Water Operations Rules and Regulations adopted in 2019 and the proposed 2025 Rico Water Rules and Regulations. It includes a comprehensive section-by-section comparison, an overview of updated and newly added definitions, and highlights key improvements in regulatory structure and implementation. The goal is to support the Board's consideration of formally repealing the 2019 Rules and adopting the modernized 2025 framework.

Overview of the 2025 Update

The 2025 Rico Water Rules and Regulations represent a major modernization of the Town's water utility regulations. These revisions are designed to align with updated standards from the Colorado Department of Public Health and Environment (CDPHE), strengthen enforcement and backflow prevention capabilities, introduce clearly defined procedures for water service applications, construction, metering, and inspections, and define and regulate water system usage in a consistent, enforceable manner.

Summary of Definition Updates

The 2025 Rules include a significantly expanded and refined Definitions section. Notable updates include clearer distinctions among roles such as Developer, Customer, and Contractor, addition of terms related to backflow prevention and cross-connection control, and more specific references to equipment and infrastructure standards.

Six definitions from 2019 have been removed, while fifteen new definitions have been added in 2025. All other retained terms have been clarified or updated.

Article Crosswalk: 2019 vs 2025 Rules

- I. General → I. General — Adds 'Waiver or Variance' authority for the Board.

- II. Definitions → II. Definitions — Major expansion with technical and administrative terms.
- III. Ownership & Operation → III. Ownership & Operation — Clarifies service line ownership, liability, and Town access.
- IV. Use of System → IV. Use Restrictions & Connection Requirements — Includes new backflow protection measures and violation penalties.
- V. Application for Service → V. Application for Service — Adds temporary service, developer requirements, and EQR reassessments.
- VI. Construction of Service Lines → VI. Construction of Service Lines — Adds trenching/backfill standards, pipe material requirements, and inspection processes.
- VII. Main Line Extensions → VII. Main Line Extension — Expands requirements for bonding, legal review, easement dedication, and inspection.
- VIII. Rates and Charges → Not included — Removed—rate structures now to be handled by separate resolution.
- IX. Check Valve Definition → Folded into Article IV — Integrated into broader backflow control and system requirements.
- X. Limitation of Use → Folded into Article IV — Consolidated under use restrictions and enforcement section.
- XI. Hearing & Appeals → Included in Article IX Violations and Enforcement — Reorganized under Article IX, Section 9.4 for enforcement and appeal procedures.

Key Improvements in the 2025 Version

In the 2025 Rules, Article VII – Main Line Extension introduces a formalized process for developers to propose and construct extensions to the Town’s water infrastructure. This includes requirements for submitting design plans, executing Line Extension Agreements, providing improvement guarantees (such as bonds or letters of credit), and complying with inspection and engineering standards established by the Town. The Town retains sole discretion to approve these extensions, and all associated infrastructure must ultimately be dedicated to the Town with recorded easements as applicable.

Article IV – Water System Use Restrictions and Connection Requirements reflects a significant expansion of the Town’s backflow prevention and cross-connection control program. These updates bring the Town’s procedures into closer alignment with Colorado Department of Public Health and Environment (CDPHE) regulations. Specifically, the 2025 Rules require: Installation of testable backflow prevention assemblies on high-risk connections, mandatory testing and maintenance by certified technicians, compliance deadlines (120 days from identification),

Enforcement actions for noncompliance, including disconnection or alternative compliance arrangements approved by CDPHE. These changes modernize the Town's public health protections and provide enforceable mechanisms to ensure system-wide compliance.

Article VIII of the 2019 Rules, which addressed Rates and Charges, has been removed from the 2025 document. Rates and fees are now expected to be governed by a separate resolution adopted by the Board.

Article XI of the 2019 Rules, which contained Hearing and Appeal Procedures, has been reorganized into Article IX, Section 9.4 of the 2025 Rules. These procedures remain part of the regulatory framework and ensure due process within the broader enforcement provisions.

In the 2025 Rules, Article VIII – Service Line Repairs consolidates and clarifies customer responsibilities for maintaining and repairing water service lines. While the 2019 Rules required customers to repair leaks within 16 hours, this obligation was spread across various sections and lacked structural clarity. The 2025 update replaces these scattered provisions with a single, clearly organized article. It extends the repair window to 72 hours from the time of notification and establishes a formal enforcement framework. If repairs are not completed within this timeframe, the Town may suspend service and perform the work at the customer's expense, with costs recoverable through liens

Additional modifications:

- **Service Application Clarity:** Standardizes application procedures, EQR calculations, and changes in service.
- **Construction Standards:** Codifies acceptable materials, trenching methods, and meter placement.
- **Enforcement Tools:** Authorizes fines, disconnection procedures, and recovery of legal and administrative costs.

Definitions Crosswalk – 2019 vs 2025

2019 Term	2025 Term	Notes
Applicant	Applicant	Updated definition
Authorized Plumber		Removed in 2025
Board	Board	Updated definition
Constructor		Removed in 2025
Contractor	Contractor	Updated definition
Customer	Customer	Updated definition
Dwelling Unit		Removed in 2025
Equivalent Dwelling Unit (EDU)		Removed in 2025
Inspector		Removed in 2025
Main Line	Main Line	Updated definition
Owner	Owner	Updated definition
Permit	Permit	Updated definition
Person	Person	Updated definition
Rules and Regulations	Rules and Regulations	Updated definition
Service Line	Service Line	Updated definition
Shall / May		Removed in 2025
Site	Site	Updated definition
Stub-Out	Stub-Out	Updated definition
Tap or Connection	Tap or Connection	Updated definition
Tap Fee and Connection Charge		Removed in 2025
Town Engineer	Town Engineer	Updated definition
Town Manager	Town Manager	Updated definition
Water Main		Removed in 2025
Water System	Water System	Updated definition
	Actual Cost	New in 2025
	Backflow Prevention Assembly	New in 2025
	Backflow Prevention Method	New in 2025
	Charter	New in 2025
	Certified Cross-Connection Control Technician	New in 2025
	Code	New in 2025
	Cross Connection	New in 2025
	Developer	New in 2025
	EQR	New in 2025
	Line Connection Agreement	New in 2025
	Line Extension Agreement	New in 2025

	Secondary Residential Unit	New in 2025
	Single Family Residential Unit	New in 2025
	Tap Fee	New in 2025
	Town	New in 2025
	Unauthorized Connection	New in 2025
	Violation	New in 2025
	Water Charges	New in 2025

Comparison of Article Titles – 2019 vs 2025 Rico Water Rules

2019 Article	2025 Article
I. General	I. General
II. Definitions	II. Definitions
III. Ownership & Operation of Facilities	III. Ownership and Operation of Water Facilities
IV. Use of Water System	IV. Water System Use Restrictions and Connection Requirements
V. Application for Service	V. Application for Water Service
VI. Construction of Service Lines	VI. Construction of Water Service Lines
VII. Main Line Extensions	VII. Main Line Extension
VIII. Rates and Charges	Removed – addressed by separate ordinance
IX. Check Valve Definition	Integrated into Article IV
X. Limitation of Use	Integrated into Article IV
XI. Hearing & Appeal Procedures	Integrated into Article IX – Violations and Enforcement
—	VIII. Service Line Repairs
—	IX. Violations and Enforcement

**TOWN OF RICO
ORDINANCE NO. 2025-02**

**AN ORDINANCE OF THE TOWN OF RICO, COLORADO, REPEALING
ORDINANCE NO. 2019-06, AS AMENDED BY ORDINANCE NO. 2024-01,
AND ADOPTING NEW WATER OPERATIONS RULES AND
REGULATIONS AND PROVIDING FOR PENALTIES FOR VIOLATION
OF SAME**

WHEREAS, the Town of Rico, Colorado (the “Town”) is a Colorado home rule municipality organized pursuant to Article XX of the Colorado Constitution and with the authority of the Rico Home Rule Charter (the “Charter”); and

WHEREAS, pursuant to C.R.S. § 29-20-101 *et seq.*, 31-15-101 *et seq.*, and 31-23-101 *et seq.*, the Town has broad authority to ensure the health, safety and welfare of the community and its residents; and

WHEREAS, the Town has the authority to adopt rules and regulations regarding municipal water services within the Town pursuant to the Charter, Article X § 10.4 and C.R.S. § 31-35-401(b); and

WHEREAS, the Charter, Article III § 3.1 provides that enactments of the Board imposing fees, fines, or penalties or fees shall be made by ordinance; and

WHEREAS, the Board adopted Ordinance No. 2019-06 together with the Water Operations Rules and Regulations (the “Water Rules”) attached thereto as Exhibit A on November 20, 2019; and

WHEREAS, the Board adopted Ordinance No. 2024-01 together with the amendments to the Water Rules attached thereto as Exhibit A on March 20, 2024; and

WHEREAS, the Board desires to repeal Ordinance Nos. 2019-06 and 2024-01, the Water Rules and any amendments thereto to comprehensively update and replace the rules and regulations applicable to water services provided by the Town as provided herein; and

WHEREAS, the Board finds and declares that it is necessary to repeal and replace the Water Rules as set forth herein and it is proper in light of the needs and desires of the Town and in the promotion of the public health, safety, and welfare of the Town’s residents.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF RICO THAT:

Section 1. The recitals above are hereby adopted as findings and incorporated herein.

Section 2. The Town of Rico hereby adopts the Water Operations Rules and Regulations attached as **Exhibit A** to this Ordinance, which is incorporated by this reference.

Section 3. Any ordinances or resolutions or parts thereof, which are in conflict with this ordinance, are hereby repealed to the extent of such conflict only.

Section 4. This Ordinance shall take effect immediately on final adoption.

THIS ORDINANCE WAS, FOLLOWING PUBLIC NOTICE, INTRODUCED, READ, AND APPROVED ON FIRST READING, AND ORDERED PUBLISHED BY TITLE ONLY ON MARCH 16, 2025.

TOWN OF RICO, COLORADO

Patrick Fallon, Mayor

ATTEST:

Anna Wolf, Town Clerk

THIS ORDINANCE WAS, FOLLOWING PUBLIC NOTICE, INTRODUCED, READ ON SECOND READING, PASSED AND ORDERED PUBLISHED BY TITLE ONLY TO BE EFFECTIVE IMMEDIATELY ON MAY 21, 2025.

TOWN OF RICO, COLORADO

Patrick Fallon, Mayor

ATTEST:

Anna Wolf, Town Clerk

Effective Date: May 21, 2025



Exhibit A

Water Operations Rules and Regulations

Town of Rico

Article I General

1.1 Authority. The Town of Rico is a municipality governed by Home Rule Charter adopted May 2nd, 2000. The Town shall have and may exercise all powers, functions, rights, and privileges allowed or granted to any municipalities including home rule cities or towns by law except as limited or expressly forbidden by the Charter or the Constitution of the State of Colorado or the United States. All powers of the Town shall be exercised in a manner prescribed by the Charter, or if the manner is not prescribed then as prescribed by ordinance, or if no ordinance exists which is applicable, then as prescribed by statute or other law.

1.2 Purpose. The purpose of these Rules and Regulations is to govern the administration of water operations in the Town of Rico, Colorado.

1.3 Policy. The Board of Trustees of the Town hereby declares that these Rules and Regulations shall serve a public use and are necessary to promote the health, safety, prosperity, security, and general welfare of the inhabitants of the Town.

1.4 Scope. These Rules and Regulations shall be treated and considered as the comprehensive regulations governing the operations and administration of the Water System for the Town.

1.5 Intent of Construction. It is intended that these Rules and Regulations shall be liberally construed to affect the general purposes set forth herein. No omission or additional material set forth in these Rules and Regulations shall be construed as an alteration, waiver or deviation from any grant of power, duty or responsibility, or limitation or restriction, imposed or conferred upon the Board of Trustees of the Town by virtue of ordinance, now existing or subsequently amended, or under any contract or agreement existing between the Town and any other entity. Nothing contained herein shall be so construed as to prejudice or affect the right of the Town to secure the full benefit and protection of any rule or regulation which is now enacted or may subsequently be enacted by the Board of Trustees pertaining to the affairs of the Town.

1.6 Waiver or Variance. At its sole discretion, the Board may waive or grant a variance from any provision of these Rules and Regulations, and any such waiver or variance must be in writing, signed by the Board. Such waiver or variance shall only be for good cause shown and shall not be deemed to create any binding precedent or amendment of the Rules and Regulations.

1.7 Amendment. It is specifically acknowledged that the Town has the power and authority to amend these Rules and Regulations from time to time to reflect those changes determined to be necessary by the Board of Trustees of the Town in their sole discretion.

Article II Definitions

The meaning of the terms used herein shall be as follows:

2.1 Actual Cost. “Actual Cost” means all direct costs applicable to the Town’s acts including labor, surveys, construction, preliminary and design engineering, inspection, construction

observation, administrative and legal costs, plan approval fees, As-Built Drawings, and other costs necessary for the administration and enforcement of these Rules and Regulation and Water System operations

2.2 Applicant. “Applicant” means any Person who applies to the Town for a service connection, service disconnection, or other agreement relating to the Water System.

2.3 Backflow Prevention Assembly. “Backflow Prevention Assembly” means any mechanical assembly installed at a Service Line or at a plumbing fixture to prevent a backflow contamination event, provided that the mechanical assembly is appropriate for the identified contaminant at the Cross Connection and is an in-line field-testable assembly.

2.4 Backflow Prevention Method. “Backflow Prevention Method” means any method and/or non-testable device installed at a water service line or at a plumbing fixture to prevent a backflow contamination event, provided that the method or non-testable device is appropriate for the identified contaminant at the cross connection.

2.5 Board. “Board” means the “Board of Trustees” as defined under the Charter, Article II.

2.6 Charter. “Charter” means the Town of Rico Home Rule Charter.

2.7 Certified Cross-Connection Control Technician. “Certified Cross-Connection Control Technician” means a person who possesses a valid Backflow Prevention Assembly Tester certification from one of the following approved organizations: American Society of Sanitary Engineering (ASSE) or the American Backflow Prevention Association (ABPA). If a certification has expired, the certification is invalid.

2.8 Code. “Code” means the Town of Rico Land Use Code.

2.9 Contractor. “Contractor” means any Person, firm, or corporation engaged to perform work on the Water System on behalf of either a Customer or the Town.

2.10 Cross Connection. “Cross Connection” means any connection that could allow any water, fluid, or gas such that the water quality could present an unacceptable health and/or safety risk to the public, to flow from any pipe, plumbing fixture, or a customer’s water system into a public water system’s distribution system or any other part of the public water system through backflow.

2.11 Customer. “Customer” means any Person, company, partnership, corporation, or similar entity authorized to connect to and use the Water System under a Permit.

2.12 Developer. “Developer” means any Person who seeks to have land served by the Water System other than a Customer

2.13 EQR. “EQR” or “Equivalent Dwelling Residential Unit” is the standard of measurement the Town uses to calculate fees and water dedication requirements based on the amount of water used by a single-family residential unit .

2.14 Line Connection Agreement. “Line Connection Agreement” means an agreement between the Town and a Customer which identifies the terms and conditions by which a Developer or Customer is permitted to connect to the Water System and receive water service therefrom.

2.15 Line Extension Agreement. “Line Extension Agreement” means an agreement between the Town and a Person that identifies the terms and conditions by which the parties agree to extend the Water System and permit the Person to connect to the Water System and receive water service therefrom. The terms and conditions of a Line Extension Agreement may be expressed within a site specific development plan including, without limitation, a subdivision improvement agreement, as determined by the Town.

2.16 Main Line. “Main Line” or “Water Main” means any Town owned line used as a conduit for water in the Water System.

2.17 Owner. “Owner” shall mean the Person or Persons, entity or entities, who hold fee simple title to a Site located within the Town, according to the real property records of Dolores County, Colorado.

2.18 Permit. “Permit” means the Town’s written permission to connect to the Water System pursuant to the Rules and Regulations and shall be revocable upon the change of use of the Site being served.

2.19 Person. “Person” means any individual, firm, partnership, corporation, or other entity of any nature, whether public or private.

2.20 Rules and Regulations. “Rules and Regulations” means the Town of Rico Water Operations Rules and Regulations including all amendments and policies as set forth in the minutes, ordinances, and resolutions.

2.21 Secondary Residential Unit. “Secondary Residential Unit” means guest houses, separate apartments attached to Single Family Residential Units, Accessory Dwelling Units, and other separate residential units associated with Single Family Residential Units and containing their own separate kitchens

2.22 Service Line. “Service Line” means any pipe, line, or conduit less than or equal to 4 inches in diameter used to provide water service from the Water Main to a structure, whether the pipe, line or conduit is connected or not.

2.23 Single Family Residential Unit. “Single Family Residential Unit” means any single-family dwellings, individually-billed mobile homes, mobile homes on individual lots, and mobile homes established as permanent residences which have no more than one kitchen.

2.24 Site. “Site” means a legally created parcel of land. In a multi-unit building, each separately owned unit is a Site.

2.25 Stub-Out. “Stub-Out” means any connection to a Main Line which extends from the Main Line and which is intended to facilitate the connection of a Service Line to the Water System.

2.26 Tap or Connection. “Tap” or “Connection” means the connection of a Service Line to the Water System, either directly to a Main Line or Stub-Out.

2.27 Tap Fee. “Tap Fee” means the payment due to the Town for the Connection of a Site to the Water System.

2.28 Town. “Town” means the Town of Rico, Colorado.

2.29 Town Manager. “Town Manager” means the Town Manager of the Town of Rico, Colorado, or their designee.

2.30 Town Engineer. “Town Engineer” means a Person that has been employed or contracted with to do engineering work for the Town.

2.31 Unauthorized Connection. “Unauthorized Connection” means any connection to the Water System without approval from the Town pursuant to these Rules and Regulations.

2.32 Violation. “Violation” means any failure to follow, uphold, or comply with the requirements of these Rules and Regulations, intentionally or unintentionally, by act of commission or omission, whether or not the Person knew of the existence of the Rule or Regulation. Unless otherwise stated, each day that a Violation exists or continues shall be considered a separate Violation, subject to the penalties which apply

2.33 Water Charges. “Water Charges” means Water System Improvement Fees, Tap Fees, service charges, surcharges, inactive tap service charge, cost recovery fees, fines for violation of these Rules and Regulations, together with late charges and interest on delinquencies, and the Town’s cost and expenses incurred to collect any amount due, enforce or take any action permitted under these Rules and Regulations including, without limitation the Town’s attorneys’ fees and costs

2.34 Water System. “Water System” means all facilities, including but not limited to Water Mains, Service Lines, treatment systems, pumps, tanks, wells, valves, appurtenances, accessories, or portion thereof owned and maintained by the Town for the purpose of delivering water service to its Customers.

Article III **Ownership & Operation of Facilities**

3.1 Responsibilities of the Town. Except as otherwise provided by these Rules and Regulations, the Town is responsible for the Water System, which operation and maintenance shall be carried out in accordance with these Rules and Regulations and Colorado Department of Public Health and Environment rules or requirements.

3.2 Liability of the Town. The Town shall not be liable or responsible for the following:

inadequate, high, or fluctuating water flow rates or water pressure; interruption of water service; the consequences of the Town's failure or refusal to accept additional or new connections that would exceed the capacity of the Water System; damage to service lines; damage caused by water running or escaping from open or defective faucets; burst service lines or other facilities not owned by the Town; damage to water heaters, boilers, or other appliances; damage that results from misuse of any component of the Water System; and problems resulting from hard water or other water chemistry.

3.3 Ownership of Facilities.

3.3.1 Upon acceptance by the Town, all Water Mains that connect with and form an integral part of the Water System shall become the Town's property and responsibility; provided, however, the Board reserves the right to determine, in its sole discretion, whether acceptance of a Water Main is appropriate in all circumstances. Said ownership will remain valid whether the Town or other Persons construct, finance, pay for, or otherwise acquire the Water Mains. The Town shall not be liable or responsible for the consequences of its failure or refusal to accept additional or new service which would exceed the capacity of the Water System.

3.3.2 All existing and future Service Lines extending from the Water Main to the building shall be the property of the Customer. The Customer's obligation to bear the expense of installing and maintaining said Service Line shall exist whether the Service Lines are constructed, financed, paid for, or otherwise acquired by the Town or any other Person. Any damage caused by the homeowner will be the responsibility of the homeowner.

3.3.3 The Town reserves and shall at all times have a right of access to all Service Lines and other facilities necessary for the Town to carry out its lawful functions.

3.4 Water Meters and Shut-off Valves. The cost of maintaining, repairing, or replacing any meter or valve shall be the obligation of the Owner of the Site served by the meter or valve.

3.5 Inspection Powers and Authority of Town Agents. The Town Manager, and other duly authorized employees of the Town, bearing proper credentials and identification, shall be permitted to enter all Sites served by the Water System for the purpose of inspection or any other reasonable purpose in accordance with the provisions of these Rules and Regulations. The right of entry shall include the right to install, read, or otherwise gather data from water meters on a Site in order to assist the Town in analyzing water usage by the Customer. Except in the case of an emergency affecting the health, safety, and welfare of residents of the Town, entry upon a Customer's Site shall only be made after reasonable notice and during reasonable business hours. All Customers shall be deemed to have agreed to entry onto such Site for the purposes set forth. If a Customer denies such an inspection, the Customer's Site will be disconnected from the Water System.

Article IV

Water System Use Restrictions and Connection Requirements

4.1 Use of the Water System. No Person shall uncover, make any connection with, or use, alter, or disturb the Water System without first obtaining a Permit. All installations for water

service from the Town shall be made in accordance with these Rules and Regulations, and the designs, plans and specifications approved by the Town.

4.1.1 Prohibited Use. No Person shall break, damage, destroy, uncover, deface, or tamper with any portion of the Water System or any water meter. No Person shall place, dump, discharge, or deposit any contaminant or pollutant into the Water System. No Person shall make any unauthorized use of water, including use of water for purposes or on property not authorized by a Permit. Unauthorized Connections to the Water System shall be disabled.

4.1.2 Stop and Waste Valves. Stop and waste valves are prohibited below grade or underground.

4.1.3 Valve Keys and Hydrant Wrenches. It shall be unlawful for any Person other than authorized personnel to have in their possession a hydrant wrench or valve shut-off key. Town personnel shall confiscate any hydrant wrench or valve shut-off key found in the possession of any unauthorized Person. It shall be unlawful for any Person other than authorized personnel to use a fire hydrant.

4.2 Responsibilities of Customer. Each Customer shall notify the Town prior to any change in the Customer's equipment, ownership service, or use of the property served by the Water System. Service Lines shall be constructed in accordance with these Rules and Regulations. The Customer shall repair leaks or breaks in a Service Line within 72 hours after receiving notice from the Town of such condition. If satisfactory progress, in the sole discretion of the Town, toward repairing said leak or break has not been accomplished within such time period, the Town may shut off water service to the Site until the leak or break has been satisfactorily repaired. The Town's authority to shut off a Customer's water service for such purposes shall be deemed consented to by the Customer at the time Connection to the Water System is made. Any provision herein to the contrary notwithstanding, the Town may, but is not required to, take immediate steps to repair any Service Line, leak, or break. In such event, the Town shall recover the cost of such repair from the Customer owning such Service Line.

If the Customer fails to pay any costs for which the Customer is responsible within 30 days of the Town mailing notice thereof to the Customer, the Town may take such action as is necessary to collect such costs, including the imposition and foreclosure of a lien on the Customer's Site, and the Town shall be entitled to recover all costs of collection, including reasonable attorneys' fees, late charges, and interest.

4.2.1 Uninterrupted Pressure. All Customers having boilers and/or other systems depending on pressure or water in pipes, or on a continual supply of water, shall provide, at their own expense, suitable safety devices to protect themselves and their property against a stoppage of water supply or loss of pressure. The Town is not liable or responsible for any damage resulting from a Customer's failure to comply with this Section.

4.2.2 Water Meters, Pressure Reducing Valves, and Check Valves Required. No Person shall uncover, make any Connection to, use, alter, or disturb any Water Main or portion of the Water System without first obtaining the Town's written permission. All installations and

Connections shall be made in accordance with these Rules and Regulations, and all federal, state, and local requirements. Every connection to the Water System shall be inspected by a Town representative before it is covered. No Connection shall be made to the Water System without a pressure-reducing valve, water meter, and check valve having been installed to serve the Site, which Customers shall purchase from the Town. All water meters shall have devices for remote reading. Meters shall be of the type manufactured by Neptune Meters or an equivalent to coincide with our remote read-out capabilities. The readout unit shall be installed on the building at a height above the ground and snowpack in a Town approved location. All irrigation systems must have a water meter with a remote readout. Irrigation system meters shall be located downstream of the primary meter and shall be separated from the primary meter by a shut-off valve, plumbed in series, not in parallel. The Town shall approve the type of pressure-reducing valve and water meter and location of the meter prior to installation. The Town shall own all water meters whether the meters are installed, financed, paid for, repaired, or maintained by the Town or another Person.

4.3 Backflow Prevention, Cross-Connections. All new construction designated by CDPHE as a high risk connection shall be installed with a Backflow Prevention Assembly shall be installed and tested by a state-certified backflow assembly tester. Existing Water System Connections shall be subject to a survey for Cross Connections. If a Cross Connection has been identified an appropriate Backflow Prevention Assembly shall be installed at the Customer's Connection within 120 days of its discovery. The assembly shall be installed downstream of the water meter or as close to that location as deemed practical by the Town. If the assembly or method cannot be installed within 120 days, the Town must take action to control or remove the Cross Connection, suspend service to the Cross Connection or obtain an alternative compliance schedule from the Colorado Department of Public Health and Environment.

4.3.1 Backflow Prevention Assemblies or Methods shall be tested by a Certified Cross-Connection Control Technician upon installation and tested at least annually, thereafter, at the Customer's expense. Any Backflow Prevention Assemblies or Methods that are non-testable, shall be inspected at least once annually by a Certified Cross-Connection Control Technician at the Customer's expense.

4.3.2 As necessary, Backflow Prevention Assemblies or Methods shall be repaired and retested or replaced and tested at the Customer's expense whenever the assemblies or methods are found to be defective.

4.3.3 Testing gauges shall be tested and calibrated for accuracy at least once annually.

4.4 Reading Meters. The Town shall, at the Customer's expense, have the right to read, test, remove, repair or replace any and all water meters and remotes. Each Customer shall notify the Town if their water meter is operating defectively. If any meter fails to register in any period, the Customer shall be charged the average period consumption during the two highest preceding periods as shown by the meter when deemed by the Town to have been in working order. The Town has the authority to require any meter to be replaced at the Customer's expense at any time. Meters showing greater than 1,000,000 gallons shall be replaced.

4.5 Use Limitations. The Board of Trustees, in its sole discretion, may impose water use

restrictions. In the event a restriction is activated, delivery of water to a Site may be reduced and the Customer shall be notified in writing. Failure to comply with any water user restrictions may result in the imposition of a fine up to \$250.00 per day or 10 cents per gallon, whichever is greater.

4.6 Suspension of Service. The Town may physically suspend the supply of water to a Site, without any obligation to refund any payment received from the Customer, for any of the following reasons:

4.6.1 Upon non-payment of any valid fees or charges owing to the Town. In the event of non-payment, the Town shall provide notice of proposed suspension in writing to the Customer, which notice shall set forth the amount due and the procedure to dispute fees or charges. Failure to comply with any of these Rules and Regulations.

4.6.2 Any unauthorized use of water, including use of water for purposes or on property not authorized by the Permit.

4.6 Prosecution. Any Person who violates the provisions of this Article may be charged pursuant to applicable state statute or local regulation. In addition to other penalties expressly provided in these Rules and Regulations, any Person violating this Article shall also be subject to a fine of up to \$5,000.00 per occurrence. Any Person violating any of the provisions of these Rules and Regulations shall, in addition to any and all other available remedies and penalties, become liable to the Town for any expense, loss or damage occasioned by reason of such violation, including reasonable attorneys' and engineering fees and costs. The Town may assess any such amount directly to the Site Owner.

Article V Application for Service

5.1 Permit Required. No Connection to the Water System shall be made without a valid Permit issued by the Town. Permits are Site specific. The transfer of a Permit to an alternative Site is prohibited.

5.2 Water Saving Device Required. All new Connections are required to install water-saving devices as follows:

5.2.1 Toilets. All toilets shall have a maximum flush of 1.6 gallons.

5.2.2 Showers. All showers shall have a shower restrictor device installed, which shall have a measured flow, at 60 pounds per square inch, of not greater than 3.20 gallons per minute.

5.2.3 Rain Sensing Device. All irrigation systems shall have a rain-sensing device in use.

5.2.4 Water Conservation. Water Conservation efforts such as xeriscaping, native landscaping, and using runoff water as a source for direct irrigation are encouraged. All efforts shall be consistent with federal, state, and local guidelines.

5.3 Service Outside the Town. The Water System exclusively serves Customers within the Town. No Permit shall be issued outside of the Town, except by resolution of the Board, in its sole discretion.

5.4 Application for Water Service. Any Person that desires water service from the Town shall submit an application for a Permit using the Town approved application form together with any supporting documentation that the Town may require payment of any fees or Water Charges due at that time. No Permit shall be approved prior to the acquisition of a building permit for the Site. Without limiting the generality of the forgoing, applications shall contain the following minimum information:

5.4.1 Applicant's name, address, and phone number;

5.4.2 Name, address, and phone number of owner of the property where said Service Line Connection is to be made or laid;

5.4.3 A diagram of the water meter, remote reading device, curb stop valve, pressure-reducing valves, and Service Lines;

5.4.4 Location of the proposed Connection and Service Lines;

5.4.5 Size and type of material to be used and any other information required by these Rules and Regulations governing the particular installation proposed;

5.4.6 The Applicant's consent to entry, water use record availability and consent to water shut off pursuant to these Rules and Regulations;

5.4.7 Information about the structure(s) to be served to calculate the EQR of water service requested;

5.4.8 The Applicant's consent to abide by and be bound by these Rules and Regulations, as amended from time to time.

5.5 Sprinkler System Applications. If a fire sprinkler system is to be used, the application shall contain a plan of the system. All fire sprinkler systems shall meet National Fire Protection Association (NFPA) requirements and applicable state and local building and fire protection codes. If a fire suppression system is to be used, the contractor who designs and installs the system shall be certified by the Colorado Division of Fire Prevention and Control for the type of system used.

5.6 Tapping Period. No Connections shall be made between October 15 and April 15, unless approved in writing by the Town, in its sole discretion.

5.7 Accuracy of Information. All information requested on the application form must be completed. Should any information disclosed on the application be in error, or should the applicant omit any information, the Town shall have the right to: (i) re-assess the Tap Fee; (ii) disconnect the Tap in question, and (iii) revoke the Permit.

5.8 Approval of Application. Each application for water service is subject to the Town's approval. In order to obtain such approval, the Applicant shall submit such information that the Town may require. Upon application approval and payment of all applicable Water Charges, the Town shall issue the Applicant a Permit containing all the information contained in the application. No Tap shall be allowed until: the required Tap Fee has been paid; a Permit has been issued; and any and all other applicable Water Charges and fees have been paid. Tap Fees shall be non-refundable unless the Board expressly agrees otherwise.

5.9 Denial of Application. The Town may, in its sole discretion, deny an application for the failure to comply with any of these Rules and Regulations.

5.10 Temporary Permit. Temporary water service may be provided by the Town upon request at the time of application for a building permit. Any temporary connection to the Water System shall be approved in advance by the Town. No temporary permit shall be approved prior to the acquisition of a building permit for the Site.

5.11 Change in Customer Service: A Customer shall file an amended application for Water Service with the Town prior to increasing the size of a structure served by the Town or the type of service received. Examples of such changes are the construction of additions to houses or other buildings, changes in use of an existing structure, addition of water fixtures, additional Connections to Water Mains, or decreases to the level of water service, or abandonment of service.

5.11.1 If a Customer desires to increase, decrease, or abandon its level of water service, the Customer shall complete an amended application for such service pursuant to the provisions of this Section. A Customer's abandonment of EQR shall be deemed abandonment for all purposes, including Tap Fees previously paid. In the event of a proposed decrease in the EQRs, the water fixtures or other uses included in the proposed decrease must be removed or eliminated before such decrease will be approved.

5.11.2 The Town shall collect any additional Tap Fees, or Water Charges due and owing retroactive to the date of any such change.

5.11.3 Purchasers of real property in the Town are responsible for verifying that the amount and type of service for which the Town is currently charging is consistent with the type and amount of service which the seller purports to have paid for and wishes to convey.

5.11.4 At any time the Board may review actual water usage to determine if such actual usage is greater than that implied by the number of EQR units assessed to the Customer at the time the application for water service was accepted. Winter water use records may be utilized for this purpose. If the Board finds greater actual water usage, the Customer shall be assessed a greater number of EQR units to reflect actual usage.

5.11.5 In no event shall a refund, credit, or rebate of Tap Fees or Water Charges previously paid be permitted if the type or amount of service is decreased.

5.12 Transfer of EQR Credits: EQR credits purchased directly from the Town are considered appurtenant to the structure, or land for which they were obtained and are not transferrable.

5.13 Service Application for Subdivision Developers: Any Person who desires water service for a subdivision development shall submit a written request to enter into a Line Extension Agreement to the Town together with any required land use application.

5.14 Reimbursement of Costs And Fees: Any Person constructing a line extension project, or undertaking any other activity requiring preparation of plats or plans, legal and engineering review and advice, inspections, filing or recording fees, or other out-of-pocket expenses by the Town shall be required to reimburse the Town for all such costs and fees. Such Person may be required, prior to commencement of the project or activity, to enter into one or more agreements with the Town related to the proposed development, and make such deposit as the Board deems appropriate.

Article IV **Construction of Service Lines**

6.1 Inspection Required. All Connections and repairs thereto shall be performed by an authorized representative of the Town or under the supervision of the Town. All Service Lines and meters shall be inspected and tested by an authorized representative of the Town prior to Connection to the Water System and prior to any lines being buried. It is the responsibility of the Site Owner to notify the Town that a proposed Connection is ready for inspection and testing.

6.2 Separate Service Lines Required. New Service Lines shall be installed at the expense of the Site Owner. Existing Service Lines may be used in connection with new structures only when approved in writing by the Town, in its sole discretion. Separately owned units within a multi-unit building must have individual shut-offs and meters specific to each unit.

6.3 Construction and Connection. Only those contractors authorized by the Town shall construct and install Service Lines. Connections shall be completed at the Site Owner's expense. Service stub-ins for residential installations shall terminate with a curb stop at the property line unless the Town approves another location. Meter and yoke shall be located inside buildings with a remote reader on the outside wall designated by the Town. Any Person doing work on a Service Line shall comply with applicable federal, State, and local regulations. The Town maintains the authority to suspend work upon a reasonable belief that there is a violation of any federal, state, or local rule.

6.4 Water Service Line Construction. Service Lines shall comply with the following:

6.4.1 be buried a minimum of six feet below the final grade, and

6.4.2 be installed, bedded, and compacted pursuant to Town specifications. All corporation stops (tap valves) shall be of a type "compression," 300 psi maximum, ball style with lock wing. No "flair style" shall be allowed, and

6.4.3 residential Service Lines shall be $\frac{3}{4}$ inch HDPE (PEX) or equivalent approved by

the Town, and

6.4.4 commercial Service Lines shall be sized according to the volume of use approved in the Permit, and

6.4.5 if made of copper pipe, be equipped with a thaw wire, and

6.4.6 be sleeved.

6.5 Road Cuts. When a road cut is required for Connection, the Owner shall rebuild the road base in accordance with specifications from the Town.

6.6 Approved for Backfilling. No Service Line shall be covered without the Town's prior written approval. Any Person that covers a Service Line without such approval shall be required, at the Owner's expense, to remove all fill, topsoil or any other covering placed over the line.

6.7 Installation

6.7.1 Location and Alignment of Service. Service Lines shall be constructed in locations approved by the Town. Unless otherwise approved by the Town, Service Lines shall be installed in a perpendicular alignment to the Main Line, and shall not be located under any paved driveway or service road without the Town's prior written approval, in its sole discretion. The Town may require an Owner, at the Owner's expense, to extend the Main Line.

6.7.2 Service Line and Control Valves. Service Lines shall be (HDPE) PEX polyethylene or copper or other Town approved material. All Service Lines shall be equipped with a control valve, accessible to the Town. All Service Lines and fittings shall be installed to withstand 200 psi.

6.7.3 Sleeves. Prior to installation of a Service Line, the Town shall approve the type of sleeve.

6.7.4 Pressure Reducing Valves. Individual pressure-reducing valves that are required on all Service Lines shall be 400 psi.

6.7.5 Excavation. All excavation work required to facilitate a Connection shall be open trench work unless the Town otherwise approves, in its sole discretion. All work, including pipe laying and backfill, shall be performed in accordance with Town approvals, these Rules and Regulations and any other applicable law. All excavation work shall be adequately guarded with barricades and lights so as to protect the public from hazards. Roads, access ways and other public or private property disturbed in the course of the work shall be restored to its previous condition and to the Town's satisfaction. All backfilled areas shall be maintained in a condition satisfactory to the Town. If the Town notifies an Owner that a backfilled area is hazardous, the Owner shall correct the hazardous condition within 72 hours.

6.7.6 Backfill Materials. All materials for utility trench backfill shall comply with Town

approvals, these Rules and Regulations, and other applicable law. Subject to the following requirements, such material shall be free of frozen material, stumps, roots, brush and other organic matter and debris:

A. Upper Portion of Trench. Material placed within one foot of pavement subgrade or the finished surface in unpaved areas shall be soil free from rocks and stones larger the 2½ inches in any dimension.

B. Remainder of Trench. Soil may contain a limited number of stones smaller than 6 inches in any dimension provided they are dispersed in the surrounding material in a manner to allow specified compaction.

C. Public Highways and Streets. Materials placed within the limits of paved surfacing, gravel shoulders or shoulder slopes shall be approved by the agency having jurisdiction over highway/street maintenance.

D. Structural Fill and Backfill. Materials used for structural fill under or around structures shall consist of materials described above and free of stones with any dimension greater than one-half of the specified loose layer thickness. Material shall also be capable of being compacted to a specific density.

Article VII **Main Line Extension**

7.1 Main Line Extensions: All Main Line extensions shall be made under the observation of the Town Engineer and constructed according to Town approved design, plans and specifications and requirements set forth in the Code. It shall be unlawful for any Person, and a violation of these Rules and Regulations, to construct a line extension within the Town without the Town's prior approval.

7.2 Line Extension/Connection Agreements: All Main Line extensions shall require the execution of a Line Extension Agreement in a form approved by the Town's attorney and the Board, prior to the commencement of any construction or the recordation of a final plat. Such Agreement shall set forth the respective rights and obligations of the parties regarding the provision of water service to the subject property.

7.2.1 Any Line Extension or Line Connection Agreement approved by the Town shall be executed and returned to the Town by the Applicant within 45 days of approval.

7.2.2 If the Applicant fails to execute and return the Line Extension or Line Connection Agreement within 45 days of approval, the agreement shall be void, and a new request for approval shall be required.

7.3 Location of Water Line Extensions: Water line extensions shall be installed in roads or streets which the Town, County, State Highway Department or other public agency has accepted for maintenance as public right-of-way, or in easements granted to the Town. Prior to the Town's

acceptance of Water Main, all easements necessary for the installation and maintenance of such mains, shall be platted or conveyed to the Town by warranty deed, as appropriate, duly recorded in the Dolores County real estate records.

7.4 Procedure for Water Line Extension Construction by Developer: Plans for line extensions shall be submitted to the Town for its review and approval along with an application for a line extension no later than the date of preliminary plan submittal to the Town. The plans shall be reviewed and approved for compliance with the Town's service plan and Rules and Regulations, and the Developer shall be responsible the costs associated with the Town's determination of compliance.

7.4.1 Security Improvements Guaranty: Subject to the exemption listed below, before recording a final plat, the Developer shall provide an improvement guaranty, such as a surety bond, cash or acceptable collateral, a letter of credit, or other security acceptable to the Town, guaranteeing the completion of all of the Water System improvements necessary for the development, including engineering, construction observation, inspection and legal fees which may be required. Construction costs shall include acquisition of rights-of-way or easements, valves, Water Mains, and Service Lines, and any other facilities and appurtenances. Such guaranty shall be deposited in an amount not less than the estimate of the entire cost to complete the Water System improvements, plus 10%. The Developer shall prepare cost estimates for the improvements for the Board's review and approval. If requested, Developer shall adjust such estimates to reflect actual costs and the Developer shall, upon 10 days' written notification, deposit the balance due to complete the work.

A. Any Developer constructing a Water Main extension may be exempted from posting a water improvements guaranty, if the Town, in its sole discretion, determines such Developer satisfies the following requirements:

i. The Developer provides adequate assurances and documentation establishing that it has posted security with another public entity pursuant to a Subdivision Improvements Agreement (SIA) where such SIA provides for: (a) a guarantee amount sufficient to cover the cost of all necessary water or sewer improvements; (b) the Town's written approval of water improvements prior to the public entity's release of the portion of the guarantee covering the water improvements; and (c) a provision requiring the Town to be a named beneficiary as to the value of all improvements to be dedicated to the Town.

ii. The Developer requests and receives a written waiver of the water improvements guaranty from the Town.

B. As improvements are completed, the Developer may petition the Town for a release of part or all of the collateral deposited with the Town as an improvement guaranty. Any such partial release shall be made at the Town's sole discretion upon a determination that the partial improvements are completed and have been approved by the Town in writing. At such time the Developer determines that the water improvements have been completed in accordance with the approved plans and specifications, the Developer shall deliver its written request for full release of the security. Upon receipt of such request, the Town shall have 45 days to deliver

written acceptance of the improvements and release of security to the Developer. If the Town determines that the Developer will not construct or complete any or all of the required water improvements within a reasonable period of time, the Town may liquidate and withdraw and employ from the deposit of collateral such funds as may be necessary to construct or complete the improvements necessary to provide water service to Customers within the development.

C. The Town reserves the right to terminate the water improvements guaranty exemption if a surety bond provided to another public entity is prematurely released and the Town determines the necessary water improvements are not complete.

7.4.2 Construction Inspection and Observation: The Developer shall retain, at its sole expense, a licensed professional engineer for appropriate on-site inspection to ensure that all water improvements are constructed in accordance with the approved plans and specifications. The Developer shall be responsible for payment of any construction observation fees the Town incurs including, without limitation, the costs of reasonable review of drawings and specifications, meetings, inspections, administration, and any other time reasonably required of the Town Engineer, attorney, or other authorized representative.

7.4.3 As-Built Drawings: The Developer shall submit, at its sole cost reproducible As-Built Drawings prepared and submitted according to the specifications and procedures set forth in the Code, GIS location data for the Water Main, a video inspection of the Water Main interiors and written reports of lamp tests, vacuum tests and all other tests required by the Town (collectively referred to as "Inspection Report") and a summary of the Developer's actual costs incurred for the improvement project. No Water Main extension project shall be approved, and no Water Mains shall be accepted until the Town receives and approves satisfactory As-Built Drawings and Inspection Report. The Town may deny service through any Water Main extension until the above requirements have been met and the Board accepts the Water Main extension.

A. In addition to the deposit required for line extension project costs, the Developer shall deposit with the Town the amount set forth by the Rate and Fee Schedule in Appendix A, to ensure that the As-Built Drawings and Inspection Report are submitted to and approved by the Town. The Board shall determine the amount of the As-Built Drawings deposit based on the Town Engineer's drawing preparation cost estimate for each line extension project. Said Deposit shall not be released back to the Developer until satisfactory As-Built Drawings and Inspection Report are submitted and approved by the Town Engineer.

B. If the Town does not receive satisfactory As-Built Drawings and Inspection Report within 30 days of the completion of construction, the Town shall give the Developer written notice specifying the date, time, and place of a hearing in which the Board will consider forfeiture of the Deposit, and the reasons why forfeiture may be required. The notice shall be mailed to the Developer's last known address at least 10 days before the hearing. At the hearing, the Developer shall be allowed to present testimony and other evidence. If the Board determines that the Developer's failure to submit acceptable As-Built Drawings and Inspection Report is inexcusable, the Deposit shall be forfeited as liquidated damages. Forfeiture of the Deposit shall be ordered by formal written resolution of the Board, and said Deposit shall be used to obtain acceptable As-Built Drawings and Inspection Report of the project. Additionally, the Developer shall be

responsible for any expenses or costs that exceed the Deposit.

7.4.4 Warranty: A Developer's execution of a Line Extension or Connection Agreement with the Town, shall constitute the Developer's warranty of any and all facilities which are conveyed to the Town for a period of two years from the date the Town accepts the facilities. Specifically, but without limitation, Developer shall warrant that:

- A. The title conveyed shall be good and its transfer rightful;
- B. Any and all facilities conveyed shall be free from any security interest or other lien or encumbrance; and
- C. Any and all facilities so conveyed shall be free of any defects in materials or workmanship for a period of two years, as stated above.

7.4.5 Acceptance of Water Main Extensions: Upon the completion of construction, installation, and Connection of a Water Main extension, the Developer shall certify compliance with these Rules and Regulations and request that the Town accept the facilities. The Developer's engineer shall give written confirmation to the Board that such facilities have been constructed and installed in accordance with these Rules and Regulations, the approved plans and specifications, and applicable provisions of federal, state, county, and local laws. Upon satisfactory completion of the above requirements, the Town may formally accept the Water Main extension. The Town shall have no obligation to provide water service to Developer until acceptance and dedication. The Developer shall, upon the Town's acceptance, convey such lines and all appurtenances to the Town, free and clear of all liens and encumbrances, by bill of sale.

7.5 Special Structures: Special structures required to ensure proper operation of line extensions shall be constructed from designs as approved by the Town Engineer at the Developer's expense.

7.6 Main or Line Extension Construction by the Town: Notwithstanding any provision of this Article, the Town itself may, in its discretion, extend mains under such conditions as the Board deems appropriate. The Town shall oversee such line extension projects, and, in conjunction with the Town engineer and attorney, carry out all necessary planning, evaluation of bids, selection of contractors, financing, right-of-way acquisition, inspections and preparation of As-Built Drawings. Where water mains cannot be installed in a street, private drive or common area, and must be installed in easements along adjacent pieces of property, the mains will terminate at point on the line or corner of the property being served which requires the least amount of construction by the Town. The Town reserves the right to impose a Line Extension Fee surcharge payable by Customers utilizing the Water System extensions to recover the Town's actual costs together with interest.

7.7 Extensions of Water Mains to Serve Unplatted Property within the Town: Extension of Main Lines to serve property already in the Town, but not part of a platted subdivision, shall be financed by the Developer or Customer who constructs the extension, subject

to the right of reimbursement as hereinafter provided, as otherwise provided by future agreement, or as provided in Tap Fee Purchase Agreements.

7.8 Extensions of Water Mains Outside the Town's Boundaries: No Main Lines shall be extended outside the Town limits, except with the purpose of servicing property that is within the Town (across islands, or between peninsulas). Exceptions may be granted upon the express consent of the Board under the terms of a revocable permit.

Article VIII **Water Charges, Fees and Rates**

8.1 General. To adequately maintain, preserve, protect and enhance the Water System, the Town must impose and collect Tap Fees, Water System Improvement Fees, Service Charges, Surcharges, Inactive Tap Service Charges, Recovery Fees, Fines for Violation of these Rules and Regulations, together with late charges and interest on delinquencies, and the Town's cost and expenses incurred to collect any amount due, enforce or take any action permitted under these Rules and Regulations including, without limitation the Town's attorneys' fees and costs ("Water Charges"). The Town has a duty to ensure payment of Water Charges from Customers and other Persons that seek to benefit from the Water System. The Board shall establish rates and charges, which shall remain in effect until modified by Resolution of the Board. Nothing contained herein shall limit the Board from modifying rates and charges or from modifying any classification.

8.2 Type of Service: Water service shall be metered by the Town. Unless otherwise stated, rates, charges and fees for water service shall be based on EQRs of service calculated in accordance with the Rate and Fee Schedule in Appendix A. The charge per EQR shall be at the rates in the Fee Schedule, as the same may be amended from time to time.

8.3 Tap Fees: A Tap Fee shall be charged to all Customers prior to any Connection to the Water System and no Connection to the Water System shall be allowed until all required Water Charges have been paid and a Permit has been issued. Tap Fees are non-refundable. Such fees shall be assessed as provided for in the Rate and Fee Schedule at Appendix A, as the same may be amended from time to time.

8.4 Water System Improvement Fees. In order to help offset the financial impacts of new development on the residents of the Town, all new development shall pay a water system improvement fee as provided for in this section.

8.4.1 Water system improvement fees shall be due and payable to the Town upon the earlier of the Town's approval of any land use application, or any building permit application, that requires a Permit to connect to the Water System. Payment of the water system improvement fee shall be a condition of approval for any such land use or building permit application.

8.4.2 The amount of the water system improvement fee shall be set by resolution of the Board of Trustees.

8.4.3 The water system improvement fee shall be based on meter size and calculated as

set forth below. One (1) EQR is the equivalent of one single family dwelling unit.

Meter Size (Inches)	EQR
0.75"	1.00
1.00"	1.67
1.50"	3.33
2.00"	5.33
3.00"	10.67
4.00"	16.67
6.00"	33.33
8.00"	53.33
10.00"	76.67

8.4.4 The Town Manager or their designee has the authority to determine the applicable water system improvement fees based on the amounts adopted by Board resolution, the intent of the fees, and the development's specific configurations or circumstances.

8.4.5 The Town Manager or their designee has the authority to adjust the timing of water system improvement fee collections based on when the meter sizes within the development are known.

8.5 Service Charge: Full service charges, calculated under the Rules and Regulations and EQR Schedule, shall commence and accrue upon the issuance of a temporary certificate of occupancy or certificate of occupancy for the structure being served, whichever first occurs. Each Customer shall be charged a minimum service charge based upon one EQR. The Customer shall be liable for payment of service charges regardless of whether the Customer actually uses the Connection for water service.

8.5.1 Monthly water service charges shall be based on the EQR value applicable to the property and the quantity of water used during that month. The rate structure is set forth in the Rate and Fee Schedule in Appendix A. In addition to the above water service rates, the Customer will be assessed a base rate as set forth in the Rate and Fee Schedule in Appendix A.

8.5.2 Service charges which accrue on or after the date the Certificate of Occupancy is issued shall be due and payable whether or not the premises are occupied. There shall be no right to refund, rebate, or credit for such charges, except as otherwise stated in this Article.

8.6 Surcharges: Where any defined part of a Site's water service depends on a discrete facility or equipment that the Town owns and maintains, the Board may establish and charge such Customers a surcharge. The surcharge shall be based on the pro rata cost to each applicable Customer of the facility or equipment and its operation, maintenance, repair or replacement.

8.7 Main Line Extension Fees: In order to recover the Town's costs incurred extending a Main Line, the Town may charge a Main Line Extension Fee to any Person desiring to connect to the Water System utilizing the Main Line extension.

8.7.1 The Main Line Extension Fee shall be based on the size in acres of the property to be served by the extension, the zoning of the property, the existing and potential uses of the property, the potential EQR demand from the property, and any other similar, relevant factors which the Board believes should be considered in arriving at an equitable reimbursement; provided, however, the collection of Line Extension Fees shall not be construed as an obligation to provide operations, maintenance, repair, or replacement of such Service Line extensions.

8.7.2 The Line Extension Fee shall not exceed the actual cost, including engineering fees, of the extension, including interest. All Line Extension Fees shall be due and payable at the time a Tap Permit is issued or a Line Extension Agreement is executed. The Town may charge an administrative fee for collection and reimbursement of Line Extension Fees. The Town will use its best efforts to collect such fees but shall not be liable for the failure to collect such fees.

8.8 Line Extension Cost Reimbursements: The Town may reimburse a Developer for Line Extension Fees collected on a Water Main constructed by a Developer for a period of five years after the execution and pursuant to the terms of the Line Extension Agreement. Upon application made prior to the termination of the initial five-year period, and upon Town approval, such reimbursements may continue for a maximum of five additional years. The right to such reimbursement shall permanently cease at that time, regardless of the amount of reimbursement received. The reimbursement shall not exceed the Water Main's actual construction cost.

8.9 Cost Recovery Provision in Line Extension Agreements: No Line Extension Fee shall be collected or reimbursed to any Developer unless the Town and Developer have previously entered into a written Line Extension Agreement containing the following provisions:

8.9.1 The amount of each Line Extension Fee to be charged.

8.9.2 The Developer's right to reimbursement by means of the Line Extension Fees.

8.9.3 The Town's procedure for collection of the Line Extension Fees and forwarding them to the Developer, including time limitations, and the Town's right to retain an administrative fee from each Line Extension Fee collected.

8.9.4 The Town's obligation to use its best efforts to collect Line Extension Fees, and the Developer's agreement to not hold the Town liable for non-payment of the Line Extension Fees, or for any failure to collect the same.

8.10 Payment Obligation: All Customers or other Persons benefitting from the Water System are legally obligated to pay the Water Charges. It is imperative for the Water System's proper operation, maintenance and repair that all Water Charges be paid in full and on time. The Town shall deliver statements for Water Charges to Customers no more frequently than monthly but not less frequently than quarterly, or in such other intervals that the Board may establish. Statements shall be sent to the Site Owner unless the Town approves the Owner's written request for statements to be delivered to an occupant.

8.10.1 Except as specifically provided for in these Rules and Regulations, Water Charges

shall be due and payable on the 25th day of the month following the month the statement is issued. Payments will be deemed late if not paid when due.

8.10.2 When a Customer receives service for two or more units that are provided water service through one water meter, only one statement shall be sent for water service for such properties.

8.10.3 Nothing herein shall constitute a waiver of the owner's liability for Water Charges, including penalties and interest, nor a waiver of the Town's statutory lien rights.

8.11 Liability for Nonpayment; Perpetual Lien: All Water Charges shall be paid by the Site Owner. The Town shall not be bound by any agreement between an Owner and occupant concerning payment of Water Charges, regardless of whether the Town has been notified of the agreement. Until paid, all Water Charges shall constitute a first and perpetual lien on or against the property served, and any such lien may be foreclosed in the manner provided by law. The Town shall have the right to collect from any Customer who is delinquent in payment of its account all legal, court and other costs and expenses necessary or incidental to the collection of said account, including reasonable attorneys' fees, filing fees and other costs, and recording fees. A fee in the amount set forth in the Rate and Fee Schedule in Appendix A shall be imposed on any payment tendered to the Town which, upon presentment to the bank for payment, is returned unpaid due to insufficient funds, an overdrawn or closed account, or for whatever reason. Such fee shall accrue each time a check is returned unpaid.

8.12 Miscellaneous Costs and Expenses: Customers shall be responsible for all costs and expenses incident to Service Line installation and Connection shall be borne by the Customer. In addition, Customers shall indemnify the Town for any loss or damage that may directly or indirectly occur as a result of Service Line installation. Town personnel shall not perform Service Line installation or Connection on Fridays, Saturdays, Sundays, or holidays unless written permission is granted by the Town Manager. The fees and charges that shall apply to Town services are listed in the Rate and Fee Schedule in Appendix A.

8.13 Late Charges, Interest and Collection Remedies. Each Water Charge, installment thereof, or other amount due to the Town that is not paid in full when due shall be subject to a late charge of five percent of the amount due, or \$15.00, whichever is greater, for each month or part thereof in which such Water Charge remains unpaid. Additionally, such delinquent amount shall bear interest from the due date at the rate of 12% per annum. If any Water Charges remain unpaid for 90 days or more from the date of the statement, the Town may terminate the Customer's service. Additionally, the Town may enforce the Customer's payment obligations by any and all other lawfully available means, including suits for collection, foreclosure of the Town's lien on the Customer's property, or certification of amounts due to the County Treasurer for collection along with taxes.

8.14 Seller's and Buyer's Responsibilities: The Town assumes no responsibility for agreements between sellers and buyers of property within the Town. The buyer shall be responsible for determining whether appropriate Water Charges have been paid by the seller. Regardless of ownership, any unpaid Water Charges shall constitute a first and perpetual lien on

and against the property and such amounts may be collected pursuant to these Rules and Regulations.

8.15 Waiver. The Board of Trustees may waive any fee, or portion thereof, due hereunder after holding a public hearing thereon if the Board finds there is good cause to do so. In making its determination, the Board may take into account, but is not limited to, considerations of hardship or equity.

Article IX

Violations and Enforcement; Hearing and Appeal Procedures

9.1 Violations: It is unlawful for any Person to violate any of the provisions stated or adopted in these Rules and Regulations. Any Person violating these Rules and Regulations shall be deemed guilty of a misdemeanor, and such Person shall be deemed guilty of a separate offense for each and every day during which any Violation is committed, continued or permitted.

9.2 Fines and Revocation of Service: Unless otherwise specifically stated, any Person that is guilty of a Violation shall be fined in the amount of \$500.00 per EQR for each Violation, or up to one year of imprisonment, or both. Additionally, the Town may revoke water service for any Violation including, without limitation, non-payment of Water Charges. Except as otherwise provided in this Article, the Customer shall be given written notice prior to revocation of water service. Any Person that commits a Violation shall be liable for reimbursement of any and all actual costs or damages the Town incurs as a result of the Violation, including, without limitation, legal and engineering fees.

9.3 Unauthorized Connections or Use: Any Connection to the Water System without first paying the appropriate fees and obtaining the appropriate permits shall constitute a Violation, and each day of such use or Connection shall constitute a continuous or repeat Violation. Any such fines shall be in addition to the Town's right to charge for all services used and shall not limit any and all other remedies which the Town may have. In such circumstances, the Town may require, or carry out immediate disconnection, and shall be entitled to collect any and all of its resulting costs and damages, including the fees set forth in the Rate and Fee Schedule in Appendix A; or the Town may authorize Connection on such terms and conditions as the Town may approve.



Exhibit A
Water Operations Rules and Regulations
Town of Rico

2019

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Article I – General

1.1 Authority. The Town of Rico is a municipality governed by Home Rule Charter adopted May 2nd, 2000. The Town shall have and may exercise all powers, functions, rights and privileges allowed or granted to any municipalities including home rule cities or towns by law except as limited or expressly forbidden by the Charter or the Constitution of the State of Colorado or the United States. All powers of the Town shall be exercised in a manner prescribed by the Charter, or if the manner is not prescribed then as prescribed by ordinance, or if no ordinance exists which is applicable, then as prescribed by statute or other law.

1.2 Purpose. The purpose of these Rules and Regulations is to ensure an orderly and uniform administration of water operations in the Town of Rico, Colorado.

1.3 Policy. The Board of Trustees of the Town of Rico hereby declares that the Rules and Regulations hereinafter set forth will serve a public use and are necessary to promote the health, safety, prosperity, security, and general welfare of the inhabitants of the Town.

1.4 Scope. These Rules and Regulations shall be treated and considered as the comprehensive regulations governing the operations and functions of the water system for the Town of Rico.

1.5 Intent of Construction. It is intended that these Rules and Regulations shall be liberally construed to affect the general purposes set forth herein. No omission or additional material set forth in these Rules and Regulations shall be construed as an alteration, waiver or deviation from any grant of power, duty or responsibility, or limitation or restriction, imposed or conferred upon the Board of Trustees of the Town of Rico by virtue of ordinance, now existing or subsequently amended, or under any contract or agreement existing between the Town of Rico and any other entity. Nothing contained herein shall be so construed as to prejudice or affect the right of the Town to secure the full benefit and protection of any rule or regulation which is now enacted or may subsequently be enacted by the Board of Trustees pertaining to the affairs of the Town.

1.6 Amendment. It is specifically acknowledged that the Town of Rico has the power and authority to amend these Rules and Regulations from time to time to reflect those changes determined to be necessary by the Board of Trustees of the Town of Rico in their sole discretion. Prior notice of an amendment shall not be required to be provided by the Town.

Article II – Definitions

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

2.1 Applicant. “Applicant” means any person who applies to the Town of Rico for a service connection or service disconnection or other agreement relating to the water system.

2.2 Authorized Plumber. “Authorized Plumber” means a person authorized by the Town of Rico to perform services, which physically affect the water system of the Town.

2.3 Board. “Board” or “Board of Trustees” is defined under Town of Rico Home Rule Charter, Article II.

2.4 Constructor. “Constructor” means the Owner actually paying for the construction of the lines.

2.5 Contractor. “Contractor” means any person, firm or corporation engaged to perform work on the water system on behalf of either a customer or the Town of Rico.

2.6 Customer. “Customer” means any person, company, partnership, corporation, or similar entity authorized to connect to and use the Town of Rico’s water system under a permit issued by the Town.

2.7 Dwelling Unit. “Dwelling Unit” is defined under Rico Land Use Code (RLUC) Article 910 as may be amended from time to time.

2.8 Equivalent Dwelling Unit. “Equivalent Dwelling Unit” or “Single Family Equivalent Dwelling Unit” means a use, which is estimated to have an impact upon the water system equal to that of the average dwelling unit.

2.9 Inspector. “Inspector” means that person under the direction of the Town Manager who shall inspect the water system and all facilities of the Town of Rico or customers to ensure compliance with the Rules and Regulations.

2.10 Main Line. "Main Line" or "Main" means any line used as a conduit for water in the Town of Rico's water system and owned by the Town.

2.11 Owner. "Owner" shall mean the person or persons, entity or entities, who own of record, according to the real property records of Dolores County, Colorado, fee simple title to a Site located within the Town of Rico.

2.12 Permit. "Permit" means the written permission to connect to the water system of the Town of Rico pursuant to the Rules and Regulations and shall be revocable upon the change of use of the property being served.

2.13 Person. "Person" means any individual, firm, partnership, corporation or other entity of any nature, whether public or private.

2.14 Rules and Regulations. "Rules and Regulations" means the Rules and Regulations of the Town of Rico including all amendments and policies as set forth in the minutes, ordinances and resolutions.

2.15 Service Line. "Service Line" means any pipe, line or conduit less than or equal to 4 inches in diameter, as approved by the Town of Rico, used, or to be used to provide water service from the water main to a building, whether the pipe, line or conduit is connected or not. Service lines shall be owned, maintained and repaired by the Customer(s) being served by the Service Line. Stub-outs shall become part of the respective service line at the time of payment of the Tap Fee by the Owner.

2.16 Shall / May. Whenever "shall" is used herein, it shall be construed as a mandatory direction; whenever "may" is used herein, it shall be construed as a permissible, but not mandatory, direction.

2.17 Site. "Site" shall mean each parcel of real property, together with all improvements thereon, within the Town of Rico the fee simple interest of which may be conveyed in its entirety to a third party without violating the subdivision regulations of the Town, as in effect from time to time. If authorized by the zoning, subdivision and building codes of the Town, one Accessory Housing Unit may be incorporated into the main Dwelling Unit constructed on the Site.

2.18 Stub-Out. "Stub-Out" means any connection to a main line which extends from the main line and which is intended to facilitate the connection of a Service Line to the water system. Stub-outs shall become the property of the Owner at the time of paying the Tap Fee.

2.19 Tap or Connection. "Tap" or "Connection" means the connecting of the service line to the water system, either directly to a public main line, or stub out from the main line whether or not actually connected to the structure's water system. All taps shall

- i. be buried a minimum of six (6) feet, eight (8) feet preferable below the final grade, and
- ii. be installed, bedded and compacted pursuant to Town of Rico specifications. All corporation stops (tap valves) shall be of a type "compression," 300psi maximum, ball style with lock wing. No "flair" style shall be allowed
- iii. residential service lines shall be $\frac{3}{4}$ " HDPE (PEX) or equivalent approved by the Town of Rico, commercial service lines shall be sized according to needed volume of use
- iv. be equipped with a thaw wire, only for copper pipe

2.20 Tap Fee and Connection Charge.

2.20.1 "Tap Fee" means the payment to the Town of Rico of a fee for the privilege of connecting a dwelling unit to the water system.

2.20.2 "Connection Charge" means the payment to the Town of Rico of a charge for the actual physical connection by the Town of a particular use to the water system. The Connection charge is dependent upon the cost of making the actual connection.

2.20.3 "Inspection Charge" means the payment to the Town of Rico a charge for the actual inspection of the physical connection to the water system.

2.21 Town Engineer. "Town Engineer" means that person or firm that has been authorized by the Town of Rico to perform engineering services for the Town.

2.22 Town Manager. "Town Manager" is defined under the Town of Rico Home Rule Charter, Article 4.1.

2.23 Water Main. "Water Main" shall be synonymous with Main Line.

2.24 Water System. "Water System" includes but is not limited to water mains, lines, pumps, tanks, wells, valves, appurtenances, accessories or portion thereof owned and maintained by the Town of Rico.

Article III – Ownership & Operation of Facilities

3.1 Responsibilities of the Town of Rico. Except as otherwise provided by these Rules and Regulations, the Town of Rico is responsible for the water system, which operation and maintenance shall be carried out in accordance with these Rules and Regulations. The Town shall not be liable or responsible for inadequate treatment or interruption of service brought about by circumstances beyond its direct control.

3.2 Liability of Town of Rico. It is expressly stipulated that no claim for damage shall be made against the Town of Rico by reason of the following: breakage of service lines by Town personnel; interruption of water service and the conditions resulting therefrom; breaking of any main, service, pipe, cock, or meter by any employee of the Town; failure of the water supply; shutting off or turning on water mains; damage caused by water running or escaping from open or defective faucets; burst service lines or other facilities not owned by the Town; damage to water heaters, boilers, or other appliances resulting from shutting water off or turning it on, or from inadequate or sporadic pressures or calcification and other problems resulting from hard water or other water chemistry; or for doing anything to the water system deemed necessary by the Board of Trustees or its agents. The Town shall have no responsibility for notification to customers of any of the foregoing conditions. The Town hereby reserves the right to temporarily discontinue service to any Site, at any time, for any reason deemed appropriate by the Board of Trustees or the Mayor or Manager. The Town shall have the right to revoke service to any Site for violations of these Rules and Regulations in accordance with the procedures set forth in these Rules and Regulations.

3.3 Ownership of Facilities.

3.3.1 Town of Rico System. All existing and future mains and treatment works connected with and forming an integral part of the water system shall become and are the property of the Town of Rico unless any contract with the owner or customer provides otherwise. Ownership of the water system will remain valid whether the mains and treatment works are constructed, financed, paid for, or otherwise acquired by the Town, or any other persons.

3.3.2 Customers' Ownership. That portion of all existing or future services lines, including stub-outs, extending from the main line to a Site or dwelling unit that is connected to the Town of Rico's water system is and shall remain the property of the customer. This principle shall not be changed by the fact the Town construct, finance, repair, maintain or otherwise affect the service line and shall not entitle the customer to make unauthorized uses of the Town's systems once the service line has been connected to main line. All uses of the service line or any appurtenances thereto at any time after the initial connection to the Town system shall be subject to these Rules and Regulations.

3.4 Water Meters and Shut-off Valves. Notwithstanding the above Article 3-3, all water meters and shut-off valves shall become and are the property of the Town of Rico. Said ownership shall remain valid whether the meter and/or shut-off valves are installed, financed, paid for, repaired or maintained by an Owner or another person or whether the meters and/or valves are located on a Site. The cost of maintaining, repairing or replacing any meter or valve shall be the obligation of the Owner of the site served by meter or valve and the Town shall have no responsibility or liability for damage to person or property that results from the use or breakage of a meter or shut-off valve.

3.5 Inspection Powers and Authority of Town of Rico Agents. The Town Manager, and other duly authorized employees of the Town of Rico, bearing proper credentials and identification, shall be permitted to enter upon all sites for the purpose of inspecting, observing, measuring, sampling, disconnecting service, testing and performing any other function authorized by the provisions of these Rules and Regulations. Failure to permit such inspections, observations, measurements, sampling and/or testing upon the request the Town shall result in the immediate disconnection of service to the Site of the party failing to permit such activity.

3.5 Modification, Waiver and Suspension of Rules. The Board or Mayor acting on instruction of the Rico Board of Trustees 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 Mayor. Such waiver shall not be deemed an amendment of the Rules and Regulations. No waiver shall be deemed a continuing waiver or the basis for other waivers to either the customer or any other customer.

Article IV – Use of Water System

4.1 Unauthorized Tampering with System

4.1.1 Written Permission Required. No person shall uncover, make any connection with or opening onto, use, alter, or disturb the water system without first obtaining a written permit from the Town of Rico. Unauthorized uses of the water system include, but are not limited to, tapping, connecting, an unauthorized turn-on or turn-off of water service, or a tampering or in any way modifying any meter, even though the same may be located on a privately-owned Site.

4.1.2 No Tampering. No person shall tamper with any portion of the Town of Rico's systems.

4.1.3 Prosecution. Any person who shall violate the provisions of these Rules and Regulations shall be prosecuted to the full extent of the law. Any person violating any of the provisions of these Rules and Regulations shall become liable to the Town of Rico for any expense, loss or damage occasioned by the reason of such violation.

4.2 Responsibilities of Customer

4.2.1 Usage/Maintenance/Repair. Each customer shall notify the Town of Rico prior to any change in the customer's equipment, ownership service or use of the property served by the water system. Each customer shall be responsible for constructing, repairing and maintaining, and all costs thereof, the entire length of the service line serving his property. Service lines shall be constructed in accordance with these Rules and Regulations. Leaks or breaks in the service line shall be repaired within sixteen (16) hours of obtaining knowledge of a leak or from the time of notification of such condition by the Town of Rico. The Town shall shut off the service until the

leaks or breaks have been repaired, and the cost therefor shall constitute a lien on or against the property of such customer to secure payment of such costs.

4.2.2 Cross-Connection and Backflow. Each customer is responsible for complying with the Colorado Department of Health and Environment Cross-Connection and Backflow Regulations.

4.2.3 Stop and Waste Valves. Stop and waste valves are not permitted.

4.2.4 Uninterrupted Pressure. Each person having boilers and/or other appliances on his premises depending on pressure or water in pipes, or on a continual supply of water, shall provide, at his own expense, suitable safety devices to protect himself and his property against a stoppage of water supply or 4.2.5 loss of pressure. The Town of Rico expressly disclaims any liability or responsibility for any damage resulting from a customer's failure to so equip his property.

4.2.5 Loss of Pressure. The Town of Rico expressly disclaims any liability or responsibility for any damage resulting from a customer's failure to so equip his property.

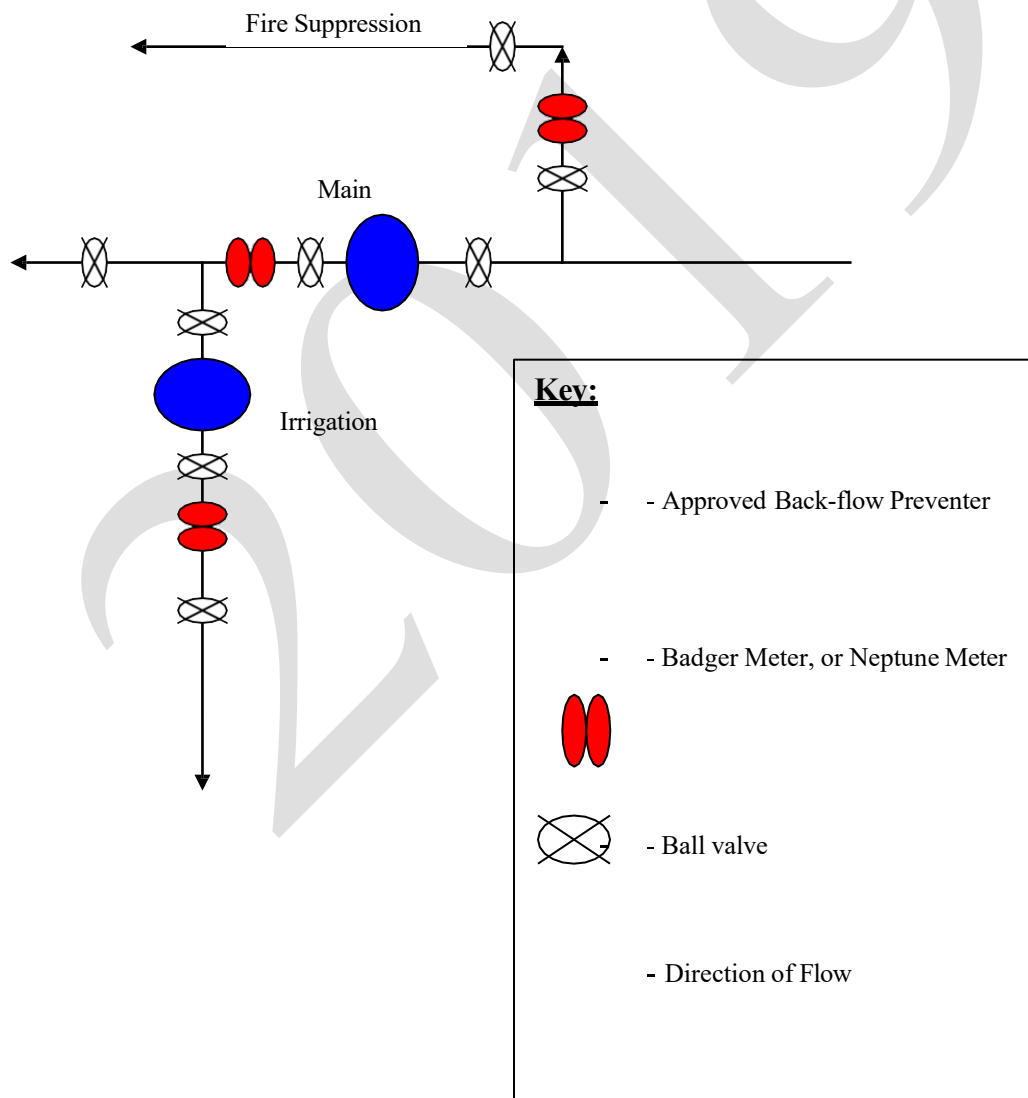
4.2.6 Valve Keys and Hydrant Wrenches. It shall be unlawful for any person other than authorized personnel to have in his possession a hydrant wrench or valve shut-off key. Any personnel of the Town of Rico or the Rico Fire Department is hereby authorized to confiscate any hydrant wrench or valve shut-off key found in the possession of any unauthorized person. Use of fire hydrants is prohibited at all times to anyone except authorized personnel.

4.2.7 Water Meters, Pressure Reducing Valves and Check Valves Required. No connection shall be made to the Town of Rico's system without a pressure reducing valve, water meter and check valve having been installed to serve the subject unit. All water meters shall have devices for remote reading. Meters shall be of the type manufactured by Neptune Meters or an equivalent to coincide with our remote read-out capabilities. All irrigation systems must have a water meter with remote readout in addition to house main water meter with remote readout. Irrigation system meters shall be located downstream of the main meter and shall be separated from the main meter by a shut off valve, plumbed in series, not in parallel as shown in Exhibit 4.2.5a. Prior to installation, the Town shall approve the type of pressure reducing valve and water meter and location of the meter. All water meters shall become and are the property of the Town; ownership

shall remain valid whether the meters are installed, financed, paid for, repaired, or maintained by another person.

4.2.8. Reading Meters. The Town shall, at the customer's expense, have the right to read, test, remove, repair or replace any and all water meters and remotes. It shall be the duty of each customer to notify the Town if his water meter is operating defectively. If any meter shall fail to register in any period, the customer shall be charged the average period consumption during the two highest preceding periods as shown by the meter when deemed by the Town to have been in working order. The Town has the authority to require any meter to be replaced at the customer's expense at any time. Meters showing greater than 1,000,000 gallons shall be replaced.

Exhibit 4.2.5 Meter, Back-flow, shut-off diagram,



*Note: Diagram is meant only as a guide. All plumbing fixtures shall follow International Plumbing Codes and be in accordance with State and Local Guidelines.

Article 5 – Application for Service

5.1 Water Saving Device Required. All new connections are required to install water saving devices as follows:

5.1.1 Toilets. All toilets shall have maximum flush of 1.6 gallons.

5.1.2 Showers. All showers shall have a shower restrictor device installed, which shall have a measured flow, at 60 pounds per square inch, of not greater than 3.20 gallons per minute. The type of toilet and shower restrictor shall be specified on the permit, shall be subject to approval by the Rico Board of Trustees, and may not be modified or replaced without the approval of the Board of Trustees.

5.1.3 Rain Sensing Device. All irrigation systems shall have a rain-sensing device in use. The type of rain sensing device shall be specified on the permit, shall be subject to approval by the Board, and may not be modified or replaced without the approval of the Rico Board of Trustees.

5.1.4 Water Conservation. Water Conservation efforts such as xeriscaping, native landscaping, and using runoff water as a source for direct irrigation are encouraged. All efforts shall be consistent with Federal, State, and Local guidelines.

5.2 Service Outside the Town of Rico. No service shall ever be provided to property outside of the Town of Rico, except upon the express written approval of the Rico Board of Trustees. Charges for furnishing service outside of the Town of Rico shall be established by contract at the discretion of the Rico Board of Trustees.

5.3 Application for Service. Applications for service must be filed with the Town of Rico on forms provided by the Town and accompanied by appropriate fees prior to any action to connect to the system.

No applications for service or taps shall be approved without the acquisition of a building permit. Only upon authorized written approval of the application and a receipt thereof may a connection to the system be made. The precise location of the water meter and the remote reading device shall be indicated on all applications for service. In addition, the following applies if applicable:

5.3.1 Sprinkler System Applications. If a fire protection water sprinkler system is to be used, a plan of the system is to accompany the application and is subject to the approval of the Town of Rico. All fire sprinkler systems shall meet NFPA requirements and additionally shall meet the requirements of all applicable County and State building and fire protection codes.

5.3.2 Tapping Period. No taps will be permitted or made between November 1 and April 15, without specific, written approval from the Town of Rico; the Town may deny approval for any reasonable purpose.

5.3.3 Accuracy of Information. All information requested on the tap application form must be completed, and a diagram of the stop box location and service lines included. Should any information disclosed on the application prove at any time to be false, or should the applicant omit any information, the Town of Rico shall have the right to:

i re-assess the tap fee originally charged at the rate at which the discovery by the Town of Rico of the false or omitted information occurred,

ii disconnect the service in question,

iii back-charge the Site in question for service fees that may be due and owing, and,

iv charge any other or additional fee or penalty specified in these regulations and any reassessment shall be due and payable, together with any penalties or other additional fees charged, and together with interest at the rate of 12% per annum, calculated per day, on the entire balance, upon and from the date of the original application.

5.4 Denial of Application. The Town of Rico reserves the right to revoke any prior approval of an application before service has been provided, and thereafter for any violation of these Rules and Regulations.

5.5 Moved or Destroyed Buildings. When buildings are moved or destroyed, the original tap authorization shall terminate and reauthorization shall be required prior to re-tapping. Credit shall be authorized for tap fees previously paid with respect to said building. The original tap shall remain in good standing provided uninterrupted payment of the Town of Rico's minimum service charge (as the same may be amended from time to time) is made. If payment of the minimum service charge ceases for any reason, said tap shall be in violation of these Rules and Regulations and the tap shall be terminated. Non-payment after twenty (20) days of the billing shall be considered cessation of payment of the minimum service charge.

5.6 Change in Customer's Equipment, Service or Use of Property. No change in the customer's equipment, service or use of property served shall be made without the prior notification of and approval by the Town of Rico. Any such change in the Town's sole discretion, will increase the burden placed on the water system by the customer shall require a redetermination of the tap fee and monthly service-charge, and a payment by the customer of any additional tap fee and monthly service charge resulting from the redetermination. Subject to Article 5.5 above, tap fees previously paid with respect to the property in question shall be credited against the re-determined tap fee so that only the unpaid portion of any re-determined tap fee shall be due; provided, however, that redetermination resulting in a conclusion that the tap fee, if assessed currently, would be in an amount less than the originally paid shall not result in a refund or credit of any kind to the customer.

5.6.1 Notice and Action. Any customer believed to have changed the equipment, service or use of their property in violation of this section shall be notified of such belief by the Town of Rico and shall be notified of the Town's intent to assess any additional tap, service or unauthorized connection fees, and shall be afforded ten (10) days in which to respond to the Town's notice. Failure to respond as required herein within the ten (10) day period shall be deemed to establish the Town's belief concerning the nature and extent of the change, and such additional tap, service and unauthorized connection fees as are deemed appropriate by the Town shall be assessed against the property in question and shall be collected as provided under these Rules and Regulations. To defer the collection of said fees, and as a prerequisite to the right to hearing as provided for and described in Section XI of these Rules and Regulations, any response by the

customer must, in addition to being provided in ten (10) days, include permission to make an inspection of the property in question as the Town's representatives deem necessary to clearly establish the nature of equipment, service and use of the property in question; any such inspection shall occur with seventy-two (72) hours of the receipt of the customer's response by the Town. Any connection, enlargement, or change shall be deemed an unauthorized connection.

5.6.2 Requirement to Upgrade. Any customer requesting renovation through the Town of Rico, change in equipment, service or use of their property shall be required to upgrade meters, meter readouts or radio transmitters, backflow prevention devices, and PRVs to current rules and regulations standards. Customers shall notify the Town Manager in writing and be inspected by water system personnel before permission is granted.

5.7 Unauthorized Connections and Fees. No person shall be allowed to connect onto the water systems or to enlarge or otherwise change equipment, service or use of property without prior payment of tap fees, approval of application for service, and adequate supervision and inspection of the tap by the Town of Rico employees. Upon the discovery of any unauthorized connection, the then current tap fee for the unauthorized connection shall become immediately due and payable and the property shall automatically be assessed an unauthorized connection fee. The unauthorized connection fee ("Penalty Fee") is an amount equal to three times the then-current tap fee that would be due for property including both the authorized and unauthorized portion of the connection. The Town shall send written notice to the owner(s) of the property benefitted by such connection stating that an unauthorized connection has been made between the owner(s)' property and the water system. The owner(s) shall then have ten (10) days from the date of the notice to pay the Penalty fee. In the event the Penalty Fee is not paid within the ten (10) days, a notice of revocation of service shall be sent and service shall be immediately disconnected pursuant to these Rules and Regulations. Once discontinued, service may be returned to the property only upon receipt by the Town of both the Penalty Fee and any turn-on/turn-off service charges and any other charges that may be provided for the collection of unpaid fees costs and charges of the Town.

5.8 Revocation of Service. Service shall be revocable by the Town of Rico upon non-payment of any valid fees or charges owing to the Town. In the event of non-payment, the customer shall be given written notice of the revocation, which notice shall set forth the reason for the revocation and the amount due. If payment of the outstanding obligation or a request for a hearing with the accompanying deposit is not received by the Town within ten (10) days of the date of mailing of the revocation notice, the Town shall

disconnect the service and the customer shall be assessed the cost of the disconnection. Any deposit for service held by the Town, if any, shall be applied against the outstanding obligation.

5.9 Revocation of Tap Rights. The right to connect to the Town of Rico's system and receive services shall be revocable by the Town upon non-payment of any Town fees owing to the Town, whether or not related to the water system, and remaining unpaid for a period of sixty (60) days, and whether or not the customer owning the right to connect has actually connected to the Town system. Such revocations shall be conducted in accordance with Section 5.8. If the right to connect to the Town's system is revoked, then the customer may reacquire such tap rights only by reapplying for service in accordance with Section 5.3 above and after paying all fees due and owing the Town and the then-current tap fees charged by the Town under these Rules and Regulations.

5.10 Turn-ons/Turn-offs of Service. All turn-ons or turn-offs of water service through a shut-off valve on a service line that has been connected to the Town of Rico's water system shall be performed only by Rico public works personnel regardless of the ownership of the shutoff valve or service line and regardless of the circumstances respecting the turn-on or turn-off. The Town shall assess a single charge of \$75.00 for each such turn-off and turn-on performed. The Town will provide this service only for the following and be notified a minimum of one (1) working day (Monday – Friday) in advance:

5.10.1 for a tap for new construction, one time prior to the occupancy of the building served; or,

5.10.2 for customers requiring service to be turned off for maintenance or repair of a service line. All other requests for a turn-off or turn-on of Town of Rico service may be granted or denied by the Town of Rico in its sole discretion.

Article IV – Construction of Service Lines

6.1 Compliance with Rules and Regulations. The requirements of these Rules and Regulations are applicable to the construction of all service lines.

6.2 Inspection and Tapping Charges. All taps shall be made under the supervision of the Town of Rico, and prior to tapping all service lines shall be inspected by a representative of the Town. All water service lines are to be tested under normal operating pressure. The owners of service lines shall call the

Town for an open ditch inspection of all service lines prior to burying. There shall be a charge for all inspections as determined from time to time by the Rico Board of Trustees.

6.3 Separate Service Lines Required. A separate and independent service line shall be provided for every Site and shall be installed at the expense of the Site owner. Existing service lines may be used in connection with new buildings only when determined by the Town, in its sole discretion, to meet all requirements of these Rules and Regulations. Separately-owned units within a building must have individual shut offs and meters.

6.4 Construction and Connection. Only persons approved by the Town of Rico shall do construction and connection of all service lines. Service stub-ins for residential installations shall terminate with a curb stop at the property line unless the Town approves another location. Meter and yoke shall be located inside buildings with a remote reader on the outside wall designated by a Public Works Representative. The applicant for the connection permit shall notify the Town when the service line is ready for inspection and connection to the Town's main. Agents of the Owner approved by the Town shall make the connection. All contractors, plumbers, and others doing work on any main, service lines, or structures shall comply with applicable Federal, County, State, and local regulations on excavation, backfill, compaction, and restoration of surfacing.

6.5 Revocation of Authorization. The violation of any of these Rules and Regulations, or the Town of Rico's installation specifications, shall constitute sufficient grounds for revocation of the authorization to do work in the Town.

6.6 Water Service Line Construction.

6.6.1 General. All water service line construction shall be done in accordance with these specifications and all other Rules and Regulations of the Town of Rico. The scope of these specifications shall include all water service line installations from the Town's mains to the associated plumbing of the building or any other facility requiring water use.

6.6.2 Licenses and Permits Required. Contractors approved by the Town of Rico shall do all water service installations. A connection permit shall be secured from the Town a minimum of three (3) days prior to construction, at which time the contractor shall:

- i. familiarize himself with the standards and specifications,
- ii. select and obtain approval of the appropriate standard water service installation for the building or facility,
- iii. submit an appropriate set of mechanical plans and
- iv. inform the Town's staff of the intended schedule for construction.

6.6.3 Road Cuts. When a road cut is required for water service, the Owner shall rebuild the road base in accordance with applicable the Town of Rico specifications on excavation, back fill, compaction, restoration of servicing and paving.

6.6.4 Inspections. All work shall be inspected by the Town's Enforcement Official as defined under RLUC, who shall have the authority to halt construction when, in their opinion, the Town's Rules and Regulations for proper construction practices are not being adhered to. Whenever such violation occurs, the Town's Enforcement Official shall order further construction to cease until all deficiencies are corrected; the Town shall give written notice of the deficiencies within forty-eight (48) hours of stopping the work.

6.6.5 Approved for Backfilling. No pipe or service line shall be covered without a Town of Rico representative's approval. Any person making an installation without such approval shall be required, at his expense, to remove all fill, topsoil or any other covering placed over the facility to be inspected.

6.7 Installation

6.7.1 Remote Readout. All water service installation shall include a remote readout meter located above an improved maintained area. The readout shall be of the manufacturer type Neptune, compatible with Neptune Pocket ProReader RF and Neptune MIU radio transmitters or the equivalent. The readout unit shall be installed on the building at a height above the ground and snowpack approved by the Town of Rico. The Town must approve the remote distance from the meter.

6.7.2 Location and Alignment of Service. Water service lines shall be constructed in locations approved by the Town Manager. The water lines shall not be located under any paved driveway or service road without the Town's approval. All water service lines shall have a minimum cover of six (6) feet, preferably eight (8) feet and must be located a minimum of 10' from any sewer service or soil treatment area. No service lines shall be laid parallel to, or within, three (3) feet of any bearing wall, which might be thereby weakened.

6.7.3 Inspection of Meters and Remote Readouts. All meters and remote readouts shall be installed in the presence of a Town of Rico representative. The operational testing of the meter and readout shall be demonstrated at this time. Under supervision of the Town's representative, the water service line is to be pressure tested at normal operating pressure from the water main and checked for leaks.

6.7.4 Service Line and Control Valves. The water service line shall be (HDPE) PEX polyethylene or copper or approved material by an authorized Town of Rico representative. The service line shall have a control valve to which Town of Rico staff will have easy access. The curb stop shall be located on an appropriate improvements survey, a copy of which shall be forwarded to the Town Manager. All service lines and fittings shall be installed to withstand 200 psi.

6.7.4 Pressure Reducing Valves. Individual pressure reducing valves are required on all service lines shall be 400 psi. Pressure reducing valves shall be placed in a location approved by the Town of Rico in front of the homeowner's service equipment.

6.7.5 Excavation. All excavations required for the installation of water service shall be open trench work unless otherwise approved by the Town of Rico. Pipe laying and backfill shall be performed in the manner described in these Rules and Regulations. All excavations for water service installation shall be adequately guarded with barricades and lights so as to protect the public from hazard. Roads, access ways and other public or private property disturbed in the course of the work shall be restored in the manner satisfactory to the Town.

6.7.6 Tapping the Main. The Town of Rico is the sole entity authorized to supervise or make taps on to the Town's water mains. No later than 48 hours prior to tapping, the owner shall notify the Town when the service is ready for inspection and connection to the main.

6.7.7 Backfill Materials. All materials for utility trenches shall meet specified requirements for gradation and other factors defining suitability for intended use. All classes of suitable material shall be free of frozen material, stumps, roots, brush and other organic matter and debris. In addition, material shall meet requirements as detailed below.

- i. **Upper Portion of Trench.** Material placed within one (1) foot of pavement subgrade or the finished surface in unpaved areas shall be soil free from rocks and stones larger than 2½ inches in any dimension.
- ii. **Remainder of Trench.** Soil may contain a limited number of stones smaller than 6 inches in any dimension provided they are dispersed in the surrounding material in a manner to allow specified compaction.
- iii. **Public Highways and Streets.** Materials placed within the limits of paved surfacing, gravel shoulders or shoulder slopes shall be approved by the agency having jurisdiction over highway/street maintenance.
- iv. **Structural Fill and Backfill.** Materials used for structural fill under or around structures shall consist of materials described above and free of stones with any dimension greater than one-half of the specified loose layer thickness. Material shall also be capable of being compacted to a specific density.

6.7.8 Surface Restoration. Paving and improved surfaces or other street improvements removed, damaged or destroyed during construction shall be replaced to the same elevation and alignment with the same type and dimensions as units removed and shall be equal to and consistent with the undisturbed portions of the improvements existing prior to trench excavation. Debris shall be removed from the site of work at the expense of the owner.

6.7.8 Maintenance of Backfill and Surface Warranty. All backfill and surfaces shall be maintained in a satisfactory condition and all places showing signs of settlement shall be filled and maintained during construction and for a period of two (2) years following the completion of construction. When the Town of Rico notifies the applicant that any backfill is hazardous, he shall correct such hazardous condition within 48 hours.

Article VII – Main Line Extensions

7.1 Compliance with Rules and Regulations. The requirements of these Rules and Regulations are applicable to the construction of all main line extensions.

7.2 Main Line Extensions by the Town of Rico. The Town of Rico or a contractor authorized by the Town is solely authorized to construct all main lines within the Town.

7.3 Procedure for Main Line Extension by the Town of Rico. The Town of Rico may construct any main line if the Rico Board of Trustees deems it in the best interest of the Town to do so. All main line extensions, which are so authorized, shall be constructed by the Town or bid and contracted for by the Rico Board of Trustees, with the contractor installing the main lines being responsible to the Board. The Town through its engineer shall supervise all work pertaining to the completion of the subject project including periodic and final payments to the contractor, inspection, and as-constructed drawings.

7.4 Main Line Sizes. Plans for main line extension shall be reviewed by a the Town or the Town designated engineer.

7.4.1 Pipe Size and Spacing. Distribution mains shall be a minimum of 6-inch pipe where the length of the main between branches is less than 800 feet; otherwise a minimum of 8-inch pipe shall be used. All piping shall be looped whenever possible. Where approved by the public works representative, however dead ends may be provided on lengths of less than 300 feet with a permanent blow-off or fire hydrant at the dead-end. Dead-ends on any line that will be tapped for service shall be provided with a temporary blow-off or fire hydrant before being extended. Dead-ends on lines that will not be extended shall be provided with permanent blow-offs or fire hydrants. All properties to be served water shall have a main adjacent to the property. In general, water main shall have a minimum of cover between top of pipe and finished ground surface.

7.4.2 Valve Spacing. Gate valves on all mains shall be placed so that no more than 800 feet of line will be out of service at one time. Valves shall also be placed at each fire hydrant and permanent blow-off. Typically every tee at an intersection will have valves at each branch to allow for the least number of homes to be out of service at one time.

7.4.3 Fire Hydrants. Fire hydrants shall be placed no more than 300 feet apart as measured within the right-of-way, so that each hydrant is easily accessible to fire fighting equipment. In general, locate fire hydrants on street corners. The minimum allowable pipe sizes delivering water to fire hydrants shall be a 6-inch diameter line of a looped network, or an 8-inch diameter on a dead-end system. Design calculations shall be submitted to demonstrate flow and residual pressure at each fire hydrant during a maximum day demand meets Rico Fire Protection District requirements.

Article VIII – Rates and Charges

8.1 General. The information contained in this article applies to all rates, fees, or charges to be levied for the provision of water services. Rates, fees, and charges as herein established are in existence and effect at this time, and shall remain in effect until modified by the Rico Board of Trustees under the provisions of this Ordinance.

8.2 Application of this Article. The rates, fees, and charges, and other information shown herein shall apply only to customers inside the Town, and shall in no way obligate the Town of Rico with respect to services provided outside Rico boundaries.

8.3 Tap Fee. A tap fee shall be a charge to all customers of the Town of Rico, which shall be assessed and paid before a building permit is issued. Tap fees in the Town of Rico shall be as follows:

i. 3/4" water tap	\$ 5,000.00
ii. 1" water tap	\$ 6,000.00
iii. 1 1/4" water tap	\$ 7,000.00
iv. 1 1/2" water tap	\$ 9,000.00
v. 2" water tap	\$10,500.00

8.3.1 Modification. Any tap fee may be modified in any way by the Rico Board of Trustees in their sole discretion.

8.4 Transfer of Tap Fees. No tap fee paid on behalf of one Site, or any portion thereof, may be transferred to any other Site unless:

8.4.1 Common Owner. The owner requesting the transfer is the common owner of the Site for which the tap fee has been paid and the Site to which the transfer of the tap fee, or portion thereof, is being requested.

8.4.2 Accounts Current. The owner requesting the transfer has no outstanding unpaid accounts with the Town of Rico and has previously maintained a good credit record with the Town.

8.4.3 No Prior Connection. The Site to which the tap fee initially applied has never been connected to the Town of Rico's water system

8.4.4 Current Fee Equivalent Due. The owner requesting the transfer shall pay to the Town of Rico the difference between the tap fee which would otherwise be charged on the date the transfer is being sought, and the tap fee previously paid, but in no event shall the Town make a credit or refund. An owner cannot transfer only a portion of the total sum previously paid as a tap fee.

8.4.5 Town of Rico's Discretion. Nothing to the contrary withstanding, approval or denial of a request for a transfer of a tap or fees shall be in the sole discretion of the Town.

8.4.6 Building Permit Required. No water taps may be purchased unless a building permit is issued contemporaneous with the tap purchase.

8.4.7 Right to Municipal Water. The right to Rico municipal water shall vest upon the issuance of the building permit associated with the tap but the tap must be paid within one year of the issuance of the building permit. Money paid for revoked tap fees shall be refunded. The Town reserves the right to deny connection to the Rico municipal water system based upon capacity issues.

8.5 Service Charge. Monthly service charges shall be as follows. Service charges shall begin at the time the connection is made to the system.

8.5.1 Three Hundred Ninety-Six U.S. dollars (\$396) per year minimum for each residential tap holder within the Town of Rico. The \$396 per year minimum residential payment may be paid

monthly at the rate of Thirty-Three dollars (\$33) per month. The minimum payment shall entitle each tap holder to the use of three thousand (3,000) gallons per calendar month.

8.5.2 Seven Hundred Fifty-Six (\$756.00) per year minimum for each commercial tap holder within the Town of Rico. The \$756.00 per year minimum commercial payment may be paid monthly at the rate of Sixty-Three Dollars (\$63.00) per month. The minimum payment shall entitle each tap holder to the use of seven thousand (7,000) gallons per calendar month.

8.5.3 Each residential tap holder shall pay in addition to the minimum monthly fee Five Dollars (\$5) per one thousand (1,000) gallons of water usage above the entitled three thousand (3,000) gallons of water usage for each calendar month.

8.5.4 Each commercial tap holder shall pay in addition to the minimum monthly fee set forth above, Six Dollars (\$6.00) per thousand (1,000) gallons of water usage above the entitled seven thousand (7,000) gallons of water usage for each calendar month.

8.5.5 Each tap holder outside the municipal limits of the Town of Rico shall pay fees for water service at the rate of two times the prevailing rates in the Town.

8.5.6 Monthly service charges shall be suspended during any month(s) in which service through a newly constructed tap to a building prior to its occupancy has been turned-off in accordance with these Rules and Regulations.

8.5.7. Monthly service charges are assessed on a pro-rata per day basis.

8.6 Meter Reading and Billing. Meters shall be read on a monthly basis and bills issued the month following the reading, except during periods of deep snow when meter reading may be impractical. During this period users will be billed a minimum monthly rate based upon that usage for the last 12 months divided by 12 and shall be adjusted when the readings are continued. Bills are payable at the office of the Town Clerk. Bills are delinquent 20 days after the bill is issued by the Town Clerk. An administrative late charge of \$50.00 to defray the cost of additional accounting and record keeping plus interest at 12% per annum on the total outstanding balance and compounded daily, will be charged on all delinquent accounts. The Town of Rico has the right to assess to any customer who is late in payment of

his account, all legal, court, foreclosure, disconnection and other costs necessary to or incidental to the collection of said account.

8.7 Discontinued Service. Water service to a tap holder may be discontinued by the Town when the water assessment for such tap holder is 60 days delinquent.

8.8 Waiver. The Board of Trustees may waive any water fee due, or portion thereof, after holding a public hearing thereon, if the Board of Trustees finds that such waiver promotes the overall intent and purpose of this Ordinance and relieves undue hardship. Reasons to allow waiver of fees include, but are not limited to, reasonable failure to detect a leak causing excessive usage and water usage to flush lines of debris and sediment.

8.9 Lien and Foreclosure. All water assessments and fees, including the minimum monthly charge, shall be a lien against the premises to which said water was delivered from the date the same becomes delinquent until paid and the property owner shall be liable for all water delivered to or taken and used upon that premises. Said lien shall be in addition to any other statutory or equitable lien to which the Town may be entitled. A lien attaching to said premises may be enforced by the Town of Rico in an action at law or in equity and the Town may foreclose such premises and sell the same to satisfy said lien. Tenants in possession shall not relieve the owner or tap holder from any obligation to pay water assessments, and the same shall be the sole responsibility of the property owner. The Town shall not be required to look to any person or entity other than the property owner for the payment of these charges. In the event that legal action must be brought for the enforcement of this Ordinance, the foreclosure of any lien or action, the Town shall be entitled to reasonable attorney's fees and costs of collection and litigation. In its sole discretion, the Town may certify the amount of any water monies owed, penalties and interest owed to the County Treasurer as a delinquent charge to be collected as property taxes against such property.

Article IX – Check Valves, Backflow Preventers and Backflow Prevention

9.1 Check Valve, Backflow Preventer and Backflow Prevention. "Check Valve" shall mean a self-closing device, which is designed to permit the flow of fluids in one direction and to close if there is a reversal of flow.

9.1.2 Backflow Preventer. The Town of Rico requires an approved, testable, Reduced Pressure Backflow Assembly (RPBA) be installed on all new construction and remodels. This requirement may be reduced to an approved, testable, Double Check Valve Assembly (DCVA) at the discretion of a Town representative. All main irrigation lines and pressurized fire suppression systems shall follow UPC code.

9.1.3 Approved Air Gap. Approved Air Gap shall mean a physical separation between the free-flowing end of a potable water supply pipeline and the overflow rim of an open or non-pressurized receiving vessel. To be an air gap approved by the department, the separation must be at least:

- i Twice the diameter of the supply piping measured vertically from the overflow rim of the receiving vessel, and in no case be less than one inch, when unaffected by vertical surfaces (sidewalls); and:
- ii Three times the diameter of the supply piping, if the horizontal distance between the supply pipe and a vertical surface (sidewall) is less than or equal to three times the diameter of the supply pipe, or if the horizontal distance between the supply pipe and intersecting vertical surfaces (sidewalls) is less than or equal to four times the diameter of the supply pipe and in no case less than one and one-half inches.

9.1.4 Installation. All backflow preventers shall be installed as per the manufactures recommendations and in a manner to prevent freezing. RPBA's shall be fitted with a leak shroud and drained to an approved air gap

9.1.5 Testing. All testable backflow preventers shall be tested upon installation, after maintenance or moving of the preventer, and yearly by a certified Backflow Assembly Tester. A copy of these tests shall be submitted to the Town of Rico. The requirement for yearly testing may be waived at the sole discretion of a Town water system representative.

9.1.6 Unapproved Auxiliary Water Supply. At no time shall an unapproved water supply be piped directly into the Town of Rico water system or into a homeowner's home.

Article X - Limitation on Use

10.1 Limitation. The Rico Board of Trustees, in its sole discretion, may require an Owner or Owners to limit the number of gallons of water usage. The limitation on usage shall extend for such period of time as determined by the Rico Board of Trustees. The affected Owner or Owners shall be notified either in person, by telephone or in writing at the address shown in the existing records of the Rico Board of Trustees. Failure to comply with any usage limitation shall result in a fine determined by the Board of Trustees in its sole discretion; the fine shall not exceed the equivalent of \$250.00 per day or 10 cents per gallon, whichever is greater.

Article XI – Hearing and Appeal Procedures

11.1 Application. The hearing and appeal procedures established by this section shall apply to all complaints concerning the interpretation, application or enforcement of the Rules and Regulations of the Town of Rico, as they now exist or may hereafter be amended. The hearing and appeal procedures established by this section shall not apply to the following complaints:

11.1.1 Town of Rico Contracts. Complaints, which arise out of the interpretation of the terms of the Town of Rico contracts.

11.1.2 Personnel Matters. Complaints, which arise with regard to personnel matters, which complaints shall be governed exclusively by the Town of Rico's personnel rules as the same may be amended from time to time.

11.1.3 Other. Any other complaint, which does not concern the interpretation, application or enforcement of these Rules and Regulations of the Town of Rico.

11.2 Initial Complaint-~~Informal~~ Resolution. Complaints concerning the interpretation, application or enforcement of these Rules and Regulations must be presented in writing to the Town Manager, or such representative as he or she may designate. Upon receipt of a complaint, the Town Manager or their representative, after a full and complete review of the allegation contained in the complaint, shall take such action and/or make such determination as may be warranted and shall notify the complainant of the action or determination by mail within thirty (30) days after receipt of the complaint.

11.3 Formal Hearing. In the event the decision of the Rico Town Manager concerning the complaint is deemed unsatisfactory to the complainant, a written request for Formal Hearing may be submitted to the Rico Board of Trustees within fifteen (15) days from the date written notice of the decision mailed. Upon receipt of the request, if it is timely and if any and all other prerequisites prescribed by these Rules and Regulations have been met, the Board of Trustees shall conduct a Hearing at the Board's convenience but in any event not later than sixty (60) days after the submission of the request for Formal Hearing. The Formal Hearing shall be conducted in accordance with and subject to all pertinent provisions of these Rules and Regulations.

11.4 Alter/Amend/Defer or Cancel Interpretation. The Town of Rico Board of Trustees shall determine whether clear and convincing grounds exist to alter, amend, defer or cancel the interpretation, application and/or enforcement of the Rules and regulations that are the subject of the appeal. The decision shall be based upon evidence presented at the hearing. The burden of showing that the required grounds exist to alter, amend, defer or cancel the action shall be upon the complainant.

11.5 Findings. The Rico Board of Trustees shall make written findings and an order disposing of the matter and shall mail a copy thereof to the complainant not later than forty-five (45) days after the date of the Formal Hearing. The decision of the Board shall be final and not subject to appeal.

11.6 No Hearing Required. If the Town of Rico determines that a user is in violation of any of the provisions of these regulations then it may act in any way consistent with these regulations and no hearing shall be required to proceed or authorize such action.

Article XII – Unlawful Acts and Penalties

12.1 Unlawful Acts. It shall be unlawful for any person to tamper with any meter, or to install or use any bypass or other device whereby Rico municipal water may be drawn from the service pipe without being registered by the meter. It shall also be unlawful for anyone other than a Town employee to remove or open any meter vault lid, to lock or seal any meter shutoff or meter vault lid. It shall be unlawful to service more than one dwelling, premises or building with one meter unless permitted by the Board of Trustees.

12.1.2 Tampering. It shall be unlawful for any person to tamper with, climb upon or commit any form of trespass upon any structure or facility of the Town water works, including the diversion tunnel, chlorinating structure and water tanks, or commit any act that could disrupt or contaminate the municipal water supply.

12.1.3 Motor Vehicle Damage. It shall be unlawful for any person to drive motor vehicles upon any section of water line right-of-way from the intake to the supply tank, when the same is posted against such use.

12.1.4 Contamination of System. It shall be unlawful for any person to place, dump, throw, discharge or deposit any material which will in any manner pollute or contaminate the waters of Silver Creek above the intake of the Town of Rico water system, or to allow any polluting or contaminating substance to remain in such a position that such substance may be carried by natural causes into Silver Creek, or fail to comply with any regulations placed in effect by the United States Forest Service for the protection of the municipal watershed.

12.1.5 Transfer of Water Tap. It shall be unlawful for any person, partnership, corporation or other entity to sell, offer for sale, grant option to sell or to lease, rent, encumber or in any manner, dispose of or transfer a water tap separate and apart from the real estate and appurtenant buildings which the tap services.

12.1.6 Water Tap Purchase. Failure to have the water tap connected within one year of the issuance of the building permit associated with the water tap shall result in a forfeiture of any and all amounts paid pursuant this Ordinance.

12.1.7 Other Violations. Notwithstanding the above, any violation of this Code is unlawful and subject to penalties.

12.1.8 Entities. It shall be unlawful for any person, partnership, corporation, limited liability company, or entity to violate any provision of this Ordinance.

12.1.9 Penalties. The violation of any provision of this Ordinance, except non-payment of water fees according to Article VIII, is declared to be a misdemeanor and shall be punished by a fine not to exceed \$1,000 per day for each occurrence. Unless otherwise indicated, each day or portion thereof in

violation of this Ordinance shall constitute a separate offense. Any penalties assessed for violation of this Code is in addition to the turn-on/turn-off fee, or any other fees required under this Code.

12.1.8 Discretion. The Town may, in its discretion, also proceed against any violation or violations of this Ordinance by any person, partnership, corporation, limited liability company, or entity, in a civil action for abatement, injunction, remedies, and these remedies shall be in addition to the criminal penalties provided in this section, damages, specific performance or by a lien, foreclosure, or through other equitable remedies, and these remedies shall be in addition to the criminal penalties provided in this section.

2019



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Town of Rico Digital Accessibility Plan

Date: April 2025

Prepared by: Town Manager

Introduction

The Town of Rico is committed to creating an inclusive digital environment that ensures equal access to its services, programs, and information. This Digital Accessibility Plan has been developed in alignment with Colorado House Bill 21-1110 and in reference to the Americans with Disabilities Act (ADA), Section 508 of the Rehabilitation Act, and the Web Content Accessibility Guidelines (WCAG) 2.1 Level AA.

Our intent is to provide all individuals, regardless of disability or technology used, the same opportunities to engage with digital resources offered by the Town.

Scope

This plan applies to all digital content and services managed or hosted by the Town of Rico. This includes, but is not limited to:

- Public-facing websites and subdomains;
- Digital documents (PDFs, Word documents, spreadsheets, etc.);
- Multimedia content (videos, audio files, and images);
- Applications and online platforms that provide Town services;
- Internal documents made available to the public through Rico's digital platforms.

Each of these areas will be reviewed, monitored, and updated to meet accessibility requirements wherever feasible.

Applicable Laws and Standards

The Town's digital accessibility efforts are guided by the following:

- Colorado House Bill 21-1110 and HB 24-1454, which mandates that public entities achieve digital accessibility compliance by July 1, 2025.
- Americans with Disabilities Act (ADA), which prohibits discrimination based on disability in public services.
- Section 508 of the Rehabilitation Act, which requires accessible electronic and information technology.
- Web Content Accessibility Guidelines (WCAG) 2.1, Level AA, which define criteria for making content more accessible to people with disabilities.

Digital Services Inventory

The Town of Rico maintains several key platforms used by the public, which are included in our accessibility plan. These include:

- townofrico.colorado.gov, the Town's main website and central access point for public services and information.
- Various third-party portals, including those for billing, licensing, permitting, and public records access.
- Digital mapping tools and resources used for zoning, property look-up, and planning.
- Town communication platforms including email bulletins and social media.

All platforms are subject to auditing and updates to ensure compliance with WCAG 2.1 Level AA standards.

Exclusions and Exceptions

While the Town strives for universal digital accessibility, certain content types and circumstances are exempt from strict compliance due to technical limitations, resource constraints, or irrelevance to ongoing public use. In such cases, reasonable accommodations will be provided upon request.

General Content Exclusions

1. Archived Web Content and Documents

This includes digital materials no longer in active use or not updated after March 1, 2025. Examples include:

- Historical agendas, minutes, and packets for the Town Board of Trustees and other public bodies;
- Outdated planning, zoning, and budgeting documents;
- Archived newsletters, brochures, and announcements.

2. Content Not Directly Managed by the Town

Content hosted on third-party platforms or created by external entities is outside the Town's direct control and thus not subject to remediation unless contractual obligations or public need dictate otherwise.

3. Secured or Individualized Content

Password-protected, confidential, or restricted materials provided to specific individuals or groups are excluded, unless public access is requested and reasonable accommodation can be provided.

4. Social Media Content Created Prior to Plan Adoption

Existing posts prior to the adoption of this plan will not be retroactively remediated but may be reformatted upon request.

Special Document Exclusions

The following document types may appear online:

- Blueprints and architectural drawings
- Diagrams where alternative narrative text is already provided
- Complex or atypical images and technical charts
- Handwritten or scanned historical correspondence
- Site plans, development plans, and maps
- Technical drawings or documents with no accessible alternative
- Long-format or complex tables that are replicated elsewhere in a readable form
- Any content the Town identifies as having minimal impact on assistive technology users

In all cases, users may email or call the Town to request reasonable alternative formats, such as audio summaries or in-person assistance, which will be provided when feasible.

Accommodation and Feedback Process

To ensure access for all individuals, the Town provides accommodations for any excluded content. Users may submit requests via email, phone, or in person at Town Hall. Requests will be acknowledged within 7 business days, and a resolution will be proposed within 14 business days in a format accessible to the requestor.

Accessibility Assessment and Tools

To ensure our digital services are accessible to all users, Town of Rico employs a comprehensive array of testing tools and techniques. Recognizing the importance of both automated and manual testing in identifying and addressing accessibility barriers, we utilize the following key tools in our digital accessibility initiatives:

- Allyant – For training and expertise using the CommonLook Suite.
- CommonLook – Specializing in PDF and document remediation, CommonLook tools enable us to ensure all our digital documents are accessible, providing equal access to information for users with disabilities.
- AccessiBe – This tool is utilized for ongoing website and document auditing, offering insights into accessibility, quality assurance, and SEO. AccessiBe helps us monitor our compliance with accessibility standards and improve the user experience across our digital services.
- WAVE and Other Common Accessibility Tools within Chrome – To complement our toolkit, we leverage various accessibility testing tools available as Chrome extensions, such as WAVE. These tools provide immediate feedback on accessibility issues, allowing for quick and effective remediation by our development teams.

Our approach to testing encompasses both automated tools and manual evaluation to cover a wide range of accessibility concerns. By integrating these tools into our development and maintenance processes, we ensure ongoing compliance with accessibility standards and a commitment to providing inclusive and accessible digital experiences for all users.

Audit and Remediation Strategy

Inventory and Prioritization: An inventory of websites, applications, and documents will be maintained and audited using both manual and automated tools. Identified issues will be logged and prioritized for remediation based on severity and user impact.

Remediation and Monitoring: Every accessibility issue will be addressed through a structured plan. Following remediation, testing and monitoring will be conducted to ensure effectiveness and compliance.

Reporting and Feedback Loop: Annual accessibility reports will be developed and reviewed internally. Public feedback will be encouraged through website forms and community engagement to help guide improvements.

Transition Timeline

Task	Deadline	Responsible
Accessibility Assessment	April 2025	Clerk and Town Manager
Website and Platform Remediation	Ongoing	Clerk and Town Manager
Document Accessibility Updates	Ongoing	Clerk and Town Manager
Third-Party Vendor Review	June 2025	Town Manager
Accessibility Statement Posted	May 2025	Clerk and Town Manager
Staff Training Sessions	Ongoing	Clerk and Town Manager
Annual Compliance Monitoring	January 2026 onward	Clerk and Town Manager

Training and Awareness

Training programs will be provided on a recurring basis to ensure staff have the tools and knowledge needed to create and maintain accessible content. Sessions will include:

- General accessibility awareness;
- Hands-on training in document remediation;
- Role-specific best practices;
- Vendor-led workshops;
- Ongoing refreshers and resource updates.

Vendor and Procurement Policies

All contracts for digital services must include clauses that require WCAG 2.1 Level AA compliance. Vendors will be held accountable through regular reporting and may be

subject to penalties for non-compliance. New platforms and tools will undergo accessibility review before implementation.

Continuous Improvement and Future Plans

Rico will continue expanding accessibility initiatives through:

- Future platform upgrades with WCAG 2.2 standards;
- Routine audits and policy updates;
- Enhanced community feedback systems;
- A long-term vision for a universally inclusive digital environment.

Contact Information for Requests and Issues

Clerk's Office – Town of Rico

Phone: 970-967-2861

Email: townclerk@ricocolorado.gov

Address: 2 N Commercial, Rico CO, 81332

Relay Colorado (Deaf/HOH): Dial 7-1-1