

GATEWAY PARK MASTER ASSOCIATION

WATER SYSTEM RULES AND  
REGULATIONS

Approved and Adopted September 26<sup>th</sup>, 2019

## I. PURPOSE AND AUTHORITY

The Declaration provides for the development of a Water System to provide non-potable water service to Owners and Members. The Water Company has transferred the Water System to the Master Association, and the Master Association is now responsible for owning, operating, maintaining, repairing and replacing the Water System and providing raw irrigation water to the Common Elements and Lots in Gateway Park as provided in the Declaration. The Executive Board, acting in accordance with its rights and powers granted by the Declaration, adopts the following Rules and Regulations (“Regulations”) governing the operation of the Water System and the conditions, restrictions and design requirements of Member or Owner maintained irrigation systems connecting to the Water System.

The adoption of the Regulations is intended to provide for the orderly administration of the Water System, and the Executive Board hereby declares that the Regulations serve a public use and are necessary to promote the health, safety, prosperity, security and general welfare of the Members and Owners. Nothing in the Regulations affects any offense or act committed or done, or any obligation, penalty or forfeiture incurred by any Person or under any contract or right established or occurring before the effective date of the Regulations. Nothing contained in the Regulations shall create any right to damages against the Master Association, the Executive Board or its directors, officers, agents, managers or employees for any failure to enforce any or all of the Regulations.

## II. MANAGEMENT

The Water System shall be managed by the Master Association through the Executive Board. No other Person shall have any right to enter upon, inspect, operate, adjust, change, alter, move or relocate any portion of the Water System without the prior written consent of the Executive Board. All inspections, observations, testing and reviews performed by the Executive Board, whether of private premises to insure compliance with the Regulations or of the Master Association’s property and facilities, are performed for the sole and exclusive benefit of the Master Association. No liability shall attach to the Master Association by reason of any such inspections, observations, testing or reviews, or by reason of any denial or issuance of any approval or permit for any work subject to the authority or jurisdiction of the Master Association.

## III. DEFINITIONS

All terms defined in the Declaration of Covenants, Conditions, Restrictions and Easements for Gateway Park Master Association, recorded on May 18, 2004, at Reception No. 2004-0047516 of the Larimer County, Colorado records (the “Declaration”) and used in these Regulations, shall have the same meaning as defined and stated in the Declaration. In addition, the following terms shall have the meanings stated below:

A. “Application” means a written request submitted to the Executive Board for approval to make any POC or change in a POC.

B. “Backflow Preventer” means a mechanical device which prevents the backflow of water from the Irrigation System into the Water System.

C. "Drain Valve" means a valve used to empty water from a lateral or main line of the Irrigation System.

D. "Irrigation System" means a set of components that is designed to carry water from the Water System Main Line to provide irrigation to one or more Lots, which includes the water distribution network (e.g., pipe), control components (e.g., valves and controllers), emission devices (e.g., sprinklers and emitters) and possibly other general irrigation equipment (e.g. quick coupler and Backflow Preventer).

E. "Master Valve" means a valve used to protect the landscape from flooding in case of a ruptured main or malfunctioning downstream valve. The Master Valve is generally installed after the Backflow Preventer and the control valves.

F. "Non-Potable Water" is all non-potable water administered, managed and controlled by the Master Association as part of the Water System.

G. "Point of Connection" or "POC" means the location where the irrigation submain that provides service to one or more Lots is joined to the Water System Main Line.

H. "Pressure Regulator" means a device that maintains constant downstream operating pressure, which is lower than the upstream operating pressure.

I. "Service Line" means any privately owned and maintained pipe, line or conduit to provide irrigation water service from the Water System Main Line to the Irrigation System.

J. "Water System Main Line" means the pipe that provides a conduit for the Water System to carry Non-Potable Water from the water source owned, operated and maintained by the Master Association.

#### IV. CONNECTION OF POC TO WATER SYSTEM

A. Connection of POC Requires Prior Written Approval. No Member or Owner shall make any POC from or for any Service Line or any other line to the Water System Main Line or make any change to or alteration of an existing POC; nor authorize, request or permit any contractor or other Person retained by such Member or Owner to do so; nor otherwise cause any Service Line or other line to be connected in any manner that would permit the conduit of Non-Potable Water from the Water System, in any manner, without first submitting an Application to the Executive Board and receiving the written approval of the Application by the Executive Board.

B. Review of Plans and Specifications. The Executive Board shall consider requests for approval of a POC or any change to a POC only when a Person requesting approval provides the Executive Board a complete Application. A complete Application shall include (i) plans and specifications clearly showing the location of the POC, the manner of the proposed connection of the POC of the Service Line of an Irrigation System to the Water System Main Line, and demonstrate the connection will be performed in a manner that will not damage the Water System Main Line or impair

the rights of any Members and Owners to use the Water System or to make any future POC to the Water System Main Line; and (ii) include a certification by an appropriate qualified professional that the construction, if performed according to the plans and specifications provided with the Application, will satisfy all requirements of the Larimer County Plumbing Code in effect as of the date of construction.

The Executive Board may request alterations or changes to any plans and specifications submitted, including to show the location of or add to the Irrigation System, a Pressure Regulator, Master Valve, Backflow Preventer, and/or a Drain Valve. Should the Executive Board fail to approve or disapprove an Application submitted to it, or to request a supplemental submittal, within thirty (30) days after a complete Application is submitted, the applicant shall resubmit the Application by certified mail, return receipt requested, and, in the event that the Executive Board fails to approve or disapprove a complete Application within thirty (30) days after such resubmission to the Executive Board by certified mail, the same shall be deemed to have been approved, as submitted, and no further action shall be required; provided, however, that the Executive Board shall retain the right, authority and power to require any Member or Owner to make such alterations to the POC as are reasonably necessary to avoid damage or impairment to the Water System.

C. Connection Fee. At the time of submission of the Application, the applicant shall pay the Association a fee in the amount of Two Thousand Five Hundred Dollars (\$2,500.000) (the "Connection Fee"). The Executive Board may use so much of the Connection Fee as is required to pay for or reimburse the Master Association for all costs incurred to review and process the Application. The balance of the Connection Fee shall be retained by the Master Association as a damage deposit to provide security to the Master Association for any damages caused by the Irrigation System to the Water System Main Line or any other component of the Water System for a period of three (3) years from the date of the approval of the Application (the "Warranty Period"). Upon written request, the Executive Board shall provide any interested Member or Owner an accounting of any portion of the Connection Fee retained by the Master Association. The applicant or any Member or Owner having an interest in the Connection Fee shall be responsible to provide the Master Association a correct address or forwarding address, if applicable, for the return of the unused portion of the Connection Fee following the expiration of the Warranty Period. The Executive Board, at its discretion, may reduce the Connection Fee if a written warranty or financial guarantee is provided to the Master Association, in a form acceptable to the Executive Board, agreeing to repair or replace or pay the cost to repair or replace any damage caused by the POC or Irrigation System to the Water System Main Line or any other component of the Water System. Payment of the Connection Fee shall not limit any damages or amounts that the Master Association may recover against any Person responsible for causing any damage to the Water System Main Line or the Water System, as provided in the Declaration.

D. Prosecution of Work after Approval. After approval of any Application, the proposed POC shall be accomplished as promptly and diligently as possible and in complete conformity with all conditions and requirements of the approval. Failure to complete the construction within one (1) year after the date of approval of the Application, or to complete the POC in complete conformance with the conditions and requirements of the approval, shall constitute noncompliance with the

requirement that approval be obtained from the Executive Board; provided, however, the Executive Board, in its discretion, may grant extensions of time for completion.

E. Notice of Completion. Upon the completion of the POC, the applicant shall give a written notice of completion to the Executive Board. Until the date of receipt of such notice, the Executive Board shall not be deemed to have notice of completion.

F. Inspection of Work. The Executive Board, or its duly authorized representatives, shall have the right to inspect any POC prior to or after completion, in order to determine whether the construction is being completed, or has been completed, in compliance with the approval granted.

G. Notice of Noncompliance. If, as a result of inspections or otherwise, the Executive Board finds that a POC has been made without obtaining the approval of the Executive Board, or was not done in substantial compliance with the approval that was granted, or was not completed within one (1) year after the date of approval, subject to any extensions of time granted, the Executive Board shall notify the applicant in writing of the noncompliance, which shall state the noncompliance with specificity reasonably sufficient to provide notice of the violation.

H. Correction of Noncompliance. If the Executive Board determines that a noncompliance exists, the Person responsible for such noncompliance shall remedy or remove the POC within a period of not more than forty-five (45) days from the date of receipt of the notice of noncompliance. If the noncompliance is not cured within such forty-five (45) day period, the Executive Board may, at its option, remove the POC or otherwise remedy the noncompliance; and the Member, Owner and all other Persons responsible for the construction of the POC shall be jointly and severally responsible to reimburse the Master Association, upon demand, for all costs and expenses incurred with respect thereto.

#### V. LIMITATION OF LIABILITY OF MASTER ASSOCIATION

The Master Association shall not be liable or responsible for inadequate service or interruption of Non-Potable Water provided from the Water System. By agreeing to receive Non-Potable Water through the Water System, Owners and Members expressly stipulate that no claim for damages shall be made against the Master Association, the Executive Board or any director, officer or agent thereof, including by reason of the following: (i) breakage of any portion of the Water System resulting in any interruption of service and the conditions resulting therefrom; (ii) damage to any Service Line or any other component of an Irrigation System regardless of the cause, including shutting off or turning on of water, or from inadequate, excessive or sporadic pressures; or (iii) any repair or replacement of any portion of the Water System, as deemed necessary by the Executive Board or its agents. The Master Association reserves the right to terminate service to any user of the Water System for a breach of the Regulations not timely cured. The Master Association shall give written notice to any affected Member or Owner of the Master Association's intention to terminate service. Under no circumstance shall any Member or Owner be entitled to or obtain, claim or assert any perpetual right to irrigation water service from the Water System, and all use of the Water System shall be controlled by and subject to all applicable requirements and restrictions provided in the Declaration and these Regulations.

VI. RIGHT OF ENTRY, INSPECTION AND MAINTENANCE POWERS AND AUTHORITY OF EXECUTIVE BOARD AND ITS AGENTS

Members of the Executive Board and any Persons authorized on behalf of the Executive Board shall be permitted to enter upon any Lot at reasonable times for the purpose of inspection, observation and compliance of these Regulations or any damage or potential damage to the Water System Main Line. The granting of right of entry is a condition precedent and a condition subsequent to the provision of Non-Potable Water from the Water System. Refusal to permit such access may result in the immediate termination of the providing of Non-Potable Water to the Lot and/or may cause additional charges for which the Member or Owner denying access may be liable.

VII. UNAUTHORIZED TAMPERING WITH WATER SYSTEM

A. Unauthorized Use. No unauthorized Person shall uncover, use, alter, disturb or make any connection with, or opening onto, the Water System without first obtaining a written approval from the Executive Board. Unauthorized uses of, or tampering with, the Water System includes, but is not limited to, any unauthorized connection to or use of the Water System Main Line or the modifying of any valves, meters or any other part or component of the Water System.

B. Malicious Damage to System. No Person shall maliciously, willfully or negligently break, damage, destroy, cover, uncover, deface or tamper with any portion of the Water System.

C. Violators Fined. Any Person violating any of the provisions of these Regulations may become liable to the Master Association for payment of a \$1,000.00 fine or fines as otherwise established at the discretion of the Executive Board, plus any expense, loss or damage occasioned by reason of such violation following notice and an opportunity for a hearing. Such costs shall constitute assessments of fees, tolls, charges and other impositions.

VIII. DUTY TO MAINTAIN IRRIGATION SYSTEM

It shall be the responsibility of each Member or Owner installing an Irrigation System that connects to the Water System to maintain the Irrigation System in a manner that does not permit the waste of Non-Potable Water from the Water System. Leaks or breaks in a Service Line or damage to an Irrigation System which, if not repaired, will cause the release, drainage or waste of Non-Potable Water beyond normal usage shall be repaired by the Member or Owner within seventy-two (72) hours of obtaining knowledge of the leak or from the time of notification of such condition by the Master Association. If satisfactory progress toward repairing said leak has not been completed within the same time period, the Master Association may terminate service until the leaks or breaks have been repaired; in addition, the Master Association shall have the right to effect the repair, and the costs therefore shall be paid by the Member or Owner on the Lot(s) where the leak occurred.

IX. WATERING SCHEDULE AND RESTRICTIONS OF USE

In periods of drought or in the event it appears that the unrestricted use of water may endanger the adequacy of supply, the Executive Board may impose reasonable usage restrictions, including hours of operation or limiting, by rotation, the days of the week irrigation is permitted.

X. RATES AND CHARGES

Service charges shall be as reflected in the Schedule of Fees and Charges, attached hereto as **Appendix A**. Service charges will be charged and billed on the 1<sup>st</sup> (first) day of the following month of service being completed. Payment is due within ten (10) days after the billing date. Late payment of service charges shall be subject to the late charges and interest applicable to the late payment of any Assessment or other amount due under the Declaration. Until paid, all fees, rates, penalties or charges shall constitute a perpetual lien on and against the Lot served, the same as an Assessment under the Declaration, which may be foreclosed in the manner provided in the Declaration.

XI. MISCELLANEOUS PROVISIONS

A. Interpretation. Any dispute over interpretation of these Regulations, or concerning their application in any particular case, shall be submitted to the Executive Board, and their decision shall be final and conclusive.

B. Headings. The headings which appear in these Regulations are for the purpose of identification and do not constitute any part of the Regulations.

C. Severability. If any provisions of these Regulations are held invalid for any reason by a court of competent jurisdiction as part of a judgment, judicial decree, court order or otherwise, such adjudication shall not affect, in any manner or particular, any of the provisions contained in these Regulations, and the remaining Regulations shall remain in full force and effect.

D. Supplement to Declaration. The provisions of these Regulations shall be in addition to and in supplement of the terms and provisions of the Declaration. To the extent there is a conflict between these Regulations and the Declaration, the Declaration shall control except that it is the Executive Board's intention that the documents be read together and harmonized to the extent possible for the effective and efficient operation of the Water System and for the benefit of the Members and Owners.

E. Amendment. These Regulations may be amended or supplemented from time to time at any regular or special meeting of the Executive Board at which a quorum is present, by a vote of 67% of the votes present. Any amendment shall be distributed to the Members as provided in Section 3.6 of the Declaration.

**RESOLUTION OF EXECUTIVE BOARD OF  
GATEWAY PARK MASTER ASSOCIATION  
RE: CONNECTION TO WATER SYSTEM**

WHEREAS, the Declaration of Covenants, Conditions, Restrictions and Easements for Gateway Park Master Association was recorded on September 18, 2004, at Reception No. 2004-0047516 of the Larimer County, Colorado records (the "Declaration");

AND WHEREAS, for convenience, the terms defined in the Declaration shall have the same meaning herein as used and defined in the Declaration;

AND WHEREAS, the Water System has been transferred by the Water Company to the Master Association, and the Master Association is responsible for owning, operating, maintaining, repairing and replacing the Water System and providing raw irrigation water to Gateway Park via the Water System;

AND WHEREAS, the Master Association has the right and power to impose conditions and restrictions on the use of the Water System, by contract and/or rules and regulations as determined by the Executive Board to be prudent and appropriate and in the best interests of the Members and Owners, governing the design and operation of irrigation systems connecting to the Water System;

AND WHEREAS, the Master Association has the obligation to establish a rate schedule sufficient to recover from the Members and Owners all expenses for the operation of the Water System, including, the cost of water administration, billing, collection and related charges;

AND WHEREAS, the Executive Board, after proper consideration, has determined that it is necessary, appropriate and in the best interests of the Members and Owners to establish charges, conditions, regulations and restrictions on the connection of any irrigation line to the main line of the Water System;

**NOW, THEREFORE, THE BOARD HEREBY RESOLVES AS FOLLOWS:**

The Board approves and adopts the Gateway Park Master Association Water System Rules and Regulations attached hereto to be effective as of September 26<sup>th</sup>, 2019, which shall be distributed to each of the Members as provided in Section 3.6 of the Declaration.

ADOPTED AND APPROVED this 26<sup>th</sup> day of September, 2019.

EXECUTIVE BOARD:  
GATEWAY PARK MASTER ASSOCIATION,  
a Colorado nonprofit corporation

By   
\_\_\_\_\_  
Chuck Angerman, President

ATTEST:

  
\_\_\_\_\_  
Bart Thompson, Secretary